

## STATE OF MINNESOTA

## SIXTY-NINTH SESSION - 1976

## NINETY-FIRST DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 16, 1976

The House convened at 2:00 p.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Abeln	Doty	Kelly, R.	Nelson	Sieben, M.
Adams, L.	Eckstein	Kelly, W.	Niehaus	Sieloff
Adams, S.	Eken	Kempe, A.	Norton	Simoneau
Albrecht	Enebo	Kempe, R.	Novak	Skoglund
Anderson, G.	Erickson	Ketola	Osthoff	Smith
Anderson, I.	Esau	Knickerbocker	Parish	Smogard
Arlandson	Evans	Knoll	Patton	Spanish
Beauchamp	Ewald	Kostohryz	Pehler	Stanton
Begich	Faricy	Kroening	Peterson	Suss
Berg	Fjoslien	Kvam	Petrafeso	Swanson
Berglin	Forsythe	Laidig	Philbrook	Tomlinson
Biersdorf	Friedrich	Langseth	Pleasant	Ulland
Braun	Fudro	Lindstrom	Prahl	Vanasek
Brinkman	George	Luther	Reding	Vento
Byrne	Hanson	Mangan	Rice	Volk
Carlson, A.	Haugerud	Mann	St. Onge	Voss
Carlson, L.	Heinitz	McCarron	Samuelson	Wenstrom
Carlson, R.	Hokanson	McCauley	Sarna	Wenzel
Casserly	Jacobs	McCollar	Savelkoul	White
Clark	Jaros	McEachern	Schreiber	Wieser
Clawson	Jensen	Menning	Schulz	Wigley
Corbid	Johnson, C.	Metzen	Schumacher	Williamson
Dahl	Jopp	Moe	Searle	Zubay
Dean	Jude	Munger	Setzepfandt	Speaker Sabo
DeGroat	Kahn	Neisen	Sherwood	
Dieterich	Kaley	Nelsen	Sieben, H.	

A quorum was present.

Birnstihl, Fugina, Graba, Kalis and Lemke were excused. Johnson, D., was excused until 2:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. On the motion of Esau the further reading was dispensed with and the Journal was approved as corrected.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 2503, 2608, 1342, 1944, 2201, 2214, 2233, 1444, 1130, 1865, 1997, 1548, 1909, 2489, 2535 and 2356 and S. F. Nos. 1753, 1776, 1821, 1858, 2011, 2037, 2147, 2151, 612, 1624, 1927, 1932, 2056, 2152, 2232, 2251, 100, 175, 1050, 1051, 1570, 1587, 556, 1499, 1619, 1884, 2180, 975, 1786, 1874, 1920, 2379, 1097, 1957, 2078, 2175, 2469, 1191, 2252, 2355, 1792, 1872, 1944, 1998, 2195, 2208, 2365, 2373, 1456, 1615, 1780, 2100, 2174, 2328, 2330, 2370, 1788, 2327, 2381, 1956, 1576, 1822, 429, 916, 1120, 1296, 1636, 1865, 1552, 1740 and 161 have been placed in the members' files.

S. F. No. 2152 and H. F. No. 2305, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

White moved that S. F. No. 2152 be substituted for H. F. No. 2305 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1576 and H. F. No. 1592, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Corbid moved that S. F. No. 1576 be substituted for H. F. No. 1592 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 612 and H. F. No. 518, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Philbrook moved that S. F. No. 612 be substituted for H. F. No. 518 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2147 and H. F. No. 2219, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Jaros moved that S. F. No. 2147 be substituted for H. F. No. 2219 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1792 and H. F. No. 2063, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Parish moved that S. F. No. 1792 be substituted for H. F. No. 2063 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2232 and H. F. No. 2295, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

St. Onge moved that S. F. No. 2232 be substituted for H. F. No. 2295 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 556 and H. F. No. 1377, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except H. F. 1377, page 2, lines 14 to 16 reads:

*"Subd. 2. The words, terms, and phrases defined in clauses 1, 2, 3, 4, 5 and 6, shall, for purposes of section 47.20, be given the meanings subjoined to them;"*

Whereas S. F. No. 556, page 2, lines 15 and 16, reads:

*"Subd. 2. For the purposes of section 47.20 the terms defined in this subdivision have the meanings given them:"*

H. F. No. 1377, page 2, line 22, contains a semicolon, whereas S. F. No. 556, page 2, line 22, contains a period.

S. F. No. 556, page 2, line 23, after "Abstracting" contains a comma, whereas H. F. No. 1377, page 2, line 23, does not.

H. F. No. 1377, page 2, line 24, contains a semicolon, whereas S. F. No. 556, page 2, line 24, contains a period.

H. F. No. 1377, page 2, line 27, contains a semicolon, whereas S. F. No. 556, page 2, line 27, contains a period.

H. F. No. 1377, page 2, line 29, contains a semicolon, whereas S. F. No. 556, page 2, line 29, contains a period.

S. F. No. 556, page 2, lines 31 and 32, the term "actual closing cost" is in quotes, whereas, H. F. No. 1377, page 2, lines 31 and 32 it is not.

H. F. No. 1377, page 3, line 10, contains "; and" whereas S. F. No. 556, page 3, line 10 contains a period.

S. F. No. 556, page 4, line 31, after "amended" contains a comma, whereas H. F. No. 1377 does not.

H. F. No. 1377, page 5, line 23, contains "such" whereas S. F. No. 556, page 5, line 23, does not.

H. F. No. 1377, page 5, line 24, contains "loan" whereas S. F. No. 556, page 5, line 24, contains "loans".

H. F. No. 1377, page 6, line 6, contains "*such*" whereas S. F. No. 556, page 6, line 6, contains "*the*".

H. F. No. 1377, page 8, lines 9 and 10, contains "*residence or multi-family residential building*" whereas S. F. No. 556, page 8, lines 9 and 10, contains "*one to four family, owner occupied residence*".

H. F. No. 1377, page 9, lines 32 to page 10, line 2, contains the language:

"(6) *If any provision of this subdivision is found to be unconstitutional and void, the remaining provisions are expressly made severable.*" whereas S. F. No. 556, does not contain this language.

H. F. No. 1377, page 10, line 3, contains "(7)" whereas S. F. No. 556, page 9, line 32, contains "(6)".

H. F. No. 1377, page 10, line 4, contains "*subdivision 8*" whereas S. F. No. 556, page 10, line 1, contains "*this subdivision*".

H. F. No. 1377, page 10, line 32, reads:

"Sec. 4. *This act is effective on April 1, 1976.*" whereas S. F. No. 556, page 10, lines 29 to 31, reads:

"Sec. 4. *Section 2, subdivision 8, is effective on June 1, 1976. The remainder of sections 1 to 3 is effective on April 1, 1976.*"

In the title, S. F. 556, lines 3 to 6, contains the language "modifying the maximum interest rate that may be charged on certain loans; requiring interest to be paid on certain escrow accounts; providing penalties;" whereas H. F. No. 1377 does not contain this language.

#### SUSPENSION OF RULES

George moved that the rules be so far suspended that S. F. No. 556 be substituted for H. F. No. 1377 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2251 and H. F. No. 2350, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that H. F. No. 2350, page 2, line 5, contains the word "*reasonably*" after "*not*".

Whereas, S. F. No. 2251 does not contain that word.

H. F. No. 2350, page 2, line 8, contains the word "*reasonably*" before the word "*have*".

Whereas, S. F. No. 2251 does not contain that word .

#### SUSPENSION OF RULES

Bryne moved that the rules be so far suspended that S. F. No. 2251 be substituted for H. F. No. 2350 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2011 and H. F. No. 2148, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that H. F. No. 2148, page 1, lines 12 and 15 read:

"Subdivision 1. Weasel, wild cat, (LYNX,) wolves other than timber wolves, foxes, gophers, porcupines, badgers, and all other quadrupeds for which no closed season or other protection is accorded by chapters 97 to 102, are".

Whereas, S. F. No. 2011, page 1, lines 12 to 15 read:

"Subdivision 1. Weasel, (WILD CAT, LYNX, WOLVES OTHER THAN TIMBER WOLVES, FOXES, GOPHERS, PORCUPINES, BADGERS) *bobcat, coyote (brush wolf), fox, gopher, porcupine, badger*, and all other quadrupeds for which no closed season or".

#### SUSPENSION OF RULES

Skoglund moved that the rules be so far suspended that S. F. No. 2011 be substituted for H. F. No. 2148 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1874 and H. F. No. 1970, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except H. F. No. 1970, page 9, lines 13 and 14 reads:

"Sec. 4 [EFFECTIVE DATE.] This act is effective the day after final enactment."

Whereas S. F. No. 1874, page 9, lines 13 and 14, reads:

"Sec. 4. This act is effective the day following its final enactment."

#### SUSPENSION OF RULES

Parish moved that the rules be so far suspended that S. F. No. 1874 be substituted for H. F. No. 1970 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2373 and H. F. No. 2443, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except H. F. No. 2443, page 5, line 1, reads "(OF THE COURT), *if there by one*, assigning the same," whereas S. F. No. 2373, page 5, line 1, reads in part "of the court assigning the same,".

H. F. No. 2443, page 14, lines 29 to 32, to page 19, line 16, contains the language.

"Sec. 11. Minnesota Statutes, 1975 Supplement, Section 524.3-715, is amended to read:

524.3-715 [TRANSACTIONS AUTHORIZED FOR PERSON. REPRESENTATIVES; EXCEPTIONS.] Except as restricted or otherwise provided by the will or by an order in a formal proceeding and subject to the priorities stated in section 524.3-902, a personal representative, acting reasonably for the benefit of the interested persons, may properly:

(1) retain assets owned by the decedent pending distribution or liquidation including those in which the representative is personally interested or which are otherwise improper for trust investment;

(2) receive assets from fiduciaries, or other sources;

(3) perform, compromise or refuse performance of the decedent's contracts that continue as obligations of the estate, as he may determine under the circumstances. In performing enforceable contracts by the decedent to convey or lease land, the personal representative, among other possible courses of action, may:

(i) execute and deliver a deed of conveyance for cash payment of all sums remaining due on the purchaser's note for the sum remaining due secured by a mortgage or deed of trust on the land; or

(ii) deliver a deed in escrow with directions that the proceeds, when paid in accordance with the escrow agreement, be paid to the successors of the decedent, as designated in the escrow agreement;

(4) satisfy written charitable pledges of the decedent irrespective of whether the pledges constituted binding obligations of the decedent or were properly presented as claims, if in the judgment of the personal representative the decedent would have wanted the pledges completed under the circumstances;

(5) if funds are not needed to meet debts and expenses currently payable and are not immediately distributable, deposit

or invest liquid assets of the estate, including moneys received from the sale of other assets, in federally insured interest-bearing accounts, readily marketable secured loan arrangements or other prudent investments which would be reasonable for use by trustees generally;

(6) acquire or dispose of an asset, including land in this or another state, for cash or on credit, at public or private sale; and manage, develop, improve, exchange, partition, change the character of, or abandon an estate asset;

(7) make ordinary or extraordinary repairs or alterations in buildings or other structures, demolish any improvements, raze existing or erect new party walls or buildings;

(8) subdivide, develop or dedicate land to public use; make or obtain the vacation of plats and adjust boundaries; or adjust differences in valuation on exchange or partition by giving or receiving considerations; or dedicate easements to public use without consideration;

(9) enter for any purpose into a lease as lessor or lessee, with or without option to purchase or renew, for a term within or extending beyond the period of administration;

(10) enter into a lease or arrangement for exploration and removal of minerals or other natural resources or enter into a pooling or unitization agreement;

(11) abandon property when, in the opinion of the personal representative, it is valueless, or is so encumbered, or is in condition that it is of no benefit to the estate;

(12) vote stocks or other securities in person or by general or limited proxy;

(13) pay calls, assessments, and other sums chargeable or accruing against or on account of securities, unless barred by the provisions relating to claims;

(14) hold a security in the name of a nominee or in other form without disclosure of the interest of the estate but the personal representative is liable for any act of the nominee in connection with the security so held;

(15) insure the assets of the estate against damage, loss and liability and himself against liability as to third persons;

(16) borrow money with or without security to be repaid from the estate assets or otherwise; and advance money for the protection of the estate;

(17) effect a fair and reasonable compromise with any debtor or obligor, or extend, renew or in any manner modify the terms of any obligation owing to the estate. If the personal representative holds a mortgage, pledge or other lien upon property of another person, he may, in lieu of foreclosure, accept a conveyance or transfer of encumbered assets from the owner thereof in satisfaction of the indebtedness secured by lien;

(18) pay in compliance with section 524.3-805, but without the presentation of a claim, the reasonable and necessary last illness expenses of the decedent (except as provided in section 524.3-806(a)), reasonable funeral expenses, debts and taxes with preference under federal or state law, and other taxes, assessments, compensation of the personal representative and his attorney, and all other costs and expenses of administration although the same may be otherwise barred under section 524.3-803;

(19) sell or exercise stock subscription or conversion rights; consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution, or liquidation of a corporation or other business enterprise;

(20) allocate items of income or expense to either estate income or principal, as permitted or provided by law;

(21) employ persons, including attorneys, auditors, investment advisors, or agents, even if they are associated with the personal representative, to advise or assist the personal representative in the performance of his administrative duties; act without independent investigation upon their recommendations; and instead of acting personally, employ one or more agents to perform any act of administration, whether or not discretionary;

(22) prosecute or defend claims, or proceedings in any jurisdiction for the protection of the estate and of the personal representative in the performance of his duties;

(23) sell, mortgage, or lease any real or personal property of the estate or any interest therein for cash, credit, or for part cash and part credit, and with or without security for unpaid balances (, PROVIDED, HOWEVER, THAT THE HOME-STEAD OF A DECEDENT WHEN THE SPOUSE TAKES ANY INTEREST THEREIN SHALL NOT BE SOLD, MORTGAGED OR LEASED UNLESS THE WRITTEN CONSENT OF THE SPOUSE HAS BEEN OBTAINED);

(24) continue any unincorporated business or venture in which the decedent was engaged at the time of his death (i) in the same business form for a period of not more than four months from the date of appointment of a general personal representative if continuation is a reasonable means of preserving



the value of the business including good will, (ii) in the same business form for any additional period of time that may be approved by order of the court in a formal proceeding to which the persons interested in the estate are parties; or (iii) throughout the period of administration if the business is incorporated by the personal representative and if none of the probable distributees of the business who are competent adults object to its incorporation and retention in the estate;

(25) incorporate any business or venture in which the decedent was engaged at the time of his death;

(26) provide for exoneration of the personal representative from personal liability in any contract entered into on behalf of the estate;

(27) satisfy and settle claims and distribute the estate as provided in this chapter;

(28) foreclose a mortgage, lien, or pledge or collect the debts secured thereby, or complete any such proceeding commenced by the decedent;

(29) exercise all powers granted to guardians and conservators by sections 525.67 and 525.68."

Whereas S. F. No. 2373, does not contain this language.

In the title, H. F. No. 2443, line 16 contains "524.3-715" whereas S. F. No. 2373 does not.

#### SUSPENSION OF RULES

Lindstrom moved that the rules be so far suspended that S. F. No. 2373 be substituted for H. F. No. 2443 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2174 and H. F. No. 1946, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that H. F. No. 1946, page 1, line 13, after "liquor" contains "*or fermented malt beverages*".

Whereas, S. F. No. 2174 does not contain this language.

H. F. No. 1946, page 2, line 8 reads:

"Sec. 2. *This act is effective on June 1, 1976.*"

Whereas, S. F. No. 2174, page 2, line 8 reads:

"Sec. 2. *This act takes effect on June 1, 1976.*"

## SUSPENSION OF RULES

Anderson, I., moved that the rules be so far suspended that S. F. No. 2174 be substituted for H. F. No. 1946 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2355 and H. F. No. 2503, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except S. F. No. 2355, page 1, lines 11 and 12 contains "(351.12) 43.223" whereas H. F. No. 2503, page 1, line 11, contains "351.12".

H. F. No. 2503, page 1, line 13, contains "*popularly*" whereas S. F. No. 2355 does not.

S. F. No. 2355, page 1, lines 14 and 15, contains the language "*, with the exception of elected employees of the legislature,*" whereas H. F. No. 2503 does not contain this language.

## SUSPENSION OF RULES

Metzen moved that the rules be so far suspended that S. F. No. 2355 be substituted for H. F. No. 2503 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1872 and H. F. No. 2093, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except H. F. No. 2093, page 1, line 17, contains "*this chapter*" whereas S. F. No. 1872, page 1, lines 18 and 19, contains "*sections 256D.01 to 256D.19*".

S. F. No. 1872, page 1, line 20, contains "(FOR THE DELIVERY)" whereas H. F. No. 2093, page 1, line 18, contains "for the delivery".

S. F. No. 1872, page 2, line 1, contains "(AND REGULATIONS)" whereas H. F. No. 2093, page 2, line 1, contains "and regulations".

S. F. No. 1872, page 2, line 4, contains "(AND REGULATIONS)" whereas H. F. No. 2093, page 2, line 4, contains "and regulations".

S. F. No. 1872, page 2, line 19, to page 4, line 5, contains the language

"Sec. 2. Minnesota Statutes, 1975 Supplement, Section 261-21, Subdivision 2, is amended to read:

Subd. 2. (THE COUNTY BOARD MAY SELECT THE HOSPITAL AT WHICH THE) An indigent person (SHALL)

*eligible to receive care under this section shall have free choice in the selection of a hospital for the delivery of medical care.*

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 261.22, Subdivision 2, is amended to read:

Subd. 2. [DUTIES OF COUNTY BOARD.] If upon filing of (SUCH) *the* report and a full investigation of the application the county board shall be satisfied that the case is one which could be remedied by hospital treatment (AND), that (SUCH) *the* afflicted person is financially unable to secure or provide the same for himself and that the persons legally charged with the support and maintenance of (SUCH) *that* person, if any there be, are financially unable to provide (SUCH) hospitalization, the county board may grant or approve (SAID) *the* application. If the county board is not so satisfied, it may take additional testimony or make (SUCH) *any* further investigation (AS) it (SHALL DEEM) *deems* proper and it shall reject any application if it finds that the facts do not merit the expenditure of public money for the relief of (SUCH AFFLICTED) *the* person. Upon (THE APPROVING AND GRANTING SUCH) *approval of the* application (AND THE RELIEF THEREIN PRAYED FOR), the chairman of (SUCH) *the* county board shall arrange for the hospitalization of (SUCH AFFLICTED) *the* person, in a hospital selected by the (COUNTY) *person to be hospitalized*. If the county board shall find that the applicant or the person legally responsible for his support and maintenance is not able to pay in full but is able to pay in part for (SUCH) *the* hospitalization at (SUCH) *the* hospital, the county board may approve (SUCH) *the* application of (SUCH AFFLICTED) *the* person on (SUCH) *any* terms of division of hospital charges and costs as it may deem equitable and just. The county board shall provide for (TAKING SUCH AFFLICTED) *transportation of the* person to the hospital. When a physician certifies that an emergency exists in any case and that he believes that the person suffering is unable to pay for hospitalization (SUCH), *that* person shall be admitted to any (SUCH) hospital *he selects* upon the order of the chairman of the county board or upon the order of the county commissioner of the district in which (SUCH) *the* alleged indigent person resides; and thereafter an investigation shall be made in the manner hereinbefore provided. When a physician certifies in a case of an injury ( ) or an emergency ( ) that immediate surgical or medical treatment is necessary, the patient shall forthwith be admitted to any (SUCH) hospital *he selects* (UPON SAID CERTIFICATE) for a period not to exceed 72 hours; and thereafter an investigation shall be certified and made in the manner provided in sections 261.21 to 261.23.”.

Whereas H. F. No. 2093, does not contain this language.

In the title; S. F. No. 1872, page 1, lines 6 and 7 contains “261.-21, Subdivision 2; and 261.22, Subdivision 2.” whereas H. F. No. 2093, line 6, contains “and 261.21, Subdivision 2.”.

## SUSPENSION OF RULES

Berglin moved that the rules be so far suspended that S. F. No. 1872 be substituted for H. F. No. 2093 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1624 and H. F. No. 1656, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that H. F. No. 1656, page 1, lines 22 and 23 read in part: "*may set the term of office*". Whereas, S. F. No. 1624, page 1, lines 24 and 25 read in part: "*may set the terms of office*".

H. F. No. 1656, page 4, lines 4 to 6 read: "income for admission of families any maximum which is (LESS THAN) either: (a) the maximum net family income computed under this subdivision; (OR) (b) the maximum net family income". Whereas, S. F. No. 1624, page 4, lines 3 to 5 read: "income for admission of families any maximum which is less than either: (a) the maximum net family income computed under this subdivision; or (b) the maximum net family income".

Further, the title of H. F. No. 1656, line 4, after "legislation;" reads: "making loans and grants and renting housing to tenants;". Whereas, S. F. No. 1624 does not contain this language in its title.

S. F. No. 1624, page 1, line 2 of the title, after "redevelopment;" reads: "permitting coinciding terms of office for city council members of a municipality who are appointed commissioners of a municipal housing and redevelopment authority;". Whereas, H. F. No. 1656 does not contain this language in its title.

## SUSPENSION OF RULES

Kroening moved that the rules be so far suspended that S. F. No. 1624 be substituted for H. F. No. 1656 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1932 and H. F. No. 2224, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that H. F. No. 2224, page 1, lines 10 to 12 read:

"[47.096] *If a deposit including a savings certificate and a certificate of deposit other than a demand deposit, as defined in section 48.51, is automatically renewable by its*".

Whereas, S. F. No. 1932, page 1, lines 10 to 12 read:

"[47.096] *If a deposit for a term of one year or more, including a saving certificate and a certificate of deposit, is automatically renewable by its own terms if not*".

H. F. No. 2224, page 1, line 22, after "renewal." contains the following language: "*Failure to give the prescribed notice invalidates any automatic renewal provision. This notice procedure applies to all nondemand deposits created or renewed from and after July 1, 1976.*".

Whereas, S. F. No. 1932 does not contain this language.

#### SUSPENSION OF RULES

Luther moved that the rules be so far suspended that S. F. No. 1932 be substituted for H. F. No. 2224 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1920 and H. F. No. 2257, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except H. F. No. 2257, page 1, lines 21 to 25, and page 2, lines 1 and 2, contains the language

*"(b) Direct public agencies to offer appropriate human services to the child or to any member of the child's family if that family member is amenable to receiving these human services. For the purposes of this clause, "member of the child's family" or "family member" means the child's relative, guardian, or custodian living in the same household with the child;"*

Whereas S. F. No. 1920 does not contain this language.

H. F. No. 2257, page 2, line 3, contains "'((B)) (c)" whereas S. F. No. 1920, page 1, line 18, contains "(b)".

H. F. No. 2257, page 2, line 12, contains "'((C)) (d)" whereas S. F. No. 1920, page 2, line 3, contains "(c)".

H. F. No. 2257, page 2, line 28, contains "'((D)) (e)" whereas S. F. No. 1920, page 2, line 19, contains "(d)".

H. F. No. 2257, page 3, line 3, contains "'((E)) (f)" whereas S. F. No. 1920, page 2, line 26, contains "(e)".

H. F. No. 2257, page 3, line 7, contains "'((F)) (g)" whereas S. F. No. 1920, page 2, line 30 contains "(f)".

H. F. No. 2257, page 3, line 12, contains "'((G)) (h)" whereas S. F. No. 1920, page 3, line 3, contains "(g)".

H. F. No. 2257, in the title, lines 2 to 5, contains the language "authorizing the court to direct public agencies to offer appropriate social services under certain circumstances to members of the child's family," whereas S. F. No. 1920, in the title, does not contain this language.

## SUSPENSION OF RULES

Nelson moved that the rules be so far suspended that S. F. No. 1920 be substituted for H. F. No. 2257 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1998 and H. F. No. 2086, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that H. F. No. 2086, page 1, line 15, contains the words "*by precinct*" after "*lists*".

Whereas, S. F. No. 1998 does not contain that language.

S. F. No. 1998, page 2, line 9, contains the word "*precinct*" before "*list*".

Whereas, H. F. No. 2086 does not contain that word.

S. F. No. 1998, page 2, line 21, after "*cost*" contains "*to the auditor*".

Whereas, H. F. No. 2086 does not contain that language.

## SUSPENSION OF RULES

Tomlinson moved that the rules be so far suspended that S. F. No. 1998 be substituted for H. F. No. 2086 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1957 and H. F. No. 2037, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that H. F. No. 2037, page 1, lines 21 and 22 read: "*department of public welfare a claim for reimbursement, cost report or rate application which he knows to be false in*".

Whereas, S. F. No. 1957, page 1, lines 22 and 23 read: "*state agency a claim for reimbursement, a cost report, or a rate application which he knows to be false in whole or in*".

S. F. No. 1957, page 2, line 3, contains "*of medical care*" after "*vendor*".

Whereas, H. F. No. 2037 does not contain that language.

S. F. No. 1957, page 2, lines 6 to 18 contains the following language:

"Sec. 2. Minnesota Statutes, 1975 Supplement, Section 256B.12, is amended to read:

256B.12 [LEGAL REPRESENTATION.] The attorney general or the appropriate county attorney appearing at the di-

reaction of the attorney general shall be the attorney for the state agency, and the county attorney of the appropriate county shall be the attorney for the local agency in all matters pertaining hereto. *To prosecute under this chapter or sections 5 and 6 of this act, or to recover payments wrongfully made under this chapter, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general may institute a criminal or civil action."*

Whereas, H. F. No. 2037 does not contain this language.

H. F. No. 2037, page 2, lines 14 to 16 read:

*"Subd. 2. All reports as to the costs of operations or health care services provided submitted by medical vendors for use in determining their rates or reimbursement shall be"*.

Whereas, S. F. No. 1957, page 2, lines 27 to 29 read:

*"Subd. 2. All reports as to the costs of operations or of medical care provided which are submitted by vendors of medical care for use in determining their rates or"*.

H. F. No. 2037, page 2, lines 20 to 23 read:

*"Subd. 3. The commissioner of public welfare shall be allowed access to all medical records of medical assistance recipients solely for the purposes of investigating whether or not: (a) a vendor of medical care actually provided the"*.

Whereas, S. F. No. 1957, page 3, lines 1 to 8 read:

*"Subd. 3. The commissioner of public welfare may have access to medical records of medical assistance recipients only with the written consent of the recipient who is the subject of the records or his guardian, if one has been appointed. Such consent may not be a condition of eligibility for medical assistance under this chapter. Access to the records shall be solely for the purposes of investigating whether or not: (a) a vendor of medical care"*.

H. F. No. 2037, page 2, lines 25 to 27 read in part: *"necessary; or (c) a vendor has submitted a claim for reimbursement, cost report or rate application which he knows to be false in whole or"*.

Whereas, S. F. No. 1957, page 3, lines 11 to 13 read: *"necessary; or (c) a vendor of medical care has submitted a claim for reimbursement, a cost report, or a rate application which he knows to be false in whole or in part."*

H. F. No. 2037, page 2, line 29, has quotation marks around the words *"review organization"* whereas, S. F. No. 1957 does

not have these quotation marks around those same words.

H. F. No. 2037, page 2, line 32 to page 3, line 3 reads: "*Notwithstanding any other law to the contrary, a vendor of medical care shall not be subject to any civil or criminal liability for providing access to medical records to the commissioner of public welfare pursuant to this subdivision.*".

Whereas, S. F. No. 1957, page 3, lines 17 to 22 read in part: "*Access to the medical records of medical assistance recipients solely for the purposes specified under this subdivision shall not affect the status of the records as confidential records within the meaning of Minnesota Statutes, Section 15.162, Subdivision 2a.*".

H. F. No. 2037, page 3, lines 14 and 15 read: "*awarded shall include three times the payments which result from the false representation together with costs and*".

Whereas, S. F. No. 1957, page 4, lines 1 and 2 read: "*awarded shall include three times the payments which resulted from the false representation, together with costs*".

H. F. No. 2037, page 3, line 22, reads in part: "*cost report or rate application,*".

Whereas, S. F. No. 1957, page 4, line 9, reads in part: "*cost report or a rate application,*".

H. F. No. 2037, page 3, lines 24 and 25 read in part: "*Chapter 256B, to the department of public welfare,*".

Whereas, S. F. No. 1957, page 4, line 11 reads in part: "*Chapter 256B, to the state agency,*".

H. F. No. 2037, page 4, line 30 reads: "*reimbursement, cost report or rate application used to*".

Whereas, S. F. No. 1957, page 5, line 17 reads: "*reimbursement, a rate application, or a cost report used to*".

H. F. No. 2037, page 4, line 31, has the word "*services*" after "*medical*".

Whereas, S. F. No. 1957, page 5, line 18, has the word "*care*" following "*medical*".

S. F. No. 1957, page 5, line 20, has the word "*and*" following "*intentionally*"; whereas H. F. No. 2037 does not contain that word.



Further, the title of S. F. No. 1957, page 1, line 6, contains "providing for a penalty;" ; whereas, H. F. No. 2037 does not contain that language in its title.

Page 1, lines 8 to 10 of H. F. No. 2037 read: "Chapters 256B, by adding a section; and 609, by adding a section; Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2."

Whereas, lines 8 to 11 of the title of S. F. No. 1957 read in part: "Chapters 256B and 609, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 256B.12 and 609.52, Subdivision 2."

#### SUSPENSION OF RULES

Swanson moved that the rules be so far suspended that S. F. No. 1957 be substituted for H. F. No. 2037 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1456 and H. F. No. 1342, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that H. F. No. 1342, page 1, line 11, the headnote reads: "[SOIL AND WATER COMMISSION.]" ; whereas, S. F. No. 1456, page 1, line 12, the headnote reads: [SOIL AND WATER CONSERVATION COMMISSION.]".

H. F. No. 1342, page 3, lines 27 and 28 read in part: "*resources shall in agreement with the state soil*"; whereas, S. F. No. 1456, page 3, lines 29 and 30 read in part: "*resources shall, subject to approval of the state soil*".

S. F. No. 1456, page 3, line 31 contains a comma after the word "*commission*"; whereas, H. F. No. 1342 does not contain this comma.

H. F. No. 1342, page 5, line 7 reads in part: "*(1) To prepare and present*"; whereas, S. F. No. 1456, page 5, line 9 reads in part: "*(1) Prepare and present*".

H. F. No. 1342, page 6, lines 2 and 3 read: "*(5) To require annual reports from districts and other special reports as requested by the commission,*"; whereas, S. F. No. 1456 does not contain this language.

H. F. No. 1342, page 6, line 4 reads in part: "*(6) To approve or disapprove*"; whereas, S. F. No. 1456, page 6, line 4 reads in part: "*(5) Approve or disapprove*".

Accordingly, because H. F. No. 1342 has an additional clause in this section, it has 9 clauses; whereas, S. F. No. 1456 has 8.

## SUSPENSION OF RULES

Wenstrom moved that the rules be so far suspended that S. F. No. 1456 be substituted for H. F. No. 1342 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1499 and H. F. No. 1548, which had been referred to the Chief Clerk for comparison, were examined and found identical except S. F. No. 1499, page 1, lines 25 and 26, contains "*to make rules, regulations or general policy.*" whereas H. F. No. 1548, page 1, line 28, contains "*to make rules.*"

S. F. No. 1499, page 1, line 28, contains "*regulations or policies in specific instances,*" whereas H. F. No. 1548, page 1, line 30, does not contain this language.

S. F. No. 1499, page 2, line 19 to page 4, line 3 contains the language:

"Sec. 3. Minnesota Statutes 1974, Section 10A.01, Subdivision 7, is amended to read:

Subd. 7. "Contribution" means:

(a) A gift, subscription, loan, advance, the providing of supplies, materials or equipment, or deposit of money or anything else of value made to influence the nomination for election or election of a candidate to office *except a loan of money by a national or state bank made in accordance with applicable banking laws and regulations and in the ordinary course of business, which shall be considered a loan by each endorser or guarantor in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors;*

(b) A transfer of funds between political committees or political funds; or

(c) The payment of compensation for the personal services of another person which are rendered to a candidate, political committee or political fund to influence the nomination for election or election of a candidate to office by any person other than that candidate, political committee or political fund.

"Contribution" does not include services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee or political fund, or coverage by news media, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments.

Sec. 4. Minnesota Statutes 1974, Section 10A.01, Subdivision 10, is amended to read:

## Subd. 10. "Expenditure" means:

(a) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made for the purpose of influencing the nomination for election or election of any candidate to office *except a loan of money by a national or state bank made in accordance with applicable banking laws and regulations and in the ordinary course of business*; or

(b) A transfer of funds between political committees or political funds.

"Expenditure" does not include: (a) Services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee, or political fund; or (b) expenses incurred by a member of the legislature or a person holding constitutional office in the executive branch, in performing services for constituents. The commission shall have the power to determine whether the expense was incurred primarily for the purpose of providing a constituent service or is an expenditure within the meaning of this subdivision.

Whereas H. F. No. 1548 does not contain this language.

H. F. No. 1548, page 2, line 20 to page 4, line 11 reads:

"Sec. 3. Minnesota Statutes 1974, Section 10A.01, Subdivision 11, is amended to read:

## Subd. 11. "Lobbyist" means any:

(a) Individual who is engaged for pay or other consideration or is authorized by another person to spend money for the purpose of attempting to influence legislative or administrative action by communicating with public officials;

(b) Officially designated (REPRESENTATIVES) *representative* of any person or association which has as a major purpose the influencing of legislative or administrative action who attempt to influence an action by communicating with public officials; or

(c) Individual *acting on his own behalf* who spends more than \$250, not including traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating with public officials:

"Lobbyist" does not include *any*:

(a) (A) public official or employee of the state or any of its political subdivisions or public bodies acting in his official capacity;

(b) (PARTIES AND THEIR REPRESENTATIVES) *Party or his representative* appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is (ACTING IN A NON-MINISTERIAL CAPACITY) *taking administrative action*;

(c) (INDIVIDUALS) *Individual* in the course of selling goods or services to be paid for by public funds; (OR)

(d) News media or their employees or agents (, BUT ONLY WHILE) acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments or paid advertisements which directly or indirectly urge official action;

(e) Paid expert (WITNESSES) *witness* whose testimony is requested *either* by the body before which (THEY ARE) *he* is appearing or one of the parties to a proceeding, but only (WHILE ACTING IN THE ORDINARY COURSE) *to the extent* of preparing or delivering testimony;

(f) *Stockholder of a family farm corporation as defined in section 500.24, subdivision 1, who does not spend over \$250, excluding travel expenses, in any year in communicating with public officials; or*

(g) *Officer or employee of any corporation, cooperative, partnership, or other business who is not engaged as or officially designated as its lobbyist and who spends not over five hours in any month or not over \$250 excluding travel time and expense in any year in communicating with public officials.*

Sec. 4. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 19. "Office holder" means an individual who holds any statewide or legislative office, except a federal office for which candidates are required to report under federal laws, state supreme court justice or district court judge."*

Whereas S. F. No. 1499, page 4, line 4 to page 5, line 29, reads: "Sec. 5. Minnesota Statutes 1974, Section 10A.01, Subdivision 11, is amended to read:

*Subd. 11. "Lobbying" means any attempt to influence legislative or administrative action by communicating with public officials or by urging others to communicate with public officials.*

"Lobbyist" (MEANS) *includes any:*

(a) (INDIVIDUAL) *Person, including any public official except a member of the legislature, who (IS ENGAGED) en-*

*gages in lobbying (i) in the course of his regular employment, or (ii) for pay or other consideration, or (iii) when such person is authorized by another person to spend money for (THE PURPOSE OF ATTEMPTING TO INFLUENCE LEGISLATIVE OR ADMINISTRATIVE ACTION BY COMMUNICATING WITH PUBLIC OFFICIALS) lobbying purposes;*

((B) OFFICIALLY DESIGNATED REPRESENTATIVES OF ANY PERSON OR ASSOCIATION WHICH HAS AS A MAJOR PURPOSE THE INFLUENCING OF LEGISLATIVE OR ADMINISTRATIVE ACTION WHO ATTEMPT TO INFLUENCE AN ACTION BY COMMUNICATING WITH PUBLIC OFFICIALS; OR)

((C)) (b) (INDIVIDUAL) *Person who engages in lobbying and spends more than \$250 in any year for lobbying purposes, not including traveling expenses and membership dues. (, IN ANY YEAR FOR THE PURPOSE OF ATTEMPTING TO INFLUENCE LEGISLATIVE OR ADMINISTRATIVE ACTION BY COMMUNICATING WITH PUBLIC OFFICIALS.)*

"Lobbyist" does not include:

((A) A PUBLIC OFFICIAL OR EMPLOYEE OF THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS OR PUBLIC BODIES ACTING IN HIS OFFICIAL CAPACITY;)

((B)) (a) Parties and their representatives appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is (ACTING IN A NON-MINISTERIAL CAPACITY) *taking administrative action;*

((C)) (b) Individuals in the course of selling goods or services to be paid for by public funds; (OR)

((D)) (c) News media or their employees or agents, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments or paid advertisements which directly or indirectly urge official action. ;

((E)) (d) Paid expert witnesses whose testimony is requested by the body before which they are appearing or one of the parties to a proceeding, but only while acting in the ordinary course of preparing or delivering testimony; or

(e) *Any person who engages in lobbying and spends less than \$250 for lobbying purposes in any year, and whose total costs in connection with lobbying in any year are less than \$500, including compensation and reimbursed expenses received by such person.*

Sec. 6. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 19. "Officeholder" means an individual who holds any elected statewide office or elected legislative office, other than a federal office for which candidates are required to report under federal laws, or is a supreme court or district court judge of the state."*

S. F. No. 1499, page 6, line 22 to page 7, line 5 contains the language:

"Sec. 8. Minnesota Statutes 1974, Section 10A.02, Subdivision 5, is amended to read:

Subd. 5. The commission shall appoint an executive director who shall be in the unclassified service. The commission may also employ and prescribe the duties of other permanent or temporary employees in the unclassified service as may be necessary to administer sections 10A.01 to 10A.34, subject to appropriation. The executive director and all other employees shall serve at the pleasure of the commission. (ALL ADMINISTRATIVE SERVICES SUCH AS SUPPLIES, OFFICE SPACE AND FURNISHINGS, PAYROLL PREPARATION AND ACCOUNTING SERVICES SHALL BE PROVIDED TO THE COMMISSION BY THE SECRETARY OF STATE.) Expenses of the commission shall be approved by the chairman or such other member as the rules of the commission may provide and the expenses shall then be paid in the same manner as other state expenses are paid."

Whereas H. F. No. 1548 does not contain this language.

H. F. No. 1548, page 6, line 14, contains "(OR OTHER CAMPAIGN LAWS)"; whereas S. F. No. 1499, page 8, line 16, contains "or other campaign laws".

H. F. No. 1548, page 6, lines 17 to 22 reads: "guilty of a gross misdemeanor. *The commission shall make a finding within 30 days of receipt of a written complaint unless a majority of the commission agrees to extend the time limit.* After determination of its findings the commission shall report any finding of probable cause to the appropriate law enforcement authorities."

Whereas S. F. No. 1499, page 8, lines 19 to 24 reads: "guilty of a gross misdemeanor. (AFTER DETERMINATION OF ITS FINDINGS) *The commission shall make a finding within 30 days of receipt of a written complaint unless a majority of the members agrees to extending the time limit, and shall report any finding of probable cause to the appropriate law enforcement authorities.*"

H. F. No. 1548, page 6, lines 25 to 28 reads:

"Subd. 4. The report shall include (ALL) *such* information (REQUIRED ON) *as the commission may require from the registration form and the following information for the reporting period:*".

Whereas S. F. No. 1499, page 8, lines 27 to 29 reads:

"Subd. 4. The report shall include all information required on the registration form and the following information for the reporting period:".

H. F. No. 1548, page 7, lines 4 to 6 reads:

"(b) *The amount and nature of each honorarium, gift (OR), loan, item or benefit, excluding contributions to a candidate, equal in value to \$20 or more, given or paid to*".

Whereas S. F. No. 1499, page 9, lines 5 to 8 reads in part:

"(b) Each honorarium, gift (OR), loan, *item or benefit* excluding contributions to a candidate, equal in value to \$20 or more, given or paid *and the amount and nature of each honorarium, gift, loan, item or benefit to*".

H. F. No. 1548, page 7, lines 17 to 29 contains the language:

"Sec. 9. Minnesota Statutes 1974, Section 10A.04, is amended by adding a subdivision to read:

*Subd. 4a. If in any reporting period the lobbyist's reportable disbursements total not over \$100 and no honorarium, gift, loan, item or benefit equal in value to \$20 or more was given or paid to any public official, a statement to that effect in lieu of the report may be filed for that period. The unreported disbursements shall be included in the report for the following period, unless the total for that period, including the carryover, is not over \$100. The October 15 report shall include all previously unreported disbursements, even though the total for the year is not over \$100."*

Whereas S. F. No. 1499, does not contain this language. S. F. No. 1499, page 9, line 19 to page 10, line 11 contains the language:

"Sec. 12. Minnesota Statutes 1974, Section 10A.07, Subdivision 1, is amended to read:

10A.07 [CONFLICTS OF INTEREST.] Subdivision 1. Any public official who in the discharge of his official duties would be required to take an action or make a decision which would substantially affect his financial interests or those of a business with which he is associated *other than solely as an employee,*

unless the effect on him is no greater than on other members of his business classification, profession or occupation, shall take the following actions:

(a) (HE SHALL) Prepare a written statement describing the matter requiring action or decision and the nature of his potential conflict of interest;

(b) (HE SHALL) Deliver copies of the statement to the commission and to his immediate superior, if any;

(c) If he is a legislator, (HE SHALL) deliver a copy of the statement to the presiding officer of the house in which he serves; and

(d) If a potential conflict of interest presents itself and there is insufficient time to comply with the provisions of clauses (a) to (c), the public official shall verbally inform his superior or the official body, or committee thereof, in which he serves of the potential conflict. He shall file a written statement with the commission within one week after the potential conflict presents itself."

Whereas H. F. No. 1548 does not contain this language.

H. F. No. 1548, page 8, lines 12 to 15 reads: "of \$2,500. The filing shall indicate *the street address and the municipality* (, IF ANY) *or the section, township, range and approximate acreage, whichever applies*, and the county wherein the property is located."

Whereas S. F. No. 1499, page 10, lines 26 to 29 reads: "of \$2,500. The filing shall indicate the (MUNICIPALITY, IF ANY) *street address and the city or town, or if there is no street address, the section, township and range*, and the county wherein the property is located."

S. F. No. 1499, page 10, line 30 to page 11, line 4 contains:

"Sec. 14. Minnesota Statutes 1974, Section 10A.11, Subdivision 6, is amended to read:

Subd. 6. Except for transfers of funds between political committees and transfers from the state election campaign fund, a political committee shall be financed solely through voluntary (DONATIONS) *contributions* by natural persons or political funds."

Whereas H. F. No. 1548, does not contain this language.

S. F. No. 1499, page 11, line 5 to page 18, line 32 reads:



"Sec. 15. Minnesota Statutes 1974, Section 10A.14, Subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The names and addresses of the supporting associations of a political fund;

(c) The geographic area in which it will operate and the purpose of the political committee or political fund;

(d) The name (,) *and* address (AND POSITION) of the custodian of books and accounts *if other than the treasurer*;

(e) The name and address of the chairman, the treasurer, and any (OTHER PRINCIPAL OFFICERS INCLUDING) deputy treasurers (, IF ANY);

((F) THE NAME, ADDRESS, OFFICE SOUGHT, AND PARTY AFFILIATION, IF ANY, OF EACH CANDIDATE WHOM THE COMMITTEE OR POLITICAL FUND IS SUPPORTING, OR, IF THE COMMITTEE OR POLITICAL FUND IS SUPPORTING THE ENTIRE TICKET OF ANY PARTY, THE NAME OF THE PARTY;)

((G) A STATEMENT AS TO WHETHER THE COMMITTEE OR POLITICAL FUND IS A CONTINUING ONE;)

((H)) (f) A listing of all depositories or safety deposit boxes used; and

((I)) (g) A statement as to whether the committee is a principal campaign committee.

Sec. 16. Minnesota Statutes 1974, Section 10A.19, Subdivision 1, is amended to read:

10A.19 [PRINCIPAL CAMPAIGN COMMITTEE.] Subdivision 1. Every candidate shall designate and cause to be formed a single principal campaign committee *no later than 14 days after filing an affidavit of candidacy or petition to appear on the ballot.*

Sec. 17. Minnesota Statutes 1974, Section 10A.20, Subdivision 1, is amended to read:

10A.20 [CAMPAIGN REPORTS.] Subdivision 1. *The treasurer of every principal campaign committee shall file the reports required by this section in the year in which the candi-*

date being supported stands for election. (EVERY) The treasurer of (A) every political committee (OR) and political fund shall file the reports required by this section in any year it receives contributions or makes expenditures in excess of \$100.

Sec. 18. Minnesota Statutes 1974, Section 10A.20, Subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the commission (BY THE FOLLOWING DATES:)

((A) IN YEARS IN WHICH ANY CANDIDATE BEING SUPPORTED DOES NOT STAND FOR ELECTION:)

((1) JANUARY 7; AND)

((2) JULY 7;)

((B) IN YEARS IN WHICH ANY CANDIDATE BEING SUPPORTED DOES STAND FOR ELECTION:)

((1) JANUARY 7;)

((2) JULY 7;)

((3) FIVE DAYS BEFORE ANY PRIMARY ELECTION IN WHICH THE CANDIDATE STANDS FOR ELECTION;)

((4) FIVE DAYS BEFORE ANY GENERAL ELECTION IN WHICH THE CANDIDATE STANDS FOR ELECTION; AND)

((5) 30 DAYS AFTER THE LAST ELECTION IN WHICH A CANDIDATE STANDS FOR ELECTION;)

((C) IN SPECIAL OR SPECIAL PRIMARY ELECTIONS IN WHICH A CANDIDATE STANDS FOR ELECTION:)

((1) 30 DAYS BEFORE THE ELECTION; AND)

((2) FIVE DAYS BEFORE THE ELECTION.) *on January 31 of every year and, in years in which the candidate being supported stands for election, ten days before any primary or special primary election and ten days before any general or special election and 30 days after the last election in which the candidate's name appears on the ballot. The January 31 report shall cover the time from the last day of the period covered by the last report through December 31 of the previous calendar year. All other reports shall cover the time from the last day of the period covered by the last report to five days prior to the filing date.*

*If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.*

Sec. 19. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for legislative candidates and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

((D)) THE NAME AND ADDRESS OF EACH POLITICAL COMMITTEE, POLITICAL FUND OR CANDIDATE FROM WHICH THE REPORTING COMMITTEE OR FUND RECEIVED, OR TO WHICH THAT COMMITTEE MADE, ANY TRANSFER OF FUNDS, TOGETHER WITH THE AMOUNTS AND DATES OF ALL TRANSFERS. THE LISTS SHALL BE IN ALPHABETICAL ORDER;)

((E)) (d) Each loan to or from any person within the year in an aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorsers, if any, and the date and amount of the loans;

((F)) (e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to ((E)) (d);

((G)) (f) The total sum of all receipts by or for the political committee or political fund during the reporting period;

((H)) (g) The name(,) and address (, OCCUPATION AND THE PRINCIPAL PLACE OF BUSINESS, IF ANY,) of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the

year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

((I)) (h) The sum of individual expenditures which is not otherwise reported under clause ((H)) (g);

((J) THE NAME, ADDRESS, OCCUPATION AND THE PRINCIPAL PLACE OF BUSINESS, IF ANY, OF EACH PERSON TO WHOM AN EXPENDITURE FOR PERSONAL SERVICES, SALARIES, AND REIMBURSABLE EXPENSES IN EXCESS OF \$100 HAS BEEN MADE, AND WHICH IS NOT OTHERWISE REPORTED, INCLUDING THE AMOUNT, DATE AND PURPOSE OF THE EXPENDITURE;)

((K) THE SUM OF INDIVIDUAL EXPENDITURES FOR PERSONAL SERVICES, SALARIES AND REIMBURSABLE EXPENSE WHICH IS NOT OTHERWISE REPORTED UNDER (J);)

((L)) (i) The total expenditures made by the political committee or political fund during the reporting period;

((M)) (j) The amount and nature of (DEBTS AND OBLIGATIONS) *any debt or obligation* owed by or to the political committee or political fund, and a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

((N)) (k) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure; *and*

((O)) (l) *For principal campaign committees only:* The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 20. Minnesota Statutes 1974, Section 10A.20, is amended by adding a subdivision to read:

*Subd. 12. The ethical practices board shall notify any person who fails to file a statement required by this section. A person who knowingly fails to file the statement within seven days after receiving notice from the commission is guilty of a misdemeanor.*

Sec. 21. Minnesota Statutes 1974, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. *An identical copy of all reports or statements that must be filed with the commission by the principal campaign committee of legislative candidates shall also be filed on the same day with the county auditor of each county in which the legislative district lies.*

Sec. 22. Minnesota Statutes 1974, Section 10A.22, Subdivision 5, is amended to read:

Subd. 5. A political committee or political fund making an expenditure, other than a transfer of funds, for or on behalf of more than one candidate for state or legislative office shall allocate the expenditure among the candidates on a reasonable cost basis and report this allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

*Provided that expenditures by a state or local committee of a political party to pay the cost of preparation, display or distribution of a sample ballot, printed slate card or other printed list of three or more candidates for public office for which election is held shall be deemed expenditures of the candidate or committee incurring them and shall not be allocated. Provided further that expenditures by any candidate or committee to pay the cost of preparing for display or displaying any list of candidates on broadcasting stations or billboards or in newspapers, magazines or other public advertising media shall be allocated among the candidates named on the list.*

Sec. 23. Minnesota Statutes 1974, Section 10A.23, is amended to read:

10A.23 [CHANGES AND CORRECTIONS.] Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the commission within ten days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any person who wilfully fails to report a material change or correction is guilty of a gross misdemeanor.

Sec. 24. Minnesota Statutes 1974, Section 10A.25, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding subdivision 2, clause (a), a candidate for the endorsement for the office of lieutenant governor at the convention of a political party may spend \$30,000 or five percent of the amount in subdivision 2, clause (a) (, PRIOR TO THE TIME OF) to seek endorsement. This money shall be in addition to the money which may be expended pursuant to subdivision 2, clause (a).

Sec. 25. Minnesota Statutes 1974, Section 10A.25, Subdivision 6, is amended to read:

Subd. 6. In a year in which (A CANDIDATE DOES NOT STAND FOR ELECTION) *an election does not occur for an office held or sought*, no expenditures shall be made and no obligations to make expenditures shall be incurred by a candidate or officeholder or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or officeholder or his agents which shall result in the aggregate expenditure on behalf of the candidate or officeholder in that year of an amount in excess of 20 percent of the amount of the aggregate expenditure permitted by subdivision 2. Expenditures permitted by this subdivision shall be in addition to expenditures permitted by subdivision 2.

Sec. 26. Minnesota Statutes 1974, Section 10A.25, Subdivision 7, is amended to read:

Subd. 7. On or before January 15 of each year, the (COMMISSIONER OF HEALTH) *state demographer* shall certify to the commission the *estimated* population of the state of Minnesota for the last (CALENDAR) year ending before the date of certification. In determining the per capita amounts for each office in *section 10A.25*, subdivision 2, the commission shall use:

(a) In the case of the elections for governor and lieutenant governor, attorney general, secretary of state, state treasurer and state auditor, the total *estimated* population of the state;

(b) In the case of the elections for state senator, 1/67 of the total *estimated* population of the state;

(c) In the case of elections for state representative, 1/134 of the total *estimated* population of the state.

Sec. 27. Minnesota Statutes 1974, Section 10A.27, Subdivision 3, is amended to read:

Subd. 3. Expenditures by a political party on behalf of candidates of that party generally, without referring to any of them specifically in any advertisement published or posted, on any broadcast, or in any telephone conversation, if that conversation mentions three or more (CANDIDATES) *persons appearing on the ballot*, shall not be subject to the limitations of section 10A.25, subdivision 2.

Sec. 28. Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.20, Subdivision 4; and 10A.22, Subdivisions 2 and 8, are repealed.

Sec. 29. *This act is effective July 1, 1976.*"

Whereas H. F. No. 1548, page 8, line 16 to page 23, line 9 reads:

"Sec. 11. Minnesota Statutes 1974, Section 10A.14, Subdivision 2 is amended to read:

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The names and addresses of the supporting associations of a political fund;

((C) THE GEOGRAPHIC AREA IN WHICH IT WILL OPERATE AND THE PURPOSE OF THE POLITICAL COMMITTEE OR POLITICAL FUND;)

((D) THE NAME, ADDRESS AND POSITION OF THE CUSTODIAN OF BOOKS AND ACCOUNTS;)

((E)) (c) The name and address of the chairman, the treasurer, and any (OTHER PRINCIPAL OFFICERS INCLUDING) deputy treasurers (, IF ANY);

((F) THE NAME, ADDRESS, OFFICE SOUGHT, AND PARTY AFFILIATION, IF ANY, OF EACH CANDIDATE WHOM THE COMMITTEE OR POLITICAL FUND IS SUPPORTING, OR, IF THE COMMITTEE OR POLITICAL FUND IS SUPPORTING THE ENTIRE TICKET OF ANY PARTY; THE NAME OF THE PARTY;)

((G) A STATEMENT AS TO WHETHER THE COMMITTEE OR POLITICAL FUND IS A CONTINUING ONE;)

((H)) (d) A listing of all depositories or safety deposit boxes used; and

((I)) (e) A statement as to whether the committee is a principal campaign committee.

Sec. 12. Minnesota Statutes 1974, Section 10A.19, Subdivision 1, is amended to read:

10A.19 [PRINCIPAL CAMPAIGN COMMITTEE.] Subdivision 1. Every candidate shall designate and cause to be formed a single principal campaign committee *which shall be responsible for reporting contributions and authorized expenditures on behalf of the candidate.*

Sec. 13. Minnesota Statutes 1974, Section 10A.20, Subdivision 1, is amended to read:

10A.20 [CAMPAIGN REPORTS.] Subdivision 1. [EVERY] *The treasurer of (A) every political committee (OR) and political fund shall begin to file the reports required by this section in (ANY) the first year it receives contributions or makes expenditures in excess of \$100 and shall continue to file until the committee or fund is terminated.*

Sec. 14. Minnesota Statutes 1974, Section 10A.20, Subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the commission (BY THE FOLLOWING DATES:)

((A) IN YEARS IN WHICH ANY CANDIDATE BEING SUPPORTED DOES NOT STAND FOR ELECTION:)

((1) JANUARY 7; AND)

((2) JULY 7;)

((B) IN YEARS IN WHICH ANY CANDIDATE BEING SUPPORTED DOES STAND FOR ELECTION:)

((1) JANUARY 7;)

((2) JULY 7;)

((3) FIVE) *on or before January 7 of each year, and in each year in which the name of the candidate being supported is on the ballot, ten days before (ANY) the primary (ELECTION IN WHICH THE CANDIDATE STANDS FOR ELECTION;)*

((4) FIVE DAYS BEFORE ANY) *or special primary and general or special election (IN WHICH THE CANDIDATE STANDS FOR ELECTION; AND)*

((5) 30 DAYS AFTER THE LAST ELECTION IN WHICH A CANDIDATE STANDS FOR ELECTION;)

((C) IN SPECIAL OR SPECIAL PRIMARY ELECTIONS IN WHICH A CANDIDATE STANDS FOR ELECTION:)

((1) 30 DAYS BEFORE THE ELECTION; AND)

((2) FIVE DAYS BEFORE THE ELECTION).

*If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.*



Sec. 15. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name(,) *and* address (AND EMPLOYER, OR, IF SELF-EMPLOYED, OCCUPATION) of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for legislative candidates and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year (OF) *from* each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

((D)) THE NAME AND ADDRESS OF EACH POLITICAL COMMITTEE, POLITICAL FUND OR CANDIDATE FROM WHICH THE REPORTING COMMITTEE OR FUND RECEIVED, OR TO WHICH THAT COMMITTEE MADE, ANY TRANSFER OF FUNDS, TOGETHER WITH THE AMOUNTS AND DATES OF ALL TRANSFERS. THE LISTS SHALL BE IN ALPHABETICAL ORDER;)

((E)) (d) Each loan to or from any person within the year in an aggregate amount or value in excess of \$100, together with the (FULL NAMES) *name* and (MAILING) address, (OCCUPATIONS) *occupation* and the principal (PLACES) *place* of business, if any, of the lender or (ENDORSERS, IF ANY,) *any endorser* and the date and amount of the (LOANS) *loan*;

((F)) (e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to ((E)) (d);

((G)) (f) The total sum of all receipts by or for the political committee or political fund during the reporting period;

((H)) (g) The name(,) *and* address (, OCCUPATION AND THE PRINCIPAL PLACE OF BUSINESS, IF ANY,) of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of,

and office sought by, each candidate on whose behalf the expenditure was made;

((I)) (h) The sum of individual expenditures (WHICH IS) not otherwise reported under clause ((H)) (g);

((J)) THE NAME, ADDRESS, OCCUPATION AND THE PRINCIPAL PLACE OF BUSINESS, IF ANY, OF EACH PERSON TO WHOM AN EXPENDITURE FOR PERSONAL SERVICES, SALARIES, AND REIMBURSABLE EXPENSES IN EXCESS OF \$100 HAS BEEN MADE, AND WHICH IS NOT OTHERWISE REPORTED, INCLUDING THE AMOUNT, DATE AND PURPOSE OF THE EXPENDITURE;)

((K)) THE SUM OF INDIVIDUAL EXPENDITURES FOR PERSONAL SERVICES, SALARIES AND REIMBURSABLE EXPENSE WHICH IS NOT OTHERWISE REPORTED UNDER (J);)

((L)) (i) The total expenditures made by the political committee or political fund during the reporting period;

((M)) (j) The amount and nature of (DEBTS AND OBLIGATIONS) *any debt or obligation* owed by or to the political committee or political fund, and (A CONTINUOUS REPORTING OF THEIR DEBTS AND OBLIGATIONS AFTER THE ELECTION UNTIL THE DEBTS AND OBLIGATIONS ARE EXTINGUISHED;)

((N)) THE AMOUNT AND NATURE OF) *any written contract, promise or agreement* (, IN WRITING, WHETHER OR NOT LEGALLY ENFORCEABLE,) to make a contribution or expenditure; *and*

((O)) (k) *For principal campaign committees only:* The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 16. Minnesota Statutes 1974, Section 10A.20, is amended by adding a subdivision to read:

*Subd. 12. The commission shall notify any person who fails to file a statement required by this section. A person who knowingly fails to file the statement within seven days after receiving notice from the commission is guilty of a misdemeanor.*

Sec. 17. Minnesota Statutes 1974, Section 10A.21, Subdivision 1, is amended to read:

## 10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision

1. All reports or statements that must be filed with the commission by the principal campaign committee of legislative candidates shall (ALSO) be *duplicated and filed by the commission* with the county auditor of each county in which the legislative district lies *within 72 hours of the date the report or statement is required to be filed or, if the report or statement is delinquent, within 72 hours of the time the report is actually filed.*

Sec. 18. Minnesota Statutes 1974, Section 10A.23, is amended to read:

10A.23 [CHANGES AND CORRECTIONS.] Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the commission within ten days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any person who wilfully fails to report a material change or correction is guilty of a gross misdemeanor.

Sec. 19. Minnesota Statutes 1974, Section 10A.25, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding subdivision 2, clause (a), a candidate for the endorsement for the office of lieutenant governor at the convention of a political party may spend \$30,000 or five percent of the amount in subdivision 2, clause (a) (, PRIOR TO THE TIME OF) *to seek* endorsement. This (MONEY) amount shall be in addition to the (MONEY) amount which may be expended pursuant to subdivision 2, clause (a).

Sec. 20. Minnesota Statutes 1974, Section 10A.25, Subdivision 6, is amended to read:

Subd. 6. In a year in which (A CANDIDATE DOES NOT STAND FOR ELECTION) *an election does not occur for an office held or sought*, no expenditures shall be made and no obligations to make expenditures shall be incurred by a candidate or officeholder or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or officeholder or his agents which shall result in the aggregate expenditure on behalf of the candidate or officeholder in that year of an amount in excess of 20 percent of the amount of the aggregate expenditure permitted by subdivision 2. Expenditures permitted by this subdivision shall be in addition to expenditures permitted by subdivision 2.

Sec. 21. Minnesota Statutes 1974, Chapter 10A, is amended by adding a section to read:

[10A.261] *Nothing in chapter 10A shall be construed as abridging the right of an association to communicate with its members.*

Sec. 22. Minnesota Statutes 1974, Section 10A.27, Subdivision 3, is amended to read:

Subd. 3. Expenditures by (A) *the state or local committee of any political party on behalf of candidates of that party generally, without referring to any of them specifically in any advertisement published (OR), posted, (ON ANY) or broadcast, or (IN) any sample ballot or telephone conversation (, IF THAT CONVERSATION MENTIONS) listing three or more (CANDIDATES) persons whose names are to appear on the ballot, shall not be allocated to any candidate or subject to the limitations of section 10A.25, subdivision 2.*

Sec. 23. Minnesota Statutes 1974, Section 10A.27, is amended by adding a subdivision to read:

Subd. 5. *Nothing in chapter 10A shall be construed as limiting expenditures by a political committee, political fund, or individual which are made without the written authorization of the candidate, provided that the political committee, political fund, or individual is in compliance with the provisions of section 10A.17, subdivision 5.*

Sec. 24. Minnesota Statutes 1974, Section 10A.30, Subdivision 2, is amended to read:

Subd. 2. Within the state elections campaign fund account there shall be maintained (SEPARATE ACCOUNTS) *a separate account for the candidates of each political party and a general account.*

Sec. 25. Minnesota Statutes 1974, Section 10A.31, Subdivision 3, is amended to read:

Subd. 3. The commissioner of the department of revenue shall on the first page of the income tax form notify the taxpayer of his right to allocate \$1 of his taxes (\$2 if filing a joint return) to finance the election campaigns of state candidates. The form shall also contain language prepared by the commissioner which permits the taxpayer to direct the state to allocate the \$1 (or \$2 if filing a joint return) to (ONE OF THE FOLLOWING): (i) *one of the major political parties; (ii) (THE NAME OF) any minor political party (PROVIDED THAT IF) for which a petition is filed to qualify as a minor political party (IT BE FILED) by June 1 of that taxable year; (AND) or (iii) (DISTRIBUTION TO) all qualifying candidates as provided by this section.*

✓ Sec. 26. Minnesota Statutes 1974, Section 10A.31, Subdivision 5, is amended to read:

Subd. 5. ((A) IN EACH FISCAL YEAR, 40 PERCENT OF THE MONEYS IN EACH ACCOUNT SHALL BE SET ASIDE FOR CANDIDATES FOR STATEWIDE OFFICE.)

((B) OF THE AMOUNT SET ASIDE IN CLAUSE (A), 40 PERCENT SHALL BE DISTRIBUTED TO THE CANDIDATES FOR GOVERNOR AND LIEUTENANT GOVERNOR JOINTLY; 24 PERCENT SHALL BE DISTRIBUTED TO THE CANDIDATE FOR ATTORNEY GENERAL; AND 12 PERCENT EACH SHALL BE DISTRIBUTED TO THE CANDIDATES FOR SECRETARY OF STATE, STATE TREASURER AND STATE AUDITOR. IF THERE IS NO NOMINEE OF THAT PARTY FOR ONE OF THE OFFICES, THE SHARE SET ASIDE FOR THAT OFFICE SHALL BE DISTRIBUTED TO THE OTHER STATEWIDE CANDIDATES OF THAT PARTY IN THE SAME PROPORTIONS AS THE ORIGINAL AMOUNT.)

((C) WITHIN TWO WEEKS OF THE CERTIFICATION BY THE STATE CANVASSING BOARD OF THE RESULTS OF THE PRIMARY ELECTION, THE STATE TREASURER SHALL DISTRIBUTE AVAILABLE FUNDS IN EACH ACCOUNT, OTHER THAN THE GENERAL ACCOUNT, OF THE STATE ELECTIONS FUND TO THE APPROPRIATE CANDIDATES WHO ARE TO APPEAR ON THE BALLOT FOR THE GENERAL ELECTION AS PRESCRIBED IN CLAUSES (A) AND (B).)

((D) WITHIN TWO WEEKS OF THE CERTIFICATION BY THE STATE CANVASSING BOARD OF THE RESULTS OF THE GENERAL ELECTION, THE STATE TREASURER SHALL DISTRIBUTE THE AVAILABLE FUNDS IN THE GENERAL ACCOUNT IN THE SAME PROPORTIONS AS PROVIDED IN CLAUSE (B), IN AN EQUAL AMOUNT TO EACH CANDIDATE WHO RECEIVED AT LEAST FIVE PERCENT OF THE VOTE CAST IN THE GENERAL ELECTION FOR THE OFFICE FOR WHICH HE WAS A CANDIDATE.) *In each calendar year the moneys in each party account and the general account shall be allocated to candidates as follows:*

(a) *16 percent for the offices of governor and lieutenant governor jointly;*

(b) *9.6 percent for the office of attorney general;*

(c) *4.8 percent each for the offices of secretary of state, state auditor and state treasurer;*

(d) in each calendar year during the period in which state senators serve a four year term, 20 percent for the office of state senator and 40 percent for the office of state representative;

(e) in each calendar year during the period in which state senators serve a two year term, and in 1975 and 1976, 30 percent for the office of state senator and 30 percent for the office of state representative;

(f) all candidates of one party for the state senate and state house of representatives whose names are to appear on the ballot in the general election shall share equally in the funds allocated to their respective offices from their party account, except that any candidate may refuse his share, which shall then be divided equally among the remaining candidates of his party for the same office.

If a candidate elects to refuse moneys from the state elections campaign fund, he shall not be subject to the expenditure limitations imposed by section 10A.25 or limited in the amount he may contribute to his own campaign.

Sec. 27. Minnesota Statutes 1974, Section 10A.31, Subdivision 6, is amended to read:

Subd. 6. ((A) IN EACH OF THE FISCAL YEARS DURING THE PERIOD IN WHICH THE STATE SENATE SERVES A FOUR YEAR TERM WHICH COMMENCES AFTER APRIL 13, 1974, 20 PERCENT OF THE MONEYS IN EACH ACCOUNT SHALL BE SET ASIDE FOR CANDIDATES FOR STATE SENATE. IN EACH OF THE FISCAL YEARS DURING THE PERIOD IN WHICH THE STATE SENATE SERVES A TWO YEAR TERM, AND IN 1975 AND 1976, 30 PERCENT OF THE MONEYS IN EACH ACCOUNT SHALL BE SET ASIDE FOR CANDIDATES FOR STATE SENATE.)

((B) THE AMOUNT SET ASIDE IN CLAUSE (A) SHALL BE DISTRIBUTED IN EQUAL SHARES TO EACH OF THE CANDIDATES FOR STATE SENATE OF THAT PARTY.)

((C)) Within two weeks (OF THE) after certification by the state canvassing board of the results of the primary (ELECTION), the state treasurer shall distribute the available funds in each party account, (OTHER THAN THE GENERAL ACCOUNT TO THE APPROPRIATE CANDIDATES WHO) as certified by the commissioner of revenue on September 15, to the candidates of that party who have signed the agreement as provided in section 10A.32, subdivision 3, and whose names are to appear on the ballot (FOR) in the general election (AS PRESCRIBED IN CLAUSES (A) AND (B)), according to the allocations set forth in subdivision 5. If there is no candidate of

*a party for any one office designated in subdivision 5 in any year in which that office appears on the ballot, the allocation for that office shall be distributed to all other candidates of that party in proportion to their shares as set forth in subdivision 5.*

((D) WITHIN TWO WEEKS OF THE CERTIFICATION BY THE STATE CANVASSING BOARD OF THE RESULTS OF THE GENERAL ELECTION, THE STATE TREASURER SHALL DISTRIBUTE THE AVAILABLE FUNDS IN THE GENERAL ACCOUNT IN AN EQUAL AMOUNT TO EACH CANDIDATE WHO RECEIVED AT LEAST TEN PERCENT OF THE VOTES CAST IN THE GENERAL ELECTION FOR THE OFFICE FOR WHICH HE WAS A CANDIDATE.)

Sec. 28. Minnesota Statutes 1974, Section 10A.31, Subdivision 7, is amended to read:

Subd. 7. ((A) IN EACH OF THE FISCAL YEARS DURING THE PERIOD IN WHICH THE STATE SENATE SERVES A FOUR YEAR TERM WHICH COMMENCES AFTER APRIL 13, 1974, 40 PERCENT OF THE MONEYS IN EACH ACCOUNT SHALL BE SET ASIDE FOR CANDIDATES FOR STATE REPRESENTATIVE. IN EACH OF THE FISCAL YEARS DURING THE PERIOD IN WHICH THE STATE SENATE SERVES A TWO YEAR TERM, AND IN 1975 AND 1976, 30 PERCENT OF THE MONEYS IN EACH ACCOUNT SHALL BE SET ASIDE FOR CANDIDATES FOR STATE REPRESENTATIVES.)

((B) THE AMOUNT SET ASIDE IN CLAUSE (A) SHALL BE DISTRIBUTED IN EQUAL SHARES TO EACH OF THE CANDIDATES FOR STATE REPRESENTATIVE OF THAT PARTY.)

((C) WITHIN TWO WEEKS OF THE CERTIFICATION BY THE STATE CANVASSING BOARD OF THE RESULTS OF THE PRIMARY ELECTION, THE STATE TREASURER SHALL DISTRIBUTE AVAILABLE FUNDS IN EACH ACCOUNT, OTHER THAN THE GENERAL ACCOUNT, TO THE APPROPRIATE CANDIDATES WHO ARE TO APPEAR ON THE BALLOT FOR THE GENERAL ELECTION AS PRESCRIBED IN CLAUSES (A) AND (B).)

((D)) Within two weeks (OF THE) *after* certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds in the general account, *as certified by the commissioner of revenue on November 15 and according to the allocations set forth in subdivision 5, in* (AN) equal (AMOUNT) amounts to (EACH CANDIDATE) *all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for legislative office who*

received at least ten percent of the votes cast in the general election for the *specific* office for which (HE WAS A CANDIDATE) *they were candidates.*

Sec. 29. Minnesota Statutes 1974, Section 10A.31, is amended by adding a subdivision to read:

*Subd. 8. Within one week after certification by the state canvassing board of the results of the primary, the commission shall certify to the state treasurer the name of each candidate who has signed the agreement as provided in section 10A.32, subdivision 3, and the amount he is to receive from the available funds in his party account.*

Sec. 30. Minnesota Statutes 1974, Section 10A.31, is amended by adding a subdivision to read:

*Subd. 9. Within one week after certification by the state canvassing board of the results of the general election, the commission shall certify to the state treasurer the name of each candidate who is qualified to receive funds from the general account, together with the amount he is to receive from the available funds in the general account.*

Sec. 31. Minnesota Statutes 1974, Section 10A.31, is amended by adding a subdivision to read:

*Subd. 10. Within one week after all the tax returns have been processed, the commissioner of revenue shall certify to the commission the amount accumulated in each account since the previous certification. Within one week thereafter, the commission shall certify to the state treasurer the amount to be distributed to each candidate according to the allocations as provided in subdivision 5. As soon as practicable thereafter, the state treasurer shall distribute the amounts to the candidates.*

Sec. 32. Minnesota Statutes 1974, Section 10A.32, is amended to read:

**10A.32 [LIMITATIONS UPON THE STATE ELECTION CAMPAIGN FUND.]** Subdivision 1. No candidate shall be entitled to receive from the state elections campaign fund an amount greater than the total amount of expenditures which may be made by *him* or on *his* behalf (OF THE CANDIDATE) under sections 10A.25 and 10A.27. *The amount by which the expenditure limit is exceeded shall be distributed to all other candidates of the same party whose shares do not exceed their expenditure limits in proportion to their shares as set forth in section 10A.31.*

Subd. 2. No candidate shall be entitled to receive from the state election campaign fund an amount greater than the total amount actually expended by *him* or on *his* behalf (OF THE



CANDIDATE DURING HIS CAMPAIGN) in the year of the election. If the report required to be filed on or before January 7 in the year following the general election indicates that the amount received by the candidate is greater than the amount expended on his behalf, the treasurer of his principal campaign committee shall refund to the state treasurer an amount equal to the difference. The refund in the form of a check or money order shall be submitted with such report and the commission shall forward the refund to the state treasurer.

Subd. 3. As a condition of receiving any funds from the state elections campaign fund, any candidate, prior to receipt of the funds, shall agree by stating in writing to the commission on or before September 1 that expenditures on his behalf shall not exceed the expenditure limits as set forth in section 10A.25 and that his principal campaign committee shall not accept contributions (EXCEEDING) for the period beginning with the registration of his principal campaign committee and ending December 31 of the election year which exceed 105 percent of the difference between the amount which may legally be expended by him or on his behalf (OF THAT CANDIDATE), and the amount which (THE CANDIDATE) he receives from the state elections campaign fund. Any amount by which his total contributions exceed 105 percent of the difference shall be refunded to the state treasurer. The refund in the form of a check or money order shall be submitted in the same manner as provided in subdivision 2.

For the purposes of this subdivision only, the total amount to be distributed to each candidate is his share of the total estimated funds in his party account as provided in subdivision 3a, plus the total amount estimated as provided in subdivision 3a to be in the general account and set aside for that office divided by the number of candidates whose names are to appear on the general election ballot for that office. If the amount actually received by the candidate is greater by reason of a lesser number of qualifying candidates sharing in the funds in each account, and his contributions thereby exceed 105 percent of the difference, the agreement shall not be considered violated.

Subd. 3a. The commissioner of revenue shall certify to the commission on or before the last day for filing for office his estimate of the total to be accumulated in each account in the state elections campaign fund after 100 percent of the tax returns have been processed. Within seven days after the last day for filing for office the secretary of state shall certify to the state treasurer and the commission the name, address, office sought, and party affiliation of each candidate. Within seven days thereafter the commission shall estimate the minimum amount to be received by each candidate who qualifies as provided in section 10A.31, subdivisions 6 and 7, and notify all candidates on or before August 15 of the applicable amount.

Subd. 4. If a political party for whose candidates funds have been accumulated in the state elections campaign fund does not have a candidate for (STATEWIDE) any office (, STATE REPRESENTATIVE OR STATE SENATOR), the moneys (WHICH WOULD BE USED FOR DISTRIBUTION TO THAT CATEGORY OR CATEGORIES) shall be (TRANSFERRED TO THE GENERAL) *maintained in that account until the year of the next general election. If in two successive general election years that political party does not have a candidate for any office, the accumulated funds shall be transferred to the general fund.*

Sec. 33. *Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; and 10A.22, Subdivisions 2 and 8, are repealed.*

Sec. 34. *This act is effective the day following final enactment."*

In the title H. F. No. 1548 reads "relating to the conduct of public officials and campaigns for public office; redefining certain terms; providing for the filing of certain reports and statements; providing for distribution of moneys in the state elections campaign fund; providing penalties; amending Minnesota Statutes 1974, Chapter 10A, by adding a section; Sections 10A.01, Subdivisions 2, 5, and 11, and by adding a subdivision; 10A.02, Subdivisions 1, 8 and 11; 10A.04, Subdivision 4, and by adding a subdivision; 10A.09, Subdivision 5; 10A.14, Subdivision 2; 10A.19, Subdivision 1; 10A.20, Subdivisions 1, 2, and 3, and by adding a subdivision; 10A.21, Subdivision 1; 10A.23; 10A.25, Subdivisions 3 and 6; 10A.27, Subdivision 3, and by adding a subdivision; 10A.30, Subdivision 2; 10A.31, Subdivisions 3, 5, 6, and 7, and by adding subdivisions; and 10A.32; repealing Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.22, Subdivisions 2 and 8."

Whereas S. F. No. 1499 in the title reads "relating to the conduct of public officials and campaigns for public office; defining "lobbying"; redefining "lobbyist" and certain other terms; providing for the filing of certain reports and statements; providing penalties; amending Minnesota Statutes 1974, Sections 10A.01, Subdivisions 2, 5, 7, 10 and 11, and by adding a subdivision; 10A.02, Subdivisions 1, 5, 8 and 11; 10A.04, Subdivision 4; 10A.07, Subdivision 1; 10A.09, Subdivision 5; 10A.11, Subdivision 6; 10A.14, Subdivision 2; 10A.19, Subdivision 1; 10A.20, Subdivisions 1, 2, and 3, and by adding a subdivision; 10A.21, Subdivision 1; 10A.22, Subdivision 5; 10A.23; 10A.25, Subdivisions 3, 6 and 7; 10A.27, Subdivision 3; repealing Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.20, Subdivision 4; 10A.22, Subdivisions 2 and 8."

## SUSPENSION OF RULES

Vento moved that the rules be so far suspended that S. F. No. 1499 be substituted for H. F. No. 1548 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1788 and H. F. No. 2084, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except H. F. No. 2084 after the enacting clause reads:

"Section 1. [POLICY.] It is the public policy of this state that:

(1) Funds transfer facilities should provide reliable service to consumers with full protection of privacy of personal financial information;

(2) Funds transfer facilities should not impair the safety and soundness of a person's funds;

(3) Services of funds transfer facilities should be offered in competitive markets at fair prices in a nondiscriminatory manner;

(4) A person or group of persons should not dominate or monopolize the market for services of funds transfer facilities to the detriment or the public interest; and

(5) Regulation of funds transfer facilities should be fair and not unduly impede the development of new technologies which benefit the public.

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 15, the following terms shall have the meanings given them.

Subd. 2. "Automated teller machine" means an unattended free standing information processing device, located separate and apart from a financial institution's principal office, branch or detached facility, by which, through, or by means of electronic, automated, or mechanical signals or impulses generated through the use of electronic, automated, or mechanical equipment, a customer of a financial institution may complete financial transactions pursuant to an existing contractual agreement.

Subd. 3. "Banking transaction" means disbursing funds under a preauthorized credit agreement, withdrawing or depositing funds from a customer's account, receiving cash or checks, disbursing cash, and transferring funds to or from one or more accounts in financial institutions. A banking transaction may take place either off-line or on-line.

Subd. 4. "Commissioner" means the commissioner of banks.

Subd. 5. "Consumer banking facility" means either an automated teller machine or a point-of-sale terminal.

Subd. 6. "Financial institution" means a national banking association having its main office in this state or a bank, a savings bank, a savings and loan association, or credit union established and operating under the laws of this state.

Subd. 7. "Funds transfer facility" means an automated teller machine, a point-of-sale terminal or a transmission facility.

Subd. 8. "Funds transfer organization" means a person who establishes, operates, or makes available in this state one or more transmission facilities.

Subd. 9. "Municipality" means the geographical area within the legal boundaries of any city or organized town located in Minnesota.

Subd. 10. "Person" means an individual, a corporation, a partnership, an association, a joint stock company, a trust, an unincorporated organization, or a financial institution. Person shall not mean a federally chartered credit union or federally chartered savings and loan association.

Subd. 11. "Point-of-sale terminal" means a manned electronic information processing device other than a telephone which is established to either transfer funds to or from one or more accounts in financial institutions or segregate funds in one or more accounts in financial institutions for future transfer, or both; provided, a point-of-sale terminal shall include an electronic information processing device which can be physically attached to a standard telephone and which transfers funds in accordance with the foregoing.

Subd. 12. "Transmission facility" means an information processing facility or device used to receive and retransmit or clear financial transactions which originate from a consumer banking facility and which result in either transferring funds to or from one or more accounts in financial institutions or segregating funds in one or more accounts in financial institutions for future transfer, or both.

Sec. 3. [AUTHORIZATION.] Subdivision 1. Any financial institution may establish and maintain at a specific location with the approval of the commissioner one or more consumer banking facilities for use by its customers, and any person may establish and maintain at a specific location with the approval of the commissioner one or more point-of-sale terminals. Any financial institution may provide for its customers the use of a

consumer banking facility by entering into agreement with any person who has been authorized to establish and maintain one or more consumer banking facilities.

Subd. 2. Before installation and operation, or change of location, a consumer banking facility application shall be submitted to the commissioner on a form provided by the commissioner. The application shall state: the location where the consumer banking facility will be installed and operated; the ownership of the business entity for whose sales transactions the consumer banking facility is installed, if applicable; the ownership of the consumer banking facility; and all other information necessary for the commissioner to determine a reasonable fee based upon actual expenditures and a reasonable return on investment. In an application for a point-of-sale terminal if the commissioner finds that the point-of-sale terminal will be properly and safely managed and that the applicant is financially sound and that all information required of the applicant has been furnished, he shall approve the application within 45 days. In an application for an automated teller machine, if the commissioner finds that: (a) the automated teller machine will be properly and safely managed; (b) the applicant is financially sound; (c) reasonable public demand exists for the terminal; and (d) all information required of the applicant has been furnished, he shall approve the application within 45 days. Failure to approve or disapprove any application within 45 days shall be deemed approval of the application. For each application, a \$100 fee shall be paid to the commissioner. If the \$100 fee is less than the costs actually incurred by the commissioner in approving or disapproving the application, the fee shall be equal to those costs.

Subd. 3. Subject to the procedures in subdivisions 1 and 2, a consumer banking facility may be established and maintained anywhere within a municipality in which no financial institutions or detached facilities are located, or anywhere within a municipality in which at least one financial institution is located; provided a financial institution in that municipality, pursuant to the provisions of this section, has established and maintains or provides the use of one or more consumer banking facility located within that municipality. The location and placement of consumer banking facilities shall not be designed to give or promote an unfair competitive advantage to any financial institution in Minnesota.

Sec. 4. [FUNCTIONS OF A CONSUMER BANKING FACILITY.] Subdivision 1. Consumer banking facilities are limited to the performance of banking transactions and shall not be used to open accounts.

Subd. 2. The methods by which a consumer banking facility performs banking transactions shall be limited to the use of electronic based systems which utilize devices capable of processing electronic information through or by means of which in-

formation relating to financial services rendered to the public is stored and transmitted, whether instantaneously or otherwise, to a financial institution and which devices, for activation and account access, are dependent upon the use of a machine readable instrument in the possession and control of the holder of an account with a financial institution. Any customer of a financial institution who has lost or has had stolen his or her machine readable instrument shall not be liable for any unauthorized use of the instrument which occurs after the financial institution has been notified of its disappearance. The financial institution shall be liable for its customer's losses caused by such use to the extent that they exceed the lesser of \$50 or the amount of money obtained thereby within the period of time equal to the financial institution's statement period.

Subd. 3. A point-of-sale terminal shall be operated exclusively by a person who is not employed by any financial institution, any financial institution holding company, or subsidiary thereof. Persons assisting customers of financial institutions at the site of the point-of-sale terminal may be trained by employees of a financial institution, financial institution holding company, or subsidiary thereof. Nothing in this section shall be construed to prohibit periodic servicing of a point-of-sale terminal by an employee of a financial institution, financial institution holding company, or subsidiary thereof.

Sec. 5. [TRANSMISSION FACILITY.] Subdivision 1. A person may establish a transmission facility in this state upon approval by the commissioner. A transmission facility which is used by or made available to any kind of financial institution shall be made available to all other financial institutions upon request of other financial institutions and agreement by the financial institutions to pay reasonable fees based upon actual expenditures in establishing and maintaining the transmission facility and a reasonable return on investment as determined by the commissioner.

Subd. 2. Before installation and operation, a transmission facility application shall be submitted to the commissioner on a form provided by the commissioner. The application shall state the location at which the transmission facility will be operated, the ownership of the transmission facility, and all other information necessary for the commissioner to determine a reasonable fee based upon actual expenditures and a reasonable return on investment. If the commissioner finds that the facility will be properly and safely managed, the applicant is financially sound, and all information required by the commissioner has been furnished by the applicant, he shall approve the application within 120 days. Otherwise, the commissioner shall disapprove the application within 120 days. Failure by the commissioner to act within 120 days shall be deemed approval of the application. For each application, a \$500 fee shall be paid to the commissioner. If the \$500 fee is less than the costs actually incurred by the com-

missioner in approving or disapproving the application, the fee shall be equal to those costs.

Sec. 6. [ESTABLISHMENT, MAINTENANCE AND USE OF A CONSUMER BANKING FACILITY.] Subdivision 1. The person holding legal title to a consumer banking facility located in Minnesota, exclusive of any supporting equipment, structure or system, shall limit its use to the performance of banking transactions for customers of Minnesota financial institutions. The authority of third parties referred to in this act is limited to ownership, operation and maintenance of consumer banking facilities and any supporting equipment, structures or systems, and nothing in sections 3 to 14 shall be construed to authorize any person, other than a financial institution, to engage in the business authorized to financial institutions. Any service corporation that affords to a financial institution the use of a consumer banking facility may be examined whenever the commissioner deems it necessary. The service corporation shall pay examination fees as determined by the commissioner.

Subd. 2. A consumer banking facility which is used by or made available to any financial institution shall be made available to all other financial institutions upon request of other financial institutions and agreement by the financial institutions to pay reasonable fees based upon actual expenditures in establishing and maintaining the consumer banking facility and a reasonable return on investment as determined by the commissioner. Any financial institution requesting to share a consumer banking facility shall conform to reasonable technical operation standards established by the facility provider and approved by the commissioner.

Sec. 7. [ADVERTISING.] No advertisement by a person which relates to a consumer banking facility may be inaccurate or misleading with respect to such a facility. Except with respect to direct mailings by financial institutions to their customers, the advertising of rate of interest paid on accounts in connection with consumer banking facilities is prohibited. Any advertisement, either on or off the site of a consumer banking facility, promoting the use or identifying the location of a consumer banking facility, which identifies any financial institution, group or combination of financial institutions, or third parties as owning or providing for the use of its services, is prohibited. The following shall be expressly permitted:

- (1) A simple directory listing placed at the site of a consumer banking facility identifying the particular financial institution using its services;

- (2) The use of a generic name, either on or off the site of a consumer banking facility, which does not promote or identify any particular financial institution, group or combination of financial institutions, or any third parties; and

(3) Media advertising or direct mailing of information by a financial institution identifying locations of consumer banking facilities and promoting their usage.

Sec. 8. [CONSUMER PRIVACY.] Subdivision 1. To protect the privacy of people using funds transfer facilities, information received by or processed through such facilities shall be treated and used only in accordance with applicable law relating to the dissemination and disclosure of such information. The person operating a funds transfer facility shall take such steps as are reasonably necessary to safeguard the confidentiality of any information received or obtained about a customer or his account by any person manning a funds transfer facility.

Subd. 2. Every person operating pursuant to sections 3 to 13 shall supply information to customers using funds transfer facilities regarding the consumer protection policies of the person, including the rights and liabilities of the customer and the customer's protection against wrongful or accidental disclosure of confidential information.

Subd. 3. Every person operating pursuant to sections 3 to 14 shall maintain reasonable procedures to minimize losses to financial institution customers from unauthorized withdrawals from the customers' accounts by use of a funds transfer facility.

Subd. 4. Any customer of a financial institution may bring a civil action against any person violating the provisions of this section in district court in the county in which the alleged violator resides or has his principal place of business, or in the county wherein the alleged violation occurred. Upon adverse adjudication, the defendant shall be liable for actual damages, or \$500, whichever is greater, together with court costs and reasonable attorneys' fees incurred by the plaintiff. The court may provide such equitable relief as it deems necessary or proper, including enjoining the defendant from further violations of this section.

Sec. 9. [EXAMINATION.] A funds transfer organization or a person establishing a consumer banking facility may be examined when the commissioner deems it necessary. The examination shall include a determination of whether the person being examined discriminates against any financial institution, directly by limiting access to shared systems and their use, or indirectly by charging unreasonable fees. For each examination, a fee in an amount determined by rule shall be paid to the commissioner.

Sec. 10. [FUNDS TRANSFER ORGANIZATION REPORT.] A funds transfer organization shall report its financial condition at least annually before March 15 for the previous calendar year on forms provided by, or acceptable to, the commissioner. The commissioner may require more frequent or additional reports as he deems necessary. Agreements relating to the use of funds



transfer facilities entered into between a funds transfer organization and a person establishing a consumer banking facility or commercial business, or between a person establishing a consumer banking facility and any other financial institution or commercial business, including fee and rental agreement, and amendments, modifications, and extensions thereof, shall be filed with the commissioner within 30 days after their respective dates of execution. A funds transfer organization or person who fails to file a report or document when due, unless excused for cause by the commissioner, shall be fined \$100 for each day of delinquency.

Sec. 11. [ANTI-TRUST.] No person or funds transfer organization engaged in funds transfer facility activities shall contract, combine, or conspire to restrain trade in the market for funds transfer facilities, or engage in anti-competitive practices to the detriment of the public interest. Notwithstanding Minnesota Statutes, Section 325.8017, Subdivision 2, the provisions of sections 325.8011 to 325.8028 shall apply to persons and funds transfer organizations engaged in funds transfer facility activities.

Sec. 12. [RULES AND REGULATIONS.] The commissioner may promulgate such rules and regulations as are reasonably necessary to carry out and make effective the provisions and purposes of sections 3 to 15 pursuant to Minnesota Statutes, Chapter 15.

Sec. 13. [SECURITY.] Every owner of a consumer banking facility and every financial institution using a consumer banking facility shall adopt and maintain safeguards to insure the safety of funds, items and other information, which safeguards shall include security devices consistent with the minimum requirements specified under the Federal Bank Protection Act or such alternative security precautions as are approved by the commissioner.

Sec. 14. [APPLICATION TO PERSONS WHO SELL GOODS OR SERVICES AT RETAIL.] Subdivision 1. Notwithstanding the foregoing, nothing in sections 3 to 15 shall be deemed to prohibit a person primarily engaged in the business of selling goods or services at retail who operates a point-of-sale terminal or transmission facility from limiting his contractual agreement with any financial institution to only one or more types of banking transaction which, except in the case of any open-end type of consumer credit sales plan, agreement and arrangement, such person shall make available upon request to any other financial institution on a nondiscriminatory basis.

Subd. 2. Nothing in sections 3 to 15 shall prohibit a person primarily engaged in the business of selling goods or services at retail from establishing or operating a point-of-sale terminal or transmission facility to perform any internal business activities, including the extension of credit as authorized by law.

Subd. 3. A point-of-sale terminal or transmission facility operated by a person primarily engaged in the business of selling goods or services at retail may be examined by the commissioner as to any banking transaction by, with or involving a financial institution solely for the purpose of reconciling accounts and verifying the security and accuracy of such point-of-sale terminal or transmission facility, and all facts and information obtained in the course of such examination shall not be disclosed except as otherwise provided by law.

Sec. 15. [VIOLATIONS; PENALTIES; HEARING.] A violation of sections 3 to 14 shall be subject to penalties applicable to violations of laws affecting financial institutions. In addition, violations of sections 3 to 14 may be enjoined by a civil action by any aggrieved financial institution or by the commissioner. Unsafe, unsound, unfair, or discriminatory practices in connection with funds transfer facilities shall be deemed a violation of sections 3 to 14. If a violation continues 15 days after service of a notice by the commissioner of his intention to revoke a person's approval to operate a funds transfer facility, the commissioner may revoke such approval. Any party aggrieved by a revocation may request a hearing. Within 45 days the commissioner shall hold a hearing pursuant to Minnesota Statutes, Chapter 15.

No revocation shall be effective until after a hearing if a hearing is requested. Notwithstanding Minnesota Statutes, Section 15.052, Subdivision 6, all costs of the hearing shall be paid by the aggrieved party.

Sec. 16. [EFFECTIVE DATE.] This act shall become effective October 1, 1976."

Whereas S. F. No. 1788 after the enacting clause reads:

"Section 1. [PURPOSE.] *It is the purpose of this act to authorize and provide a more convenient method of implementing and performing the functions which banks are authorized to perform. Nothing in this act shall be construed to enlarge the powers, services, or activities which banks are authorized to perform or engage in by applicable law except as specifically authorized by this act.*

Sec. 2. [DEFINITIONS.] *Subdivision 1. For the purposes of this act the terms defined in this section have the following meanings.*

Subd. 2. "Bank" means a bank or savings bank organized under the laws of this state as defined in Minnesota Statutes, Section 47.02, or any national banking association having its principal office and place of business in this state.

Subd. 3. "Consumer banking facility" means any manned or unmanned device located separate and apart from a bank's principal office or detached facility, as authorized by Minnesota Statutes, Sections 47.51 to 47.57, which is capable of effecting banking transactions.

Subd. 4. "Municipality" means the geographical area within the legal boundaries of any city or organized town located in Minnesota.

Subd. 5. "Commissioner" means the commissioner of banks.

Subd. 6. "Savings and loan association" means an association subject to the provisions of sections 51A.01 to 51A.57 and an association organized and existing under the laws of the United States and having its principal office in this state.

Subd. 7. "Credit union" means a credit union subject to the provisions of sections 52.01 to 52.22 and a credit union organized and existing under the laws of the United States and having its principal office in this state.

Subd. 8. "Financial institution" means a bank, saving and loan association and credit union.

Sec. 3. [AUTHORIZATION.] Subdivision 1. Any bank may establish and maintain at a specific location, one or more consumer banking facilities for use by its customers, or may provide for its customers the use of such facility by entering into agreement with any person or persons maintaining one or more consumer banking facilities. No such consumer banking facility shall be established or used by a bank unless 30 days' written notice of its intention to establish or use such facility has been given to the commissioner. The commissioner shall adopt rules and regulations specifying the contents of such notice. Written notification shall not be deemed filed until all information required by the commissioner has been received by his office, which shall make such information available to any other bank requesting the use of any or all consumer banking facilities which are the subject of such notice.

Subd. 2. Subject to the notification procedures adopted by the commissioner, a consumer banking facility may be established and maintained anywhere within a municipality in which no banks or detached facilities are located, or anywhere within a municipality in which at least one bank is located, provided a bank in that municipality, pursuant to the provisions of this section, has established and maintains or provides the use of one or more consumer banking facilities located in one or more municipalities. The location and placement of consumer banking facilities shall not be designed to give or promote an unfair competitive advantage to any bank in Minnesota.

Sec. 4. [FUNCTIONS OF A CONSUMER BANKING FACILITY.] Subdivision 1. Pursuant to a preexisting contractual agreement, banking transactions which may be performed by a consumer banking facility shall be limited to the disbursement of funds under a pre-authorized credit agreement, the withdrawal of funds from a customer's account, the deposit of funds in a customer's account, the receiving of cash or checks, the disbursement of cash, the payment of loan payments and the transfer of funds to or from one or more accounts in financial institutions. Accounts may not be opened at such facilities. Any person may also operate a device which is capable of performing the functions of a consumer banking facility for any internal business activity of that person.

Subd. 2. The method by which a consumer banking facility performs banking transactions may include, but are not limited to, the use of electronic based systems which utilize devices capable of processing electronic information through or by means of which information relating to financial services rendered to the public is stored and transmitted, whether instantaneously or otherwise, to a bank and which, for activation and account access, is dependent upon the use of a machine readable instrument in the possession and control of the holder of an account with a bank.

Subd. 3. A consumer banking facility may be operated exclusively by bank customers or it may perform banking transactions through the assistance of any person provided that person is not employed by any bank, bank holding company or subsidiary. Such assistance shall not be deemed to be engaging in the business of banking. Persons assisting bank customers at the site of a consumer banking facility may be trained by bank employees. Nothing in this section shall be construed to prohibit periodic servicing of a consumer banking facility by a bank employee.

Sec. 5. [ESTABLISHMENT, MAINTENANCE AND USE OF A CONSUMER BANKING FACILITY.] Subdivision 1. One or more consumer banking facilities may be established and maintained by a bank, or a group or combination of banks or by a third party; provided, the person or persons holding legal title to a consumer banking facility, exclusive of any supporting equipment, structure or system, limits its use in the performance of banking transactions to transactions for customers of Minnesota banks. The authority of third parties referred to in this act is limited to ownership, operation and maintenance of consumer banking facilities and any supporting equipment, structures or systems, and nothing in this act shall be construed to authorize any person, other than a bank, to engage in the business of banking. Provided, a person that affords to any financial institution the use of a consumer banking facility may be examined by the commissioner as to any banking transaction by, with or involving a financial institution solely for the purpose of reconciling ac-

counts and verifying the security and accuracy of such consumer banking facility including any supporting equipment, structures or systems, and all facts and information obtained in the course of such examination shall not be disclosed except as otherwise provided by law. The person examined shall pay examination fees as determined by the commissioner.

Subd. 2. All banks shall comply with the notification procedures adopted by the commissioner prior to acquiring ownership or the use of a consumer banking facility.

Subd. 3. A bank, group or combination of banks or any person establishing and maintaining a consumer banking facility shall, upon written request, make its services available to any requesting bank on a fair, equitable and nondiscriminatory basis approved by the commissioner which shall include a pricing structure limited to the owner's direct costs, including a reasonable return on the capital expenditures incurred by the owner in establishing and maintaining consumer banking facilities and which shall be based on a per transaction cost. Subject to the provisions of this act, any person establishing and maintaining a consumer banking facility may make the same available for use by one or more savings and loan associations and credit unions and the customers thereof. A bank may participate upon contractual agreement in the use of a device which is capable of performing the functions of a consumer banking facility and is owned or operated by one or more savings and loan associations or credit unions. Any financial institution requesting use of a consumer banking facility shall be permitted its use if the financial institution conforms to reasonable technical operation standards which have been established by the facility provider as approved by the commissioner; provided that the requesting party agrees to grant reciprocal use of all similar devices owned or maintained by it.

For the purposes of this subdivision consumer banking facility shall include all facilities used for transmitting information from the consumer banking facility to a financial institution.

Subd. 4. A person primarily engaged in the business of selling goods or services at retail who operates a consumer banking facility including any supporting equipment, structures or systems may limit his contractual agreement with any financial institution to only one or more types of banking transactions which agreement and arrangement such person shall make available upon request to any other financial institution on a nondiscriminatory basis.

Subd. 5. Any advertisement, either on or off a consumer banking facility, promoting the use or the location of a consumer banking facility which identifies any bank, group or combination of banks or any person or other financial institution owning or providing for the use of its services, is prohibited except as

provided in this subdivision. The following shall be expressly permitted:

(a) A simple directory listing placed at the site of a consumer banking facility identifying the particular financial institutions using its services;

(b) The use of a name, either on or off the consumer banking facility, which does not promote or identify any particular bank, person or other financial institution;

(c) Media advertising or a direct mailing of any information from a financial institution identifying the location and use of any consumer banking facility and promoting their usage.

**Sec. 6. [BANK SECURITY.]** Every owner of a consumer banking facility and every bank using a consumer banking facility shall adopt and maintain safeguards to insure the safety of funds, items and other information, which safeguards shall include security devices consistent with the appropriate requirements specified under the Federal Bank Protection Act or such alternative security precautions as are approved by the commissioner.

**Sec. 7. [CONSUMER PRIVACY.]** Subdivision 1. To protect the privacy of customers using consumer banking facilities, including any supporting equipment, structures or systems, information received by or processed through such facilities supporting equipment, structures or systems shall be treated and used only in accordance with applicable law relating to the dissemination and disclosure of such information. Provided, further, that the person operating a consumer banking facility including any supporting equipment, structures or systems shall take such steps as are reasonably necessary to safeguard any information received or obtained about a customer or his account from misuse by any person manning a consumer banking facility including any supporting equipment, structures or systems.

Subd. 2. The commissioner shall have the authority by rule to require each bank operating pursuant to this act to supply information to customers using consumer banking facilities of the banks' consumer protection policies including the rights and liabilities of the consumer and protection against wrongful or accidental disclosure of confidential information.

Subd. 3. Every bank using a consumer banking facility shall maintain reasonable procedures to minimize losses from unauthorized withdrawals from its customers' accounts by use of a consumer banking facility. A bank shall be liable for all unauthorized withdrawals unless the unauthorized withdrawal was (a) due to the negligent conduct or the intentional misconduct of the operator of a consumer banking facility or his agent in

which case the operator shall be liable, or (b) due to the loss or theft of the customer machine readable card in which case the customer shall be liable for those unauthorized withdrawals made prior to the time the financial institution is notified of the loss or theft subject to a maximum liability of \$50. Transactions which involve deposits or payments by a customer to a financial institution at a consumer banking facility are completed when the deposit or payment is made and the customer receives his receipt at the consumer banking facility. Any loss due to theft or other reason subsequent to that time is a loss by the financial institution. For purposes of this subdivision, "unauthorized withdrawal" means a withdrawal by a person other than the customer who does not have actual, implied, or apparent authority for such withdrawal, and from which withdrawal the customer receives no benefit.

Subd. 4. No person's social security number shall be used as the personal identification number or as any code to activate any consumer banking facility.

Subd. 5. Any customer of a bank may bring a civil action against any person violating the provisions of this section in district court in the county in which the alleged violator resides or has his principal place of business or in the county wherein the alleged violation occurred. Upon adverse adjudication, the defendant shall be liable for actual damages, or \$500, whichever is greater, together with the court costs and reasonable attorneys' fees incurred by the plaintiff. The court may provide such equitable relief as it deems necessary or proper, including enjoining the defendant from further violations. If it appears to the court that the suit brought by the plaintiff was illfounded, or brought for the purpose of harassment, the plaintiff shall be liable for court costs and reasonable attorneys' fees incurred by the defendant.

Sec. 8. [ANTI-TRUST.] No person engaged in consumer banking facility activities shall contract, combine or conspire to restrain trade in the market for consumer banking facilities or engage in anti-competitive practices to the detriment of the public interest.

Sec. 9. [ORGANIZATION OF NEW BANK.] In considering any application for authority to organize a new bank or to move an existing bank, the commissioner and commerce commission shall disregard the existence of consumer banking facilities in considering and determining the need for banking facilities in the community where the proposed new bank is to be located, in considering the adequacy of existing banking facilities and the need for other banking facilities in the locality and in considering the present and future ability of the community to support the proposed new bank.

Sec. 10. [RULES AND REGULATIONS.] The commissioner may promulgate such rules and regulations as are rea-

*sonably necessary to carry out and make effective the provisions and purposes of this act pursuant to Minnesota Statutes, Chapter 15.*

**Sec. 11. [VIOLATIONS; PENALTIES.]** *A violation of sections 2 to 8 shall be subject to penalties applicable to violations of laws affecting financial institutions. In addition, a violation of sections 2 to 8 may be enjoined by a civil action for injunction by any aggrieved financial institution.*

**Sec. 12.** *Minnesota Statutes 1974, Chapter 52, is amended by adding a section to read:*

**[52.041] Subdivision 1. [DEFINITIONS.]** *(a) A "credit union" means a cooperative association organized in accordance with the provisions of this chapter or Title 12 of the United States Code. (b) A "credit union consumer facility" means any manned or unmanned electronic based system, device or machine located separate and apart from the credit union offices through which a credit union member may communicate and obtain from his credit union any authorized service pursuant to terms of an existing contractual arrangement between a credit union and its member. The device may receive or dispense cash or transfer funds for a member's benefit, subject to verification of the credit union.*

**Subd. 2. [CREDIT UNION CONSUMER FACILITY; AUTHORITY.]** *A credit union having its principal office in this state may own, establish, maintain or use one or more credit union consumer facilities.*

**Subd. 3. [SHARED FACILITIES.]** *A credit union may participate in the ownership, establishment, maintenance or use of one or more credit union consumer facilities with one or more credit unions. A credit union may share upon contractual agreement with one or more federal or state charter commercial banks, mutual savings bank or savings and loan association having its principal office in this state. Approval to own, establish, maintain or use a credit union consumer facility shall be given by the commissioner of banks upon application of a credit union if it shall appear that the facility will benefit the members of the credit union and is consistent with purposes of Minnesota Statutes, Chapter 52.*

**Subd. 4. [RULES AND REGULATIONS.]** *Pursuant to Minnesota Statutes, Chapter 15, the commissioner of banks shall promulgate rules and regulations consistent with all applicable provisions of this act that are reasonably necessary to carry out and make effective the provisions and purposes of this section."*

*In the title H. F. No. 2084 reads "relating to financial institutions; authorizing funds transfer facilities; providing penalties."*



Whereas S. F. No. 1788 reads "relating to banks and banking; authorizing consumer banking facilities and credit union facilities; providing penalties; amending Minnesota Statutes 1974, Chapter 52, by adding a section."

#### SUSPENSION OF RULES

Hanson moved that the rules be so far suspended that S. F. No. 1788 be substituted for H. F. No. 2084 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Vento from the Committee on General Legislation and Veterans Affairs to which was referred:

S. F. No. 2030, A bill for an act relating to elections; providing for the affidavits of candidacy of candidates for judicial office; amending Laws 1975, Chapter 5, Section 12, Subdivision 1.

Reported the same back with the recommendation that the bill do pass and be placed on the Consent Calendar.

The report was adopted.

Sieben, H., from the Committee on Governmental Operations to which was referred:

H. F. No. 2042, A bill for an act relating to nursing homes; providing for the licensing and inspection of nursing homes; providing for the licensing of nursing home administrators; reorganizing various laws relating to nursing homes and nursing home administrators; clarifying language and making necessary revisions; prescribing civil and criminal penalties; amending Minnesota Statutes 1974, Sections 144.053, Subdivision 3; 144.49, Subdivisions 6 and 7; 144.50; 144.51; 144.55; 144.572; 144.63, Subdivision 2; 144.652; 144.653, Subdivision 1; 144.654; 144.655; 144.656; 144.657; 144.68, Subdivisions 2 and 3; 145.61, Subdivision 4; 145.75; 145.862, Subdivision 4; 245.691, Subdivision 3; 256.12, Subdivision 19; 256B.02, Subdivision 2; 256B.30; 256D.18, Subdivision 2; 299F.39, Subdivision 1; 609.231; 626.555, Subdivisions 1, 2 and 7; and Minnesota Statutes, 1975 Supplement, Sections 144.53; 144.571; 145.72, Subdivision 2; 145.74; and 214.01, Subdivision 2; repealing Minnesota Statutes 1974, Sections 144.584; 144.951; 144.953; 144.954; 144.955; 144.9555; 144.956; 144.957; 144.958; 144.959; 144.96; 144.961; 144.962; 144.963; 144.964; and 144.965; and Minnesota Statutes, 1975 Supplement, Section 144.952.

Reported the same back with the following amendments:

Page 2, line 4, after "officer," insert "nursing home administrator, or".

Page 2, line 4, delete "or managerial employee".

Page 2, delete lines 24 and 25 and insert:

"(b) An individual state official or state employee, or a member or employee of".

Page 2, line 28, after "officer" delete the comma and insert "or".

Page 2, line 28, delete "or managerial".

Page 2, line 29, delete "employee".

Page 2, line 29, after the comma insert "receives any remuneration from a nursing home,".

Page 3, line 1, after "officer" delete the comma and insert "or".

Page 3, line 1, delete "or".

Page 3, line 2, delete "employee".

Page 3, line 11, delete "or boarding care".

Page 3, line 16, delete "and" insert "or".

Page 3, delete lines 18 to 30 and insert:

"Subd. 6. "Nursing care" means health evaluation and treatment of patients and residents who are not in need of an acute care facility but who require nursing supervision on an inpatient basis. The board of health may by rule establish levels of nursing care.

Subd. 7. "Uncorrected violation" means a violation of a statute or rule or any other deficiency for which a notice of non-compliance has been issued and fine assessed pursuant to section 10, subdivision 6.

Subd. 8. "Managerial employee" means an employee of a nursing home whose duties include the direction of some or all of the management or policies of the nursing home."

Renumber the remaining subdivision.

Page 4, line 1, delete "such" and insert "the".

Page 4, line 8, delete "boarding care or".

Page 4, line 9, delete "for the type of care to be provided" and insert "as a nursing home".

Page 4, line 19, delete "shall" and insert "may".

Page 4, line 19, delete "whether".

Page 4, delete lines 20 and 21 and insert: "the level or levels of nursing care which the facility is licensed to provide and shall".

Page 4, line 24, delete "who violates" and insert "of a nursing home in violation of".

Page 4, line 28, delete "as" and insert "related".

Page 4, line 29, delete "which incurred the uncorrected violations".

Page 5, line 27, delete "as agents on whom personal".

Page 5, delete lines 28 to 31 and insert "or managerial employees as agents:

(a) Who shall be responsible for dealing with the board of health on all matters provided for in sections 1 to 17 of this act; and

(b) On whom personal service of all notices and orders shall be made, and who shall be authorized to accept service on behalf of all of the controlling persons of the facility, in proceedings under section 10, subdivisions 4, 5, and 7; section 11, subdivision 3; and section 15 of this".

Page 6, line 3, after "persons" insert "or managerial employees":

Page 6, line 4, delete "those provisions" and insert "section 10, subdivisions 4 and 5; section 11, subdivision 3; and section 15".

Page 6, line 5, after "act" insert a comma.

Page 6, line 6, after "person" insert "or managerial employee".

Page 6, delete lines 24 to 32 and insert:

"(b) A controlling person on behalf of all other controlling persons:

(1) *Has entered into a contract to obtain the materials or labor necessary to meet the standard set by the board of health, but the supplier or other contractor has failed to perform the terms of the contract and the inability of the nursing home to meet the standard is due solely to that failure; or*

(2) *Is otherwise making a diligent good faith effort to meet the standard."*

Renumber remaining subdivisions in sequence.

Page 7, line 1, delete "*the facility*" and insert "*a nursing home*".

Page 7, line 2, delete the first "*controlling*".

Page 7, line 3, delete "*facility*" and insert "*nursing home*".

Page 7, line 4, after "*which*" delete "*two year period*" and insert "*time of control*".

Page 7, line 5, delete "*facility*" and insert "*other nursing home*".

Page 7, line 5, delete "*violations of*".

Page 7, delete line 6 and insert "*uncorrected violations*".

Page 7, line 14, delete "*as*" and insert "*related*".

Page 7, line 18, delete "*Two*".

Page 7, delete lines 19 to 26 and insert: "*In any nursing home of less than 25 beds, the director of nursing services may also serve as the licensed nursing home administrator. Two nursing homes having a total of 100 beds or less and located within 50 miles of each other may share the services of a licensed administrator if the administrator divides his full time work week between the two facilities in proportion to the number of beds in each facility. Every nursing home shall have a person-in-charge on the premises at all times in the absence of the licensed*".

Page 7, line 32, delete "*or person-in-charge*".

Page 8, line 1, after the period, insert "*A nursing home which is located in a facility licensed as a hospital pursuant to Minnesota Statutes, Sections 144.50 to 144.56, may employ as its administrator the registered administrator of the hospital if the individual meets minimum education and long term care experience criteria set by rule of the board of health.*".

Page 8, line 2, delete "*The facility*" and insert "*A nursing home*".

Page 8, line 6, after "*which*" delete "*two year period*" and insert "*time of employment*".

Page 8, line 6, delete "*facility*" and insert "*other nursing home*".

Page 8, line 7, delete "*violations of section 10 of*".

Page 8, delete line 8 and insert "*uncorrected violations, which violations were in*".

Page 8, line 10, before "*administrator*" insert "*the*".

Page 8, line 31, delete "*consolidated*".

Page 9, line 10, delete "*seven*" and insert "*14*".

Page 9, delete lines 14 to 19 and insert: "*transferred beneficial interest exceeds ten percent of the total beneficial interest in the nursing home facility, the structure in which the facility is located, or the land upon which the structure is located, it may, and if it determines that the transferred beneficial interest exceeds 50 percent of the total beneficial interest in the facility, the structure in which the facility is located, or the land upon which the structure is located, it shall, require that the license of the nursing home expire 90*".

Page 9, line 30, delete "*of rule or*".

Page 9, line 31, delete "*statute for which a fine was assessed*".

Page 10, delete lines 5 to 10 and insert:

(b) A controlling person on behalf of all other controlling persons:

(1) *Has entered into a contract to obtain materials or labor necessary to correct the violation, but the supplier or other contractor has failed to perform the terms of the contract and the liability of the nursing home to correct the violation is due solely to that failure; or*

(2) *Is otherwise making a diligent good faith effort to correct the violation.*"

Page 10, line 17, delete "*The*".

Page 10, delete lines 18 to 21.

Page 10, line 30, delete "*promptly*" and insert "*within 14 days of the occurrence*".

Page 11, line 3, delete "in".

Page 11, delete line 4 and insert "*which incurs the following number of uncorrected violations, in any two year period, for which violations a fine was assessed and allowed to be recovered:*

(a) *Two or more uncorrected violations which created an imminent risk of harm to a nursing home resident; or*

(b) *Ten or more uncorrected violations of any nature, is".*

Page 11, delete lines 29 to 32.

Page 12, delete line 1 and insert:

"Subd. 2. [INSPECTIONS.] *The board of health shall annually inspect each nursing home to assure compliance with sections 1 to 17 of this act and the rules promulgated thereunder. The annual inspection shall be a full inspection of the nursing home. If upon a reinspection provided for in subdivision 5 the representative of the board of health finds one or more uncorrected violations, a second inspection of the facility shall be conducted during the remainder of its license year. The second inspection need not be a full inspection.*"

Page 12, line 8, delete "*life safety code or similar*".

Page 12, line 11, delete "*inspections*" and insert "*reinspections*".

Page 12, line 12, after the period, insert "*Nothing in this subdivision shall be construed to prohibit the board of health from making more than one unannounced inspection of any nursing home during its license year.*".

Page 12, line 13, after "*inspection*" insert "*or reinspection*".

Page 12, delete line 15.

Page 12, line 16, delete the first "*the report*" and insert "*shall, by certified mail, send copies of any correction order or notice of noncompliance*".

Page 12, line 16, delete the second "*the report*" and insert "*each correction order and notice of noncompliance*".

Page 12, line 18, after "*welfare*" insert "*under sections 3 or 5 of this act*".

Page 12, line 21, delete "*the most recent summary of the*" and insert "*each correction order and notice of noncompliance received by the nursing home after its most recent*".

Page 12, line 22, delete *"report"*.

Page 13, line 16, delete *"deficiencies"* and insert *"violations"*.

Page 13, line 25, delete *"or deficiency"*.

Page 13, line 29, delete *"deficiency"* and insert *"violation"*.

Page 14, line 10, after *"15."* insert *"Recovery of the resumed fine shall be stayed if a controlling person or his legal representative on behalf of the nursing home makes a written request for a hearing on the resumption within 15 days of the resumption."*

Page 14, line 14, delete *"delivery"*.

Page 14, line 15, delete *"or mailing"* and insert *"receipt"*.

Page 14, line 24, after the comma insert *"or on the resumption of the fine,"*.

Page 14, line 32, after the period, insert *"The hearings provided for in subdivisions 7 and 8 shall be held within 30 days after the request for the hearing. If a consolidated hearing is held, it shall be held within 30 days of the request which occurred last."*

Page 15, line 6, delete *"leading to a"*.

Page 15, line 7, delete *"suspension or revocation of"* and insert *"to suspend or revoke"*.

Page 15, line 20, delete *"leading to the suspension"* and insert *"to suspend"*.

Page 15, line 21, delete *"revocation of"* and insert *"revoke"*.

Page 15, line 23, after *"of"* insert *"uncorrected"*.

Page 15, delete line 24.

Page 15, line 25, delete *"thereunder"*.

Page 16, line 9, delete *"before the board of health"*.

Page 17, line 11, after *"ordered"* insert *"by the court"*.

Page 17, line 22, after *"costs"* insert *"of persons subpoenaed by the board of health"*.

Page 22, line 9, after *"shall"* insert *"be selected from both urban and rural areas of the state, and shall"*.

Page 22, line 10, delete "*Six*" and insert "*Five*".

Page 22, line 11, after "*a*" insert "*currently registered*".

Page 22, line 12, delete "*dentist,*".

Page 22, delete lines 14 and 15.

Renumber the subsequent clauses in sequence.

Page 22, line 16, delete "*One*" and insert "*Two*".

Page 22, line 16, delete "*person*" and insert "*persons*".

Page 22, line 20, delete "*Two*" and insert "*Three*".

Page 23, line 8, after "*and*" start a new paragraph and insert "*(c)*".

Page 23, line 10, delete "*(c)*" and insert "*(1)*".

Page 23, line 12, delete "*(d)*" and insert "*(2)*".

Page 23, line 14, delete "*(e)*" and insert "*(3)*".

Page 23, line 16, delete "*(f)*" and insert "*(4)*".

Page 23, line 18, delete "*(g)*" and insert "*(5)*".

Page 23, line 31, delete "*, of good moral*".

Page 23, line 32, delete "*character, sound physical and mental health*".

Page 25, line 27, before "*The*" insert "*Except as provided in section 4, subdivision 6,*".

Page 30, line 3, before "*The*" insert "*In addition to its discretionary authority to initiate proceedings under sections 24 and 25 of this act,*".

Page 30, line 4, delete "*leading to the*".

Page 30, line 5, delete "*suspension or revocation of*" and insert "*to suspend or revoke*".

Page 30, line 7, delete "*years*" and insert "*year period*".

Page 30, line 8, after "*which*" insert "*during the period of his employment*".



Page 30, line 8, delete "*during the two year period*".

Page 30, line 9, before "*violations*" insert "*uncorrected*".

Page 30, line 9, delete "*of section 10 of this act or*".

Page 30, line 10, delete "*the rules promulgated thereunder*".

Page 33, strike line 13 and in line 14 strike "*six months*".

Page 33, delete lines 16 to 23 and insert "*for the institutional care of human beings*".

Page 33, strike lines 31 and 32.

Page 34, strike lines 1 to 3.

Page 34, after line 13, insert "*The term 'hospital' includes the term 'sanatorium' unless the context clearly indicates otherwise.*".

Page 35, line 19, strike "*such*".

Page 36, line 12, strike "*such*" and insert "*the*".

Page 36, line 17, strike "*such*".

Page 36, line 20, strike "*such*" and insert "*the*".

Page 36, line 22, after "*at*" strike "*such*" and insert "*the*".

Page 36, line 22, after the period strike "*Such*" and insert "*The*".

Page 36, line 25, strike "*such*" and insert "*the*".

Page 36, line 27, strike "*such*" and insert "*the*".

Page 37, line 5, strike "*and regulations*" and insert "*promulgated*".

Page 37, line 5, strike "*or hereinafter*".

Page 37, line 6, strike "*provided*".

Page 37, line 20, delete the new language, strike "*members*" and insert "*whom*".

Page 37, line 24, strike "*and*" and insert a period.

Page 37, line 29, strike "the", delete "seventh" and insert "a".

Page 37, line 31, strike "the", delete "eighth" and insert "a".

Page 37, line 32, after the period, insert "*The ninth member of the council shall be a public member as defined in section 214.02, and shall be appointed by the governor to serve at his pleasure.*"

Page 38, line 21, strike the semicolon and insert a period.

Page 38, line 21, strike "said" and insert "these".

Page 38, line 23, strike "said" and insert "these".

Page 38, line 25, after the semicolon insert "and".

Page 38, line 25, strike "said" and insert "these".

Page 38, line 26, strike the semicolon and insert a period.

Page 38, line 29, strike the semicolon and insert a period.

Page 40, line 1, strike "such" and insert "the".

Page 40, line 14, strike "Such" and insert "The".

Page 40, line 15, strike "and regulations".

Page 40, line 18, strike "such" and insert "the".

Page 40, line 22, strike "such" and insert "the".

Page 40, line 32, strike "such" and insert "the".

Page 41, line 21, strike "such" and insert "the".

Page 41, line 21, strike "as" and insert "that".

Page 41, line 29, strike "such" and insert "the".

Page 42, line 9, strike "as such".

Page 45, delete lines 24 to 31.

Page 46, line 13, strike "such" and insert "the".

Page 46, line 14, strike "regulations" and insert "rules".

Page 46, line 16, strike "Such regulations" and insert "*The rules*".

Page 49, line 12, delete "*act*" and insert "*section*".

Renumber the sections in sequence.

Further amend the title:

Line 16, delete "256.12, Subdivision 19;".

With the recommendation that when so amended the bill do pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sieben, H., from the Committee on Governmental Operations to which was referred:

H. F. No. 2269, A bill for an act relating to employment services; unemployment compensation; defining wages; determining employer contribution rates; amending Minnesota Statutes, 1975 Supplement, Sections 268.04, Subdivision 25; and 268.06, Subdivision 8.

Reported the same back with the following amendments:

Page 1, after line 7, insert sections to read:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 12, is amended to read:

Subd. 12. "Employment" means: (1) Subject to the other provisions of this subdivision "employment" means service performed prior to January 1, 1945, which was employment as defined in this section prior to such date, and any service performed after December 31, 1944, including service in interstate commerce, by an individual who is a servant under the law of master and servant or who performs services for any employing unit, unless such services are performed by an independent contractor. Any service performed, including service in interstate commerce, by

(a) any officer of a corporation; or

(b) any individual other than an individual who is an employee under clause (a) who performs services for remuneration for any person as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal, or as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a fulltime basis in the solicitation on behalf of, and the transmission to, his principal (except for sideline sales

activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations;

Provided, that for purposes of clause (1) (b), the term "employment" shall include services described above performed after December 31, 1971, only if the contract of service contemplates that substantially all of the services are to be performed personally by such individual, the individual does not have a substantial investment in facilities used in connection with the performance of the services (other than in facilities for transportation), and the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(2) The term "employment" shall include an individual's entire service, performed within or both within and without this state if (a) the service is localized in this state; or (b) the service is not localized in any state but some of the service is performed in this state and (1) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this state; (2) the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(3) Service shall be deemed to be localized within a state if (a) the service is performed entirely within such state; or (b) the service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(4) After December 31, 1971, the term "employment" shall include an individual's service wherever performed within the United States, the Virgin Islands or Canada, if

(a) Such service is not covered under the unemployment compensation law of any other state, the Virgin Islands or Canada, and

(b) The place from which the service is directed or controlled is in this state.

(5) (a) Service covered by an election pursuant to section 268.11, subdivision 3; and

(b) Service covered by an arrangement pursuant to section 268.13 between the commissioner and the agency charged with the administration of any other state or federal employment security law, pursuant to which all service performed by an individual for an employing unit is deemed to be performed en-

tirely within this state, shall be deemed to be employment if the commissioner has approved an election of the employing unit for which such service is performed, pursuant to which the entire service of such individual during the period covered by such election is deemed to be employment.

(6) Notwithstanding any inconsistent provisions of sections 268.03 to 268.24, the term "employment" shall include any services which are performed by an individual with respect to which an employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which as a condition for full tax credit against the tax imposed by the federal unemployment tax act is required to be covered under this law.

(7) Service performed after July 1, 1957, by an individual for the state of Minnesota or any instrumentality which is wholly owned by the state of Minnesota or in the employ of this state and one or more other states or their instrumentalities.

(8) Service performed after January 1, 1974, by an individual for any political subdivision of the state of Minnesota or instrumentality thereof.

(a) The provisions of section 268.08, subdivision 5, shall apply to service covered by this section.

(b) The amounts required to be paid in lieu of contributions by any political subdivision shall be billed and payment made as provided in section 268.06, subdivision 28, clause (2), with respect to similar payments by nonprofit organizations.

(9) Service performed after December 31, 1971, by an individual in the employ of a religious, charitable, educational or other organization but only if the following conditions are met:

(a) the service is excluded from "employment" as defined in the federal unemployment tax act solely by reason of section 3306(c) (8) of that act; and

(b) the organization had one or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(10) For the purposes of clauses (7), (8), and (9), the term "employment" does not apply to service performed

(a) in the employ of a church or convention or association of churches, or an organization which is operated exclusively for

religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches; or

(b) by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; or

(c) in a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market by an individual receiving such rehabilitation or remunerative work; or

(d) as part of an unemployment work relief or work training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof, by an individual receiving such work relief or work training; or

(e) for a hospital in a state prison or other state correctional institution by an inmate of the prison or correctional institution.

(11) The term "employment" shall include the service of an individual who is a citizen of the United States, performed outside the United States (except in Canada or the Virgin Islands), after December 31, 1971, in the employ of an American employer (other than service which is deemed "employment" under the provisions of clauses (2), (3), or (4) or the parallel provisions of another state's law) if:

(a) The employer's principal place of business in the United States is located in this state; or

(b) The employer has no place of business in the United States, but the employer is an individual who is a resident of this state, or the employer is a corporation which is organized under the laws of this state, or the employer is a partnership or a trust and the number of partners or trustees who are residents of this state is greater than the number who are residents of any one other state; or

(c) None of the criteria of (a) and (b) of this clause is met but the employer has elected coverage in this state, or the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

(d) An "American employer," for the purposes of this subdivision, means a person who is an individual who is a resident of the United States, or a partnership of two thirds or more of the partners are residents of the United States, or a trust, if all of the trustees are residents of the United States, or a corporation organized under the laws of the United States or of any state;

(e) As used in this subdivision, the term "United States" includes the states, the District of Columbia, and the Commonwealth of Puerto Rico.

(12) Notwithstanding clause (1), all service performed after the effective date of this subdivision by an officer or member of the crew of an American vessel on or in connection with such vessel, if the operating office, from which the operations of such vessel operating on navigable waters within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

(13) The term "employment" shall not include:

(a) Agricultural labor. The term "agricultural labor" includes all services performed subsequent to December 31, 1939:

(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, fur-bearing animals and wildlife;

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a tornadic-like storm, if the major part of such service is performed on a farm;

(3) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section 15(g) of the agricultural marketing act, as amended (46 Stat. 1550, sec. 3; 12 U.S.C. 1141j) or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(4) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator

produced more than one half of the commodity with respect to which such service is performed, or in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described herein, but only if such operators produced more than one half of the commodity with respect to which such service is performed; however, the provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or

(5) On a farm operated for profit if such service is not in the course of the employer's trade or business or is domestic service in a private home of the employer.

As used herein, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

Notwithstanding the provisions of clause (13) (a) (1), (2), (3), (4) and (5), services performed after January 1, 1974, for an employing unit which has four or more persons performing services in agricultural labor for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time, shall not be excluded from the term "employment".

(b) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority;

(c) Casual labor not in the course of the employing unit's trade or business;

(d) Service performed on the navigable waters of the United States as to which this state is prohibited by the constitution and laws of the United States of America from requiring contributions of employers with respect to wages as provided in sections 268.03 to 268.24;

(e) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 18 in the employ of his father or mother;

(f) Service performed in the employ of the United States government, or any instrumentality of the United States exempt under the constitution of the United States from the contributions imposed by sections 268.03 to 268.24, except that with respect to such service performed subsequent to December 31, 1939, and to



the extent that the congress of the United States shall permit states to require any instrumentalities of the United States to make payment into an unemployment compensation fund under a state unemployment compensation act; then, to the extent permitted by congress, and from and after the date as of which such permission becomes effective, all of the provisions of these sections shall be applicable to such instrumentalities and to services performed for such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers, employing units, individuals, and services; provided, that if this state shall not be certified for any year by the United States department of labor under section 3304(c) of the federal internal revenue code, the payments required of such instrumentalities with respect to such year shall be refunded by the commissioner from the fund in the same manner and within the same period as is provided in section 268.16, subdivision 6, with respect to contributions erroneously collected;

(g) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(h) (1) Service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) (other than an organization described in section 401(a)) or section 521 of the federal internal revenue code, if the remuneration for such service is less than \$50; or

(2) Service performed in the employ of a school, college, or university, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university; or

(3) Service performed by an individual under the age of 22 who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a fulltime program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this paragraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers; or

(4) *Service performed in the employ of any organization exempt from income tax under section 501(a) (other than an organization described in section 401(a) of the Federal internal revenue code), provided: financing for the operations of the employer come primarily from voluntary contributions or governmental grants; and such service consists primarily of the supervision of work crews of minors or the supervision of the recrea-*

*tional activities of minors; and the period of such service does not exceed 16 weeks in a calendar year;*

(i) Service performed in the employ of a foreign government (including service as a consular or other officer or employee or a nondiplomatic representative);

(j) Service performed in the employ of an instrumentality wholly owned by a foreign government, if

(1) The service is of a character similar to that performed in foreign countries by employees of the United States government or of an instrumentality thereof; and

(2) The commissioner finds that the United States secretary of state has certified to the United States secretary of the treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and of instrumentalities thereof.

(k) Service covered by an arrangement between the commissioner and the agency charged with the administration of any other state or federal employment security law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within such agency's state;

(l) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital, as defined in clause (16);

(m) Service performed subsequent to December 31, 1940, as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered and approved pursuant to state law; and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered and approved pursuant to state law;

(n) Service performed subsequent to December 31, 1940, by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission (the word "insurance" as used in this subdivision shall include an annuity and an optional annuity);

(o) Service performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news,

not including delivery or distribution to any point for subsequent delivery or distribution;

(p) Service performed by an individual for a person as a real estate salesman, if all such service performed by such individual for such person is performed for remuneration solely by way of commission;

(q) If the service performed subsequent to December 31, 1940, during one half or more of any pay period by an individual for the person employing him constitutes employment, all the service of such individual for such period shall be deemed to be employment; but if the service performed during more than one half of any such pay period by an individual for the person employing him does not constitute employment, then none of the service of such individual for such period shall be deemed to be employment. As used in this subdivision, the term "pay period" means a period (of not more than 31 consecutive days) for which a payment or remuneration is ordinarily made to the individual by the person employing him.

(14) Except when performed for an institution of higher education, as defined in clause (15), or a hospital, as defined in clause (16), the term "employment" as applied to services performed by an individual for the state of Minnesota or any instrumentality wholly owned by the state, except political subdivisions or instrumentalities thereof, shall not include the following:

(a) Service performed by elected public officials and unclassified employees appointed for a definite term and employees of the legislature or a legislative commission employed as temporary employees, except after December 31, 1971, this exclusion shall not apply to service performed by unclassified employees in an instructional, research, or principal administrative capacity in an institution of higher education or a hospital;

(b) Service performed prior to January 1, 1972, by a faculty member in the employ of a university, college, school or any other institution of higher education which is supported wholly or substantially by public funds;

(c) Service performed by members of the Minnesota national guard when ordered to duty for military assignments;

(d) Service performed in the employ of the state natural resources department directly and solely in connection with emergency fire fighting, including but not limited to those persons temporarily employed for the purpose of detecting, locating, or suppressing forest fires.

(15) "Institution of higher education," for the purposes of this subdivision, means an educational institution which:

(a) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(b) Is legally authorized in this state to provide a program of education beyond high school;

(c) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(d) Is a public or other nonprofit institution.

(e) Notwithstanding any of the foregoing provisions of this clause, all colleges and universities in this state are institutions of higher education for purposes of this section.

(16) "Hospital" means an institution which has been licensed, certified or approved by the department of health as a hospital.

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 23, is amended to read:

Subd. 23. "Unemployment" An individual shall be deemed "unemployed" in any week during which he performs no service and with respect to which no wages are payable to him, or in any week of less than full time work if the wages payable to him with respect to such week are less than his weekly benefit amount, *provided that no permanent employee of the legislature or a legislative commission shall be deemed to be unemployed while on a leave of absence.* Any individual unemployed as a result of a uniform vacation shutdown shall not be deemed to be voluntarily unemployed. The commissioner may, in his discretion, prescribe regulations relating to the payment of benefits to such unemployed individuals."

Page 1, line 19, delete "100" and insert "85".

Page 4, after line 5, insert sections to read:

"Sec. 4. Minnesota Statutes 1974, Section 268.04, Subdivision 29, is amended to read:

Subd. 29. "Credit week" with respect to any claim for benefits which establishes a benefit year subsequent to June 27, 1970, is any week for which wages have been paid and wages are due and payable but not paid of (\$30) \$50 or more by or from one or more employers to an employee for insured work.

Sec. 5. Minnesota Statutes 1974, Section 268.06, Subdivision 5, is amended to read:

Subd. 5. [BENEFITS CHARGED AS AND WHEN PAID.]

(1) Benefits paid to an individual pursuant to a valid claim filed subsequent to June 30, 1941, shall be charged against the account of his employer as and when paid, except that benefits paid to an individual who during his base period earned wages for part time employment with an employer who continues to give the employee part time employment substantially equal to the part time employment previously furnished such employee by such employer shall not be charged to such employer's account. The amount of benefits so chargeable against each base period employer's account shall bear the same ratio to the total benefits paid to an individual as the base period wage credits of the individual earned from such employer bear to the total amount of base period wage credits of the individual earned from all his base period employers.

(2) When, however, the base period earnings of an individual to whom benefits are paid are less than (\$520) \$900, then the proportional benefits which would ordinarily be charged to such employer shall not be charged to him, except that this provision shall not apply if the commissioner finds that the employment practices of an employer result in his separation of employees for whom work is available solely for the purpose of evading charges to his account.

In making computations under this provision, the amount of wage credits if not a multiple of \$1, shall be computed to the nearest multiple of \$1."

Page 5, line 29, delete "six" and insert "eight".

Page 6, after line 8, insert new sections to read:

"Sec. 7. Minnesota Statutes, 1975 Supplement, Section 268.07, Subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] If the commissioner finds that an individual has earned 18, or more, credit weeks, and (\$540) \$900 or more in wage credits, within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual during his benefit year as follows:

(1) Weekly benefit amount shall be equal to 60 percent of the first \$85, 40 percent of the next \$85 and 50 percent of the remainder of the average weekly wage of such individual, computed to the nearest whole dollar, subject to a maximum of (THE LESSER OF \$116 OR) 62 percent of the average weekly wage paid to individuals by employers subject to the provisions of section 268.03 to 268.24.

On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.

(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

(c) The average annual wage shall be divided by 52 to determine the average weekly wage.

The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(2) An individual's maximum amount of regular benefits payable in a benefit year shall not exceed the lesser of (a) 26 times his weekly benefit amount or (b) 70 percent of the number of credit weeks earned by such an individual computed to the nearest whole week times his weekly benefit amount.

(3) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, including holiday pay, payable to him with respect to such week which is in excess of \$25. Such benefit, if not a multiple of \$1, shall be computed to the next higher multiple of \$1.

(4) The provisions of this subdivision shall apply to claims for benefits which establish a benefit year subsequent to June 30, 1975.

Sec. 8. Minnesota Statutes 1974, Chapter 268, is amended by adding a section to read:

[268.091] [DISQUALIFICATIONS FROM BENEFITS.]  
*Subdivision 1. [DISQUALIFYING CONDITIONS.] An individual shall be disqualified for benefits if such individual:*

*(1) voluntarily and without good cause attributable to the employer discontinues employment with such employer, provided that this provision shall not apply to any individual who left his employment to accept work offering substantially better conditions of work or substantially higher wages or both, or whose separation from such employment was due to serious illness of such individual; or*

(2) was discharged for misconduct, not amounting to gross misconduct, connected with the work or which interferes with and adversely affects the employment; or

(3) was discharged for gross misconduct connected with his work or which interferes with and adversely affects the employment, such gross misconduct being defined as misconduct involving assault and battery, or an immoral act, or the malicious destruction of property or the theft of money or property of a value of \$50, or more; or

(4) left employment because of pregnancy without availing herself of maternity leave rights; or

(5) failed, without good cause, either to apply for or accept available, suitable work when so directed by the employment office or the commissioner, or to return to customary self-employment (if any), provided that:

(a) In determining whether or not any work is suitable for an individual, the commissioner shall consider the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience, his length of unemployment and prospects of securing local work in his customary occupation, and the distance of the available work from his residence.

(b) Notwithstanding any other provisions of sections 268.03 to 268.24, no work shall be deemed suitable, and benefits shall not be denied thereunder to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) if the position offered is vacant due directly to a strike, lockout, or other labor dispute;

(2) if the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(3) if as a condition of being employed the individual would be required to join a union or to resign from or refrain from joining any bona fide labor organization;

(4) if after December 31, 1971, such individual is in training with the approval of the commissioner; or

(5) failed without good cause to accept suitable re-employment offered by a base period employer, provided such disqualification shall not apply if such individual is in training with the approval of the commissioner.

Subd. 2. [DISQUALIFICATIONS.] The disqualifications imposed for the conditions in subdivision 1 shall be:

(1) for eight weeks of unemployment and shall also result in a reduction in the maximum benefit amount payable to such individual of eight times the weekly benefit amount; or

(2) until such individual has worked for eight weeks in insured employment and earned wages in each week equal to the weekly benefit amount if the individual has been disqualified for a prior separation, refusal or failure which occurred within the 104 weeks preceding the week in which the disqualifying condition for which this disqualification is being imposed occurred; or

(3) until such individual has worked for eight weeks in insured employment and earned wages in each week equal to the weekly benefit amount and shall also result in a reduction in the maximum benefit amount payable to such individual of twelve times the weekly benefit amount, which reduction shall not be satisfied by subsequent employment, if the disqualification is for gross misconduct; or

(4) until such individual has employment in insured work for a period of not less than six weeks if the disqualification is for leaving employment because of pregnancy without availing herself of maternity leave rights.

Benefits paid subsequent to an individual's separation under any of the foregoing clauses shall not be used as a factor in determining the future contribution rate of the employer from whose employment such individual separated or whose offer of re-employment was refused, provided that this clause shall not apply to an individual involuntarily separated from employment because of pregnancy.

With respect to subdivision 2, clause (1), any week of employment in insured work with wages in an amount equal to the weekly benefit amount subsequent to the week in which the disqualifying act occurred shall satisfy a week of disqualification and a reduction in maximum benefit amount equal to the weekly benefit amount. Five weeks of employment in insured work with wages in an amount equal to the weekly benefit amount in each week subsequent to the week in which the disqualifying act occurred shall satisfy eight weeks of disqualification.

**Subd. 3. [LABOR DISPUTES.]** An individual shall be disqualified from such benefits if such individual has left or partially or totally lost his employment with an employer because of a strike or other labor dispute. Such disqualification shall prevail for each week during which such strike or other labor dispute is in progress at the establishment in which he is or was employed, except that such disqualification shall be for one week following commencement of the strike or other labor dispute for any employee who is not participating in or directly interested in the labor dispute which caused such individual to leave or par-



tially or totally lose such employment. Failure or refusal of an individual to accept and perform available and customary work in the establishment constitutes participation. For the purpose of this section the term "labor dispute" shall have the same definition as provided in the Minnesota labor relations act. Nothing in this subdivision shall be deemed to deny benefits to any employee:

(a) who becomes unemployed because of a strike or lockout caused by an employer's willful failure to observe the terms of the safety and health section of a union contract or failure to comply with an official citation for health; provided, however, that benefits paid in accordance with this provision shall not be charged to the employer's experience rating account if, following official appeal proceedings, it is held that there was no willful failure on the part of the employer,

(b) who becomes unemployed because of a lockout,

(c) who is dismissed during the period of negotiation in any labor dispute and prior to the commencement of a strike, or

(d) unless he is unemployed because of a jurisdictional dispute between two or more unions.

Provided, however, that voluntary separation during the time that such strike or other labor dispute is in progress at such establishment shall not be deemed to terminate such individual's participation in or direct interest in such strike or other labor dispute for purposes of this subdivision.

Benefits paid to an employee who has left or partially or totally lost his employment because of a strike or other labor dispute at his primary place of employment shall not be charged to his employer's account unless the employer was a party to the particular strike or labor dispute.

Notwithstanding any other provision of this section, an individual whose last separation from employment with an employer occurred prior to the commencement of the strike or other labor dispute and was permanent or for an indefinite period, shall not be denied benefits or waiting week credit solely by reason of his failure to apply for or to accept recall to work or re-employment with the employer during any week in which the strike or other labor dispute is in progress at the establishment in which he was employed.

**Subd. 4. [DISQUALIFICATIONS CONCURRENT; WHEN OVERLAPPING.]** Weeks of disqualification imposed under the provisions of this section shall be concurrent where two or more disqualifying periods overlap.

*Subd. 5. [DEFINITION.] A week of unemployment, as used in this section, shall mean a week during which such individual would be otherwise eligible for benefits, except for the initial waiting week.*

Sec. 9. Minnesota Statutes 1974, Section 268.12, Subdivision 5, is amended to read:

Subd. 5. [ASSISTANCE.] (1) Subject to the provisions of the state civil service act and to the other provisions of sections 268.03 to 268.24 the commissioner is authorized to appoint, and prescribe the duties and powers of, such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of his duties thereunder. The commissioner may delegate to any such person so appointed such power and authority as he deems reasonable and proper for the effective administration of those sections and may, in his discretion, bond any person handling moneys or signing checks thereunder. The commissioner is authorized to adopt such personnel and fiscal regulations as he deems necessary to satisfy fiscal and personnel standards required by the secretary of labor pursuant to the Social Security Act, as amended, and the act of Congress entitled "An act to provide for the establishment of a national employment system and to cooperate with the states in the promotion of such system and for other purposes," approved June 6, 1933, as amended. The commissioner may, subject to the approval of the commissioner of administration, also adopt regulations relating to reimbursement to department employees for travel expenses incurred while traveling on official business including allowances on a per diem basis in lieu of actual subsistence expenses incurred. The commissioner is also hereby authorized to purchase liability and property damage automobile insurance to cover any automobiles owned by the Minnesota department of employment services for the protection of its employees who may be required to operate the same in pursuit of their duties for the department.

The attorney general shall appoint an assistant attorney general and two special assistant attorneys general, to be in addition to the number now authorized by law. The assistant attorney general shall be the attorney and the chief counsel for the department of employment services. Such assistant and special assistant attorneys general shall receive the same salary as the other assistant and special assistant attorneys general, but devote their entire time to this department. Such assistant and special assistant attorneys general shall have the power to act for and represent the attorney general in all matters in which the attorney general is authorized to act for the commissioner by these sections. The compensation and all expenses and disbursements of such assistant and special assistant attorneys general shall be paid from the moneys appropriated to and for the use of the commissioner.

(2) ((A) NO OFFICER OR EMPLOYEE ENGAGED IN THE ADMINISTRATION OF THESE SECTIONS SHALL USE HIS OFFICIAL AUTHORITY TO INFLUENCE FOR THE PURPOSE OF INTERFERING WITH AN ELECTION OR AFFECTING THE RESULTS THEREOF. NO PERSON ENGAGED IN THE ADMINISTRATION OF THESE SECTIONS WHO HOLDS A POSITION IN THE STATE CLASSIFIED SERVICE PURSUANT TO PROVISIONS CONTAINED IN THE STATE CIVIL SERVICE ACT, WHILE RETAINING THE RIGHT TO VOTE AS HE PLEASURES AND TO EXPRESS PRIVATELY HIS OPINION ON ALL POLITICAL SUBJECTS, SHALL TAKE AN ACTIVE PART IN POLITICAL MANAGEMENT OR CAMPAIGNS;)

((B) NO OFFICER OR EMPLOYEE ENGAGED IN THE ADMINISTRATION OF THESE SECTIONS SHALL SOLICIT OR RECEIVE OR BE IN ANY MANNER CONCERNED IN SOLICITING OR RECEIVING ANY ASSESSMENT, SUBSCRIPTION, OR CONTRIBUTION FOR ANY POLITICAL PURPOSE FOR ANY PERSON;)

((C)) No officer or employee engaged in the administration of these sections shall, for political purposes, furnish or disclose, or aid or assist in furnishing or disclosing, any list or names of persons obtained in the administration of these sections, to a political candidate, committee, campaign manager, or to any person for delivery to a political candidate, committee, or campaign manager, and it shall be unlawful for any person to receive any such list or names for political purposes.

Sec. 10. Minnesota Statutes 1974, Section 268.18, Subdivision 2, is amended to read:

Subd. 2. [FRAUD.] Any claimant who files a claim for or receives benefits by knowingly and wilfully misrepresenting or misstating any material fact or by knowingly and wilfully failing to disclose any material fact which would make him ineligible for benefits under sections 268.03 to 268.24 and as specifically set forth in Minnesota Statutes, Section 268.08, in force at the time of filing such claim for benefits, shall be deemed guilty of fraud. Notwithstanding the provisions of Minnesota Statutes 1949, Section 268.09, Subdivision 1, Clause (7), after the discovery of facts by the commissioner indicating such fraud in claiming or obtaining benefits under sections 268.03 to 268.24, he is hereby authorized to make a determination that such claimant was ineligible for each week with reference to which benefits were claimed or obtained by such fraud for such amount as was in excess of what such claimant would have been entitled to had he not made such fraudulent statements or failed to disclose any material facts, *and be disqualified when next claiming benefits for an additional week for each week in which benefits were fraudulently claimed*, and at the discretion of the commissioner, disqualifying such claimant from receiving any

unemployment benefits under the Minnesota law for any part or all of the remainder of the current or next subsequent benefit year following the week when such fraud was committed, and that said claimant shall within 20 days from the date of mailing the notice of said determination to him repay in cash to the department of employment services any benefits so fraudulently obtained. Unless such claimant files a written protest with the department of employment services within ten days after the delivery of such notice or within 12 days after the date of mailing thereof, such determination shall become final. If such claimant shall appeal from such determination within the time above specified said matter shall be referred to an appeal tribunal for a hearing as in other benefit cases and thereafter the procedure for review shall be the same as set forth in section 268.10. If such benefits so fraudulently obtained are not repaid to the department in cash within 20 days from the date of mailing the notice to such claimant of such determination, the commissioner is hereby authorized to deduct from future benefits payable to such claimant in either the current or any subsequent benefit year an amount equivalent to the amount of overpayment determined.

Sec. 11. Minnesota Statutes, 1975 Supplement, Section 268.09, is hereby repealed.”

Page 6, line 9, delete “retroactively to”.

Page 6, line 10, delete “1976” and insert “1977, except the provisions to amend section 268.12, subdivision 5, which shall become effective the day following final enactment”.

Renumber sections accordingly.

Further amend the title:

Line 4, after “amending” insert “Minnesota Statutes 1974, Sections 268.04, Subdivision 29; 268.06, Subdivision 5; 268.12, Subdivision 5; 268.18, Subdivision 2; Chapter 268, by adding a section; and”.

Line 5, delete “Subdivision” and insert “Subdivisions 12, 23 and”.

Line 6, delete “and” and after “Subdivision 8” insert “; 268.07, Subdivision 2; and repealing Minnesota Statutes, 1975 Supplement, Section 268.09”.

With the recommendation that when so amended the bill do pass.

The report was adopted.

Berg from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1018, A bill for an act relating to counties; written notice of public hearings relating to planning and zoning activities; amending Minnesota Statutes 1974, Section 394.26, Subdivision 2.

Reported the same back with the following amendments:

Page 2, line 1, after "including" insert "*but not limited to*".

Page 2, line 1, after "variances" insert "*, zoning regulations,*".

Page 2, line 2, strike "subdivisions" and insert "*subdivision regulations*".

Page 2, line 3, strike the comma and reinstate the stricken language.

Page 2, line 4, reinstate the stricken "areas".

Page 2, line 4, strike "the" and insert "*. In unincorporated areas, the written notice shall be sent to property owners as follows:*

(a) *In the case of variances, to owners of record within 500 feet of the affected property or to the ten properties nearest to the affected property, whichever would provide notice to the greatest number of owners;*

(b) *In the case of conditional uses, to owners of record within one-quarter mile of the affected property or to the ten properties nearest to the affected property, whichever would provide notice to the greatest number of owners; and*

(c) *In the case of all other official controls, including but not limited to zoning regulations and subdivision regulations, to owners of record within one-half mile of the affected property.*

*Written notice shall also be given to the*".

With the recommendation that when so amended the bill do pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Berg from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2638, A bill for an act relating to highways; construction limitations on certain trunk highways; authorizing the preparation of environmental impact statements for such highways; amending Minnesota Statutes, 1975 Supplement, Section 161.123.

Reported the same back with the following amendments:

Page 2, delete lines 20 to 32.

Page 3, line 1, delete "(a)".

Page 3, line 1, after "The" insert "*commissioner of highways shall be authorized to prepare environmental impact statements, utilizing the most reasonably recent available data, on the following.*".

Page 3, line 5, delete the semicolon and insert "*In the preparation of such environmental impact statements the commissioner shall analyze and evaluate*".

Page 3, line 6, delete "(b)" and insert "(a)".

Page 3, line 8, delete "(c)" and insert "(b)".

With the recommendation that when so amended the bill do pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Berg from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 1996, A bill for an act relating to counties; authorizing county boards to furnish board and certain other services to prisoners in county jails; amending Minnesota Statutes, 1975 Supplement, Section 387.20, Subdivision 6.

Reported the same back with the recommendation that the bill do pass and be placed on the Consent Calendar.

The report was adopted.

Kelly, W., from the Committee on Taxes to which was referred:

H. F. No. 2072, A bill for an act relating to taxes on or measured by net income and to assessment of ad valorem taxes; appropriating funds; amending Minnesota Statutes 1974, Sections 270.13; 276.05; 276.06; 290.066, Subdivision 1; and Chapter 273,

by adding a section; Minnesota Statutes, 1975 Supplement, Sections 270.16, Subdivision 2; 273.012, Subdivision 3; 274.14; 276.04; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.21, Subdivision 4; 290A.03, Subdivisions 8 and 13; 290A.06; 290A.07, Subdivisions 1 and 2; 290A.14; and Laws 1975, Chapter 349, Section 32; repealing Minnesota Statutes, 1975 Supplement, Section 124.03.

Reported the same back with the following amendments:

Page 1, after line 15, insert

"Section 1. Minnesota Statutes 1974, Section 4.12, Subdivision 4, is amended to read:

Subd. 4. The office of local and urban affairs shall: (1) undertake studies to obtain information and data on urban and rural needs, assistance programs, and activities. It shall provide technical assistance and advice in the solution of such problems. The duties of the office shall include, but are not limited to, the assembly, the correlation, and dissemination of physical, social, and economic development data to inform local governmental units and interested persons and organizations of the availability and status of federal, state, and local programs and other resources for the solution of urban and rural problems;

(2) make available to the governor and the legislature pertinent information relating to federal grants in aid to local governmental units and an analysis thereof;

(3) inform local governmental units about federal programs of social or economic aid or assistance for which they are eligible, together with the criteria, standards, and conditions upon which such aid is based (.);

(4) *analyze local government financial conditions and make recommendations to local governments and the legislature for the improvement of local financial management functions.*

Sec. 2. *The office of local and urban affairs shall make an analysis of the factors and circumstances which contribute to financial emergencies in local governments in the state including the effects of overlapping debt. On or before January 31, 1977, the office of local and urban affairs shall submit a report to the state legislature listing all local governmental units over 2,500 population that have short term operating debt which carries beyond the end of their fiscal year and recommending procedures to regulate the use of this debt. It shall recommend a set of guidelines to determine when the financial condition of a local government necessitates state intervention. It shall also recommend procedures for carrying out remedial state action.*

Sec. 3. Minnesota Statutes 1974, Chapter 256, is amended by adding a section to read:

[256.897] [SUPPLEMENTAL HOUSING ALLOWANCE.]

*Subdivision 1. The department of public welfare may, with the approval of the federal department of health, education and welfare, provide an annual supplemental housing allowance for recipients of the aid to families with dependent children program who would otherwise qualify for the income adjusted homestead credit set forth at Minnesota Statutes, Sections 290A.01 to 290A.22.*

*Subd. 2. The amount of the supplemental housing allowance, if any, shall be calculated in the same manner as the income adjusted homestead credit set forth at Minnesota Statutes, Sections 290A.01 to 290A.22. Recipients may apply for this supplement in the same manner as claims submitted to the department of revenue under Minnesota Statutes, Sections 290A.01 to 290A.22. The supplemental allowance may be paid by local welfare agencies.*

*Subd. 3. The supplemental housing allowance shall be financed from funds appropriated to the department of revenue pursuant to the state of Minnesota income adjusted homestead credit act. The department of public welfare and the department of revenue shall cooperate with the federal department of health, education and welfare in any reasonable manner as may be necessary to qualify for reimbursement under the aid to families with dependent children program for costs incurred in the provision of the supplemental housing allowance."*

Page 1, line 25, reinstate " , on or before" and "15 each year" and insert "November" after the stricken "October".

Page 3, after line 12, insert

"Sec. 7. Minnesota Statutes, 1975 Supplement, Section 273.11, Subdivision 2, is amended to read:

*Subd. 2. (a) The assessor after determining the value of any property shall compare the value with that determined in the preceding assessment. The amount of the increase entered in the current assessment shall not exceed ten percent of the value in the preceding assessment or one-fourth of the total amount of the increase in valuation whichever is greater; the excess shall be entered in a subsequent year or years. However, no increase shall be greater than ten percent of the preceding valuation or one fourth of the total amount of increase in valuation, whichever is greater, notwithstanding the provisions of section 273.17.*

*(b) In the case of property described in section 273.13, subdivisions 6, 7, 7b, 10, 12, 17, 17b and 19, plus all agricultural*



*property and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes which was not subject to the five percent limitation in valuation increase for the 1973 or the 1974 assessment that was previously provided pursuant to Minnesota Statutes 1974, Section 273.11, Subdivision 2, the value to be used for levying the 1976 taxes payable in 1977 shall be set at the average percent of market value used for the respective class of property in the 1976 tax levies in its assessment district. Such property shall subsequently increase in value for property tax purposes as prescribed in clause (a).*

Sec. 8. Minnesota Statutes, 1975 Supplement, Section 273.122, Subdivision 1, is amended to read:

273.122 [FLEXIBLE HOMESTEAD BASE VALUE.] Subdivision 1. [HOMESTEAD BASE VALUE.] For 1975 and prior years, the homestead base value shall mean \$12,000 of market value of any property which qualifies as homestead property for assessment purposes. For 1976 and subsequent years, the homestead base value shall mean \$14,000 of market value of such property. The homestead base value shall be increased in any subsequent assessment year as provided in subdivision 2.

Sec. 9. Minnesota Statutes, 1975 Supplement, Section 273.13, Subdivision 6, is amended to read:

Subd. 6. [CLASS 3b.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead, shall constitute class 3b and shall be valued and assessed at 20 percent of the market value thereof. The property tax to be paid on class 3b property as otherwise determined by law not exceeding 120 acres less any reduction received pursuant to section 15 of this act and section 273.135, regardless of whether or not the market value is in excess of the homestead base value, for all purposes (EXCEPT THE PAYMENT OF PRINCIPAL AND INTEREST ON NON-SCHOOL DISTRICT BONDED INDEBTEDNESS,) shall be reduced by 45 percent of the tax; provided that the amount of said reduction shall not exceed \$325. Valuation subject to relief shall be limited to 120 acres of land, most contiguous surrounding, or bordering the house occupied by the owner as his dwelling place, and, such other structures as may be included thereon utilized by the owner in an agricultural pursuit. If the market value is in excess of the homestead base value, the amount in excess of that sum shall be valued and assessed as provided for by class 3. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 124.03, shall mean contiguous acreage of ten acres or more, primarily used

during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

Sec. 10. Minnesota Statutes, 1975 Supplement, Section 273.13, Subdivision 7, is amended to read:

Subd. 7. [CLASS 3c, 3cc.] All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed at 25 percent of the market value thereof. The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, for all purposes (**EXCEPT THE PAYMENT OF PRINCIPAL OR INTEREST ON NON-SCHOOL DISTRICT BONDED INDEBTEDNESS,**) shall be reduced by 45 percent of the amount of such tax; provided that the amount of said reduction shall not exceed \$325. If the market value is in excess of the sum of the homestead base value, the amount in excess of that sum shall be valued and assessed at 40 percent of market value. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law. All real estate which is used for the purposes of a homestead by any blind person, as defined by section 256.12, if such blind person is the owner thereof or if such blind person and his or her spouse are the sole owners thereof; or by any person (hereinafter referred to as veteran) who served in the active military or naval service of the United States and who is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheel chair, and who with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability; or by any person who is permanently and totally disabled and who is receiving aid from any state as a result of that disability, or who is receiving supplemental security income for the disabled, or who is receiving workmen's compensation based on a finding of total and permanent disability, or who is receiving social security disability, which aid is at least 90 percent of the total income of such disabled person from all sources, shall constitute class 3cc and shall be valued and assessed at five percent of the market value thereof. Permanently and totally disabled for the

purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, for all purposes (EXCEPT THE PAYMENT OF PRINCIPAL OR INTEREST ON NON-SCHOOL DISTRICT BONDED INDEBTEDNESS,) shall be reduced by 45 percent of the amount of such tax; provided that the amount of said reduction shall not exceed \$325. If the market value is in excess of the sum of \$24,000, the amount in excess of that sum shall be valued and assessed at 33 1/3 percent in the case of agricultural land used for a homestead and 40 percent in the case of all other real estate used for a homestead.

Sec. 11. Minnesota Statutes, 1975, Supplement, Section 273.13, Subdivision 14a, is amended to read:

Subd. 14a. [BUILDINGS AND APPURTENANCES ON LAND NOT OWNED BY OCCUPANT.] The property tax to be paid in respect of the value of all buildings and appurtenances thereto owned and used by the occupant as a permanent residence, which are located upon land subject to property taxes and the title to which is vested in a person or entity other than the occupant, for all purposes (EXCEPT THE PAYMENT OF PRINCIPAL AND INTEREST ON BONDED INDEBTEDNESS,) shall be reduced by 45 percent of the amount of the tax in respect of said value as otherwise determined by law, but not by more than \$325.

Sec. 12. Minnesota Statutes 1974, Section 273.138, Subdivision 2, is amended to read:

Subd. 2. Each county government, city and township shall receive reimbursement (IN 1974 AND SUBSEQUENT YEARS *annually* in an amount equal to the product of its (TOTAL MILL RATE IN LEVY YEAR 1972, TAXES PAYABLE IN 1973, TIMES THE) total 1972 assessed value of real property exempted from taxation by section 272.02, subdivision 1 which was located within the territory of such governmental unit, *times its total mill rate for taxes payable in the previous calendar year in which the aid is to be paid.* For the purpose of this subdivision, the "total mill rate" of a county government, city or township includes mill rates for taxes levied by such governmental unit which were not levied on the entire taxable value of such governmental unit.

Sec. 13. Minnesota Statutes 1974, Section 273.138, subdivision 5, is amended to read:

Subd. 5. The commissioner of revenue shall calculate the aids pursuant to subdivisions 2 and 3, basing all necessary calcu-

lations on the abstracts of assessment of real property for assessment year 1972 transmitted to the commissioner of revenue pursuant to section 270.11 as equalized by the state board of equalization pursuant to sections 270.11 and 270.12 and the (1973) *current* abstracts of tax lists transmitted by the county auditors pursuant to section 275.29. He shall make payments directly to the affected taxing authorities in two equal parts on July 15 and November 15 of each year, commencing in 1974.

Sec. 14. Minnesota Statutes, 1975 Supplement, Section 273.17, Subdivision 1, is amended to read:

273.17 [ASSESSMENT OF REAL PROPERTY.] Subdivision 1. In every year, on January 2, the assessor shall also assess all real property that may have become subject to taxation since the last previous assessment, including all real property platted since the last real estate assessment, and all buildings or other structures of any kind, whether completed or in process of construction, of over \$1,000 in value, the value of which has not been previously added to or included in the valuation of the land on which they have been erected. The newly assessed property shall be valued initially at (THE AVERAGE LEVEL OF ASSESSMENT WHICH EXISTS AT THAT TIME IN ITS ASSESSMENT DISTRICT) *a value not exceeding the average percent of market value used in the tax levies for its respective class of property in its assessment district.* The assessment shall be increased to market value in annual increments as provided in section 273.11, subdivision 2 until such time as the property is reassessed. He shall make return thereof to the county auditor, with his return of personal property, showing the tract or lot on which each structure has been erected and the market value added thereto by such erection. Every assessor shall list, without revaluing, in each year, on a form to be prescribed by the commissioner of revenue, all parcels of land that shall have become homesteads or shall have ceased to be homesteads for taxation purposes since the last real estate assessment, and other parcels of land when the use of the land requires a change in classification or the land has been incorrectly classified in a previous assessment.

The county auditor shall note such change in the assessed valuation upon the tax lists, caused by a change in classification, and shall calculate the taxes for such year on such changed valuation. In case of the destruction by fire, flood, or otherwise of any building or structure, over \$100 in value, which has been erected previous to the last valuation of the land on which it stood, or the value of which has been added to any former valuation, the assessor shall determine, as nearly as practicable, how much less such land would sell for at private sale in consequence of such destruction, and make return thereof to the auditor.”.

"Sec. 20. Minnesota Statutes, 1975 Supplement, Section 281.-17, is amended to read:

281.17 [PERIOD FOR REDEMPTION.] The stated period of redemption for all lands sold to an actual purchaser or bid in for the state at a tax judgment sale held after December 31, 1975 shall be three years from the date of sale if the land is within an incorporated area unless it is: (a) homesteaded land as defined in section 273.13, subdivision 7, (b) agricultural land as defined in section 273.13, subdivision 6, or (c) seasonal recreational land as defined in section 273.13, subdivision 4, in which event the stated period of redemption is five years from the date of sale. *The stated period of redemption for all lands outside of an incorporated area which are sold to an actual purchaser or bid in for the state at a tax judgment sale shall be five years from the date of sale.*"

Page 10, line 9, strike "1973" and insert "1976".

Page 12, line 1, strike "1973" and insert "1976".

Page 15, after line 9, insert

"Sec. 23. Minnesota Statutes 1974, Section 290.06, Subdivision 9a, is amended to read:

Subd. 9a. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] A credit of 10 percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons, aerating equipment, concrete storage pits, slurry handling equipment, and other equipment and devices approved by the pollution control agency, purchased, installed and operated within the state by a feedlot operator to prevent pollution of air, land, or water in connection with the operation of a livestock feedlot, poultry lot or other animal lot, may be deducted from the tax due under chapter 290 in the taxable year in which such equipment is purchased; provided that no deduction shall be taken for any portion of the cost of the same equipment pursuant to subdivision 9. The credits provided for in this subdivision and in subdivision 9 shall terminate on December 31, (1976) 1977."

Page 17, after line 14, insert:

"Sec. 26. Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 3, is amended to read:

Subd. 3. [INCOME.] "Income" means the sum of federal adjusted gross income as defined in the Internal Revenue Code of 1954 as amended through December 31, 1974, additions to federal adjusted gross income as provided in Minnesota Statutes, Section 290.01, Subdivision 20, Clause (a)(1), (a)(2), (a)(3),

((A)(4), (A)(8),) and (a)(10), and all nontaxable income, including but not limited to the amount of recognized net long term capital gains excluded from adjusted gross income, cash public assistance and relief, the gross amount of any pension or annuity (including railroad retirement benefits, all payments received under the federal social security act, and veterans disability pensions), (NONTAXABLE INTEREST RECEIVED FROM THE STATE OR FEDERAL GOVERNMENT OR ANY INSTRUMENTALITY THEREOF,) *which was not exclusively funded by the claimant, or his spouse, or which was funded exclusively by the claimant or his spouse and which funding payments were excluded from federal adjusted gross income in the years when they were paid, interest on the obligations of the state of Minnesota, a territory or possession of the United States, or a political subdivision of any of the foregoing, or of the District of Columbia or of the United States, or the obligations of a corporation organized under an act of Congress to the extent such interest is not subject to individual income taxes pursuant to Minnesota Statutes, Chapter 290, workmen's compensation, unemployment benefits, nontaxable strike benefits, and the gross (AMOUNT) amounts of ("LOSS OF TIME" INSURANCE) payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise.* In the case of an individual who files an income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year. "Income" does not include amounts excluded pursuant to the Internal Revenue Code, Sections 101 (a), 102, and 121 amounts of any pension or annuity which was exclusively funded by the claimant or his spouse and which funding payments were not in whole or in part excluded from federal adjusted gross income in the years that they were made, gifts from nongovernmental sources, surplus food or other relief in kind supplied by a governmental agency, or relief granted under sections 273.012, subdivision 2 or 290A.01 to 290A.21. *Income shall be reduced by all alimony and separate maintenance paid by the claimant under court order.*

Sec. 27. Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 7, is amended to read:

Subd. 7. [DEPENDENT.] "Dependent" means any person who is under 18 years of age at the end of the calendar year who receives more than 50 percent of his support from the claimant, or who is between 18 and 21 years of age and is a full time student who receives more than 50 percent of his support from the claimant or who is a child or parent of the claimant or his spouse."

Page 17, line 17, after "person" insert "other than a dependent".

Page 17, line 20, after the period, insert *"In the case of a claim relating to "property taxes payable," the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable."*

Page 17, line 24, strike "not less than six months of".

Page 18, after line 14, insert:

"Sec. 29. Minnesota Statutes, 1975 Supplement, Section 290A.03, is amended by adding a subdivision to read:

*Subd. 8a. A claim relating to rent constituting property taxes may be filed by a person who resided in a rented or leased unit on which payments in lieu of ad valorem taxes were made in the preceding year.*

Sec. 30. Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 12, is amended to read:

Subd. 12. [GROSS RENT.] "Gross rent" means rental paid solely for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property appliances furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, he may adjust the gross rent to a reasonable amount for purposes of sections 290A.01 to 290A.21.

If the landlord does not supply the charges for any utilities, furniture, furnishings or personal property appliances furnished by him, or if the charges appear to be incorrect the commissioner may apply a percentage determined from samples of similar gross rents paid solely for the right of occupancy.

*"Gross rent" shall include the amount of rent paid by any unit of government on behalf of the claimant only to the extent that income or assets belonging to the tenant are assigned to that unit of government."*

Page 18, line 22, reinstate "section".

Page 18, line 22, delete "sections 124.03, subdivision 3," and insert "15 of this act".

Page 18, line 22, after "and" insert "section".

Page 19, after line 11, insert

"Sec. 32. Minnesota Statutes, 1975 Supplement, Section 290A.04, Subdivision 2, is amended to read:

Subd. 2. The credit shall be paid to claimants whose property taxes payable exceed the following percentages of their income, up to the designated maximum credit amounts:

For claimants earning:

\$ 0 to \$ 2,499, 1.0 percent, up to \$475;

2,500 to 19,999, 1.5 percent, up to \$475;

20,000 to 22,999, 1.6 percent, up to \$475;

23,000 to 25,999, 1.8 percent, up to \$425;

26,000 to 30,999, 2.0 percent, up to \$375;

31,000 to 35,999, 2.2 percent, up to \$350;

36,000 to 40,999, 2.4 percent, up to \$325;

41,000 to 44,999, 2.6 percent, up to \$325;

45,000 to 52,999, 2.8 percent, up to \$325;

53,000 to 65,999, 3.0 percent, up to \$325;

66,000 to 81,999, 3.2 percent, up to \$325;

82,000 to 99,999, 3.5 percent, up to \$325;

100,000 and over, 4.0 percent, up to \$325;

provided that maximum credits for incomes above \$20,000 decline according to the following schedule:

between \$20,000 and \$26,000 decline \$16.67 per \$1,000; between \$26,000 and \$36,000 decline \$5 per \$1,000.

*In the case of a claimant who was disabled on June 1 or who attained the age of 65 on the date specified in subdivision 1, the credit shall not be less than the credit which the claimant's household income as defined in section 290A.03 and property tax or rent constituting property tax would have entitled him to receive under Minnesota Statutes 1974, section 290.0618.*

The credit shall be the amount calculated pursuant to this subdivision, *but not exceeding \$675*, less the homestead credit given pursuant to section 273.13, subdivisions 6 and 7.



Sec. 33. Minnesota Statutes, 1975 Supplement, Section 290A.-04, Subdivision 3, is amended to read:

Subd. 3. The commissioner of revenue shall construct and make available to taxpayers a comprehensive table showing the property taxes to be paid and credit allowed at various levels of income and assessment. The table shall follow the schedule of income percentages (AND), maximums and other provisions specified in subdivision 2, except that the commissioner may graduate the transition between income brackets.

*For homestead property owners who are disabled or are 65 or older, as provided in subdivision 1, the commissioner shall base his determination of the credit on the gross qualifying tax reduced by the average statewide effective homestead credit percentage for taxes payable in 1975 calculated under Minnesota Statutes, Section 273.13, Subdivisions 6 and 7.*

Sec. 34. *In 1976, the commissioner shall recompute the credit for any person who has filed a claim and is affected by this act. He shall pay to these people the amount of the credit in excess of any credit which has been paid, without requiring an amended return to be filed. Notwithstanding the provisions of section 290A.07, payments pursuant to this section may be made more than 60 days after the date the claim was filed without interest.*

Sec. 35. Minnesota Statutes, 1975 Supplement, Section 290A.-05, is amended to read:

290A.05 [COMBINED HOUSEHOLD INCOME.] If a person occupies a homestead with another person or persons not related to the person as husband and wife, excluding (DEPENDENT CHILDREN) dependents, roomers or boarders on contract, and has property tax payable with respect to the homestead, the household income of the claimant or claimants for the purpose of computing the credit allowed by section 290A.04 shall include the total income received by the other persons residing in the homestead. If a person occupies a homestead with another person or persons not related as husband and wife or as (DEPENDENT CHILDREN) dependents, the property tax payable or rent constituting property tax shall be reduced as follows:

If the other person or persons are residing at the homestead under rental or lease agreement, the amount of property tax payable or rent constituting property tax shall be that portion not covered by the rental agreement.”.

Page 21, after line 1, insert:

“Sec. 40. Minnesota Statutes, 1975 Supplement, Section 290A:19, is amended to read:

**290A.10 [LANDLORD TO FURNISH RENT CERTIFICATE; PENALTY.]** The owner or managing agent of any property for which rent is paid for occupancy as a homestead shall furnish a certificate of rent paid to each renter in the form prescribed by the commissioner. *The owner or managing agent of any property on which payments in lieu of ad valorem taxes made during the preceding year were less than 20 percent of aggregate shelter rentals shall adjust the rent paid amount to be reported on the certificate of rent paid for all claimants except those claimants who have attained the age of 65 or are disabled on the date specified in section 290A.04, subdivision 1. The adjusted rent paid amount to be reported on the certificate of rent paid shall be determined by multiplying the occupancy rent paid by a fraction the numerator of which is the percentage applied to aggregate shelter rentals in arriving at the payment in lieu of ad valorem taxes and the denominator of which is 20 percent.* The certificate shall be made available to the renter not later than February 15 of the year following the year in which the rent was paid. Any owner or managing agent who willfully fails to furnish a certificate as provided herein shall be liable to the commissioner for a penalty of \$20 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax.

Sec. 41. Minnesota Statutes, 1975 Supplement, Chapter 290A, is amended by adding a section to read:

**[290A.22] [SUPPLEMENTAL HOUSING ALLOWANCE FOR AFDC RECIPIENTS.]** *Recipients of the aid to families with dependent children program who receive a supplemental housing allowance under Minnesota Statutes, Section 256.897 are not eligible for the tax credit set forth under Minnesota Statutes, Sections 290A.01 to 290A.21. The department of revenue shall assist the department of public welfare in the administration of the supplemental housing allowance, and shall provide the commissioner of public welfare with such records and information as are necessary to administer the housing allowance.*

Sec. 42. Minnesota Statutes 1974, Section 340.51, is amended to read:

**340.51 [ENFORCEMENT; EMPLOYEES; RECORD OF SALE OF STAMPS; INSPECTION OF BOOKS AND PREMISES.]** *The commissioner of public safety and the commissioner of revenue shall enforce and administer the provisions of sections 340.44 to 340.56 and employ and fix the compensation of any employees necessary for the performance of (HIS) their duties thereunder.*

*The commissioner of revenue shall keep a suitable record of the sale of all stamps which shall show the dates of the sale thereof and the names of the purchasers. The commissioner of revenue may refund to any purchaser the money paid for any*

stamps returned unfit for use or otherwise unused, and prescribe the method of proof required for obtaining such refund.

The commissioner of public safety or the commissioner of revenue, or (HIS) their duly authorized employees, may, at all reasonable hours, enter in and upon any licensed premises, and examine the books, papers, and records of any brewer, manufacturer, wholesaler, or retailer for the purpose of inspecting the same and determining whether the tax imposed by sections 340.44 to 340.56 has been fully paid, and shall have the power to inspect and examine any premises where fermented malt beverages are manufactured, sold, exposed for sale, possessed, or stored for the purpose of determining whether the provisions of these sections are being complied with.

Sec. 43. Minnesota Statutes 1974, Section 340.55, is amended to read:

340.55 [FELONIES.] Every manufacturer or wholesaler and any one licensed to sell intoxicating liquor, who evades or attempts to evade, a payment of the tax thereon or fraudulently neglects or refuses to keep full and complete accounts in the book or books of accounts, or who refuses or neglects to make true and exact entries and reports of the same in the manner as required by the rules and regulations prescribed by the commissioner of public safety and the commissioner of revenue, or in any manner required by law, or who in any manner conspires to violate any provision of sections 340.44 to 340.56, or fails to do or cause to be done any of the things required by law to be done by such person, or who intentionally makes false entry in the book or in any statement, pertaining to his business, as contemplated in sections 340.44 to 340.56, or any one who shall refill or cause to be refilled a bottle or container which previously had contained intoxicating liquor, for the purpose of evading the payment of the tax thereon, or any person who in any manner sells intoxicating liquor without the proper Minnesota excise tax having been paid thereon, and who thereby evades, avoids and defrauds the state of the payment of the tax upon such intoxicating liquor shall be guilty of a felony."

Page 21, after line 1, insert:

"Sec. 45. Laws 1976, Chapter 5, Section 2, Subdivision 1, is amended to read:

[299A.02] [COMMISSIONER OF PUBLIC SAFETY; LIQUOR CONTROL FUNCTIONS.] Subdivision 1. [DIRECTOR OF DIVISION OF LIQUOR CONTROL.] No employee of the department of public safety and the department of revenue having any responsibility for the administration or enforcement of chapter 340 shall have a direct or indirect interest in the manufacture, transportation or sale of intoxicating liquor or any malt or vinous beverages, intoxicating, non-intoxicating, or com-

mercial or industrial alcohol. The commissioner shall remove an employee of the department in the unclassified civil service for any violation of sections 340.02, 340.031 to 340.036, 340.11 to 340.19, 340.355 to 340.357, 340.402 to 340.408, 340.44 to 340.493, 340.53 to 340.56, 340.601 to 340.62, or 340.70 to 340.983. Violation of the preceding sections by a classified employee of the department shall be grounds for removal of that employee pursuant to section 43.24.

Sec. 46. Laws 1976, Chapter 5, Section 3, is amended to read:

340.44 [DEFINITIONS.] For the purposes of sections 340.44 to 340.56:

(1) "Brewer" means any person who manufactures malt liquor containing more than one half of one percent of alcohol by volume;

(2) "Wholesaler" means any person who sells such malt liquor and intoxicating liquors to retail dealers;

(3) "Retailer" means any person who sells such malt liquor and intoxicating liquors to a consumer;

(4) "Commissioner" means the commissioner of public safety *except where otherwise stated*;

(5) "Fermented malt beverages" means any fermented malt liquor potable as a beverage containing more than one half of one percent of alcohol by volume."

Renumber the sections accordingly.

Page 21, line 6, delete "*of sections 1 to*".

Page 21, line 7, delete "23".

Page 21, line 21, after the words "Chapter 290A" and before the period, insert "*and the additional amount of \$50,000 for programming and mailing income-adjusted homestead credits and refunds to senior citizens and disabled persons*".

Page 21, line 21, after the period insert, "*There is hereby appropriated the sum of \$50,000 from the general fund of the state treasury to the director of the state planning agency for the use of the office of local and urban affairs to carry out the purposes of sections 1 to 2.*".

Page 21, line 22, after "Statutes" insert, "*1974, Section 273.11, Subdivision 4, and Minnesota Statutes,*".

Page 21, line 23, delete "*is*" and insert "*are*".

Page 21, line 24, delete "7, 8,".

Page 21, line 25, delete "11, and".

Page 21, line 25, delete "to 22" and insert "18, 19, 20, 23, 24, 37, 38, 39, and 42 to 48".

Page 21, line 26, after "3," delete "9, 10, and 14" insert "28, 32, 33, 34, and 41 are effective for taxable years beginning after December 31, 1974. Sections 6, 21, 22, 29, 31, and 40".

Page 21, line 27, delete "Section 6".

Page 21, line 28, delete "is" and insert "Sections 7 to 11, 14, 15, 17, and 49 are".

Page 21, line 28, delete "the" and insert "property taxes payable in".

Page 21, line 28, delete "assessment year".

Page 21, line 29, after the period insert "Sections 12 and 13 are effective for attached machinery aids paid in calendar year 1977 and subsequent years."

Page 21, line 29, delete "12" and insert "25".

Page 21, line 31, delete "Section 13 is effective" and insert "Sections 26, 27, 30, and 35 are effective for calendar years beginning after December 31, 1975."

Page 21, delete line 32.

Page 22, line 1, delete "15" and insert "36".

Further, amend the title as follows:

Page 1, line 2, after "income" insert "and on the sale of intoxicating liquors".

Page 1, after line 4, insert "4.12, Subdivision 4;".

Page 1, line 5, after "270.13;" insert "273.138, Subdivisions 2 and 5;".

Page 1, line 5, after "276.06;" insert "290.06, Subdivision 9a;".

Page 1, after line 5, insert "340.51; 340.55;".

Page 1, line 6, delete "Chapter" and insert "Chapters 256 and".

Page 1, line 6, delete "a section" and insert "sections".

Page 1, line 8, after "Subdivision 3;" insert "273.11, Subdivision 2; 273.122, Subdivision 1; 273.13, Subdivisions 6, 7, and 14a; 273.17, Subdivision 1;".

Page 1, line 9, after "276.04;" insert "281.17;".

Page 1, line 11, after "Subdivisions" insert "3, 7,".

Page 1, line 11, after "8" insert ", 12,".

Page 1, line 11, after "13" insert, "and by adding a subdivision; 290A.04, Subdivisions 2 and 3; 290A.05".

Page 1, line 12, after "290A.14;" insert "290A.19; and Chapter 290A, by adding a section;".

Page 1, line 13, after "Section 32;" insert "and Laws 1976, Chapter 5, Sections 2, Subdivision 1; and 3;".

Page 1, line 13, after "repealing" insert "Minnesota Statutes 1974, Section 273.11, Subdivision 4, and".

With the recommendation that when so amended the bill do pass.

The report was adopted.

Kelly, W., from the Committee on Taxes to which was referred:

H. F. No. 2414, A bill for an act relating to motor vehicles; motor vehicle excise tax on vehicles purchased for resale; use of motor vehicles bearing motor vehicle dealer plates; amending Minnesota Statutes 1974, Sections 168.27, Subdivision 5; 297B.01, Subdivision 6; and Chapter 297B, by adding a section.

Reported the same back with the recommendation that the bill do pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2269, 2072 and 2414 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 2152, 1576, 612, 2147, 1792, 2232, 556, 2251, 2011, 1874, 2373, 2174, 2355, 1872, 1624, 1932, 1920, 1998, 1957, 1456, 1499, 1788, 2030 and 1996 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Enebo, Smith, Erickson, Swanson and Searle introduced:

H. F. No. 2662, A bill for an act relating to state university employees; approving wage and economic fringe benefit agreements between the state and certain employees of the state university system; amending Minnesota Statutes 1974, Chapter 136, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 43.12, Subdivision 17.

The bill was read for the first time and referred to the Committee on Appropriations.

Jopp introduced:

H. F. No. 2663, A bill for an act relating to game and fish; providing for the sale by the department of natural resources of orphaned or abandoned fawns; amending Minnesota Statutes 1974, Section 98.48, Subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jopp introduced:

H. F. No. 2664, A bill for an act relating to game and fish; providing for special permits for the acquisition of wild animals for propagation purposes; amending Minnesota Statutes 1974, Section 98.48, Subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Luther; Wenstrom; Adams, L.; McCollar and Philbrook introduced:

H. F. No. 2665, A bill for an act relating to consumer protection; authorizing the commissioner of insurance to publish information about insurance selection; appropriating money.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Sieben, H.; Sabo; Norton; Berg and Voss introduced:

H. F. No. 2666, A bill for an act relating to the operation of state government; raising salaries for certain executive branch employees, constitutional officers, judges and judicial branch employees; limiting possible increases for certain executive branch employees; amending Minnesota Statutes 1974, Sections 15A.081, by adding a subdivision; 15A.083, as amended; 43.062, Subdivision 3; 43.067; and 241.045, Subdivision 4; and Minnesota Statutes, 1975 Supplement, Section 15A.081, Subdivision 1; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivisions 1a and 4; 43.066; 43.069 and 487.05.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Luther, Wenzel and Adams, L., introduced:

H. F. No. 2667, A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 10; changing the privilege from arrest of members of the legislature.

The bill was read for the first time and referred to the Committee on Judiciary.

Sieben, H., introduced:

H. F. No. 2668, A bill for an act relating to Dakota county; election procedure for changes in certain optional forms of county government.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.



Luther; Carlson, L.; Arlandson; Dean and Kroening introduced:

H. F. No. 2669, A bill for an act relating to financial obligations; providing for independent audit upon resolution from county; authorizing promulgation of rules relating to contracts with architects, engineers and land surveyors; requiring detailed receipts for certain expenditures; amending Minnesota Statutes 1974, Sections 6.48; 471.345, Subdivision 2; 471.38, by adding subdivisions; 475.58, Subdivision 1a; and Chapter 471, by adding a section.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Evans; Suss; Carlson, L.; Philbrook and Peterson introduced:

H. F. No. 2670, A bill for an act relating to taxation; providing that gross receipts from the sale of secondary school yearbooks be exempt from sales tax; amending Minnesota Statutes 1974, Section 297A.25, Subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

#### PROGRESS REPORTS ON CONFERENCE COMMITTEES

Pursuant to Joint Rule 13, Dieterich reported on the progress of H. F. No. 1519, now in Conference Committee.

Pursuant to Joint Rule 13, the Speaker reported on the progress of H. F. No. 1530, now in Conference Committee.

Pursuant to Joint Rule 13, Dahl reported on the progress of H. F. No. 1751, now in Conference Committee.

#### REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Pursuant to Rule 1.9, Anderson, I., for the Committee on Rules and Legislative Administration, designated the following bills as a Special Order for Tuesday, March 16, 1976, to be acted upon immediately following the Special Orders for today:

H. F. Nos. 2117, 1881, 2002, 101, 1615, 2374, 2068, 2560, 2154, 2186 and 1938.

Anderson, I., from the Committee on Rules and Legislative Administration to which was referred:

Senate Concurrent Resolution No. 11, A senate concurrent resolution relating to joint rules; clarifying use of underscoring in omnibus appropriation bills; amending Joint Rule 17.

Reported the same back with the recommendation that Senate Concurrent Resolution No. 11 be adopted.

The report was adopted.

Anderson, I., moved that Senate Concurrent Resolution No. 11 be adopted.

#### SENATE CONCURRENT RESOLUTION NO. 11

A senate concurrent resolution relating to joint rules; clarifying use of underscoring in omnibus appropriation bills; amending Joint Rule 17.

*Be it resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring therein:

Joint Rule 17 of the Senate and House is amended to read:

#### [FORM OF BILLS]

Rule 17. The title of each bill shall clearly state its subject and briefly state its purpose. When a bill amends or repeals an existing act, the title shall refer to the chapter, section or subdivision.

Reference shall be made to Minnesota Statutes for the provisions appearing therein, unless reference to previous session laws is required for some special reason.

Bills shall refer to Minnesota Statutes as follows:

"Minnesota Statutes \_\_\_\_\_, Section \_\_\_\_\_."

Bills shall refer to the session laws as follows:

"Laws \_\_\_\_\_, Chapter \_\_\_\_\_, Section \_\_\_\_\_."

A bill for the amendment of a statute shall contain the full text of the chapter, section, or subdivision to be amended as it ap-

pears in the latest edition of Minnesota Statutes, unless it has been amended at a later session, in which event it shall contain the full text as amended. The words and characters constituting the amending matter shall be inserted in the proper place in the text and underscored. The words and characters to be eliminated by the amendment shall be stricken by drawing a line through them. The text of a new section or subdivision shall also be underscored when a bill amends an existing chapter or section by adding a new section or subdivision. *In the omnibus appropriation bills required by Joint Rule 15, sections making an appropriation or transfer and not amending a statute or session law need not have new material underscored.* Before a committee favorably reports upon such a bill, the chairman of the committee shall see that the bill conforms to this rule. When a bill is printed, the new matter shall be in italics, or underscored, and the matter to be eliminated shall be capitalized and in parentheses, or stricken by drawing a line through it. A bill drafted by the Revisor of Statutes for the purpose of correcting errors in Minnesota Statutes need not comply with the provisions of this paragraph if the bill is labeled, immediately below the title "REVISOR'S BILL" and if there is attached thereto a memorandum of information explaining the reasons for the bill.

If the bill is for an original law and not for an amendment of an existing law, the sections and subdivisions shall be arranged subdivided, and numbered in like manner as Minnesota Statutes. If such a bill assigns to the sections thereof headnotes or identification, by the decimal system of numbering used in Minnesota Statutes, such headnotes and decimal identification may be submitted by standing committee chairmen to the Revisor of Statutes for his examination. Any such headnotes shall be in capital letters enclosed in brackets, and shall be subject to the provisions of Minnesota Statutes, Section 648.36.

All numbers in titles shall be expressed in figures. All numbers of section or chapter of laws shall be in figures. In the body of a bill numbers in excess of ten shall be in figures, except for a special reason they may be written, but when written they shall not be followed by numbers or parentheses.

The motion prevailed and Senate Concurrent Resolution No. 11 was adopted.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 109, A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall serve at the pleasure of the governor; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 16.01; 16A.01, Subdivision 2; 17.01; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 161.03, Subdivision 1; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivision 1; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jude moved that the House refuse to concur in the Senate amendments to H. F. No. 109, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2022, A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Parish moved that the House concur in the Senate amendments to H. F. No. 2022 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2022, A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question being taken on the repassage of the bill and the roll being called, there were yeas 126, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Eckstein	Kelly, W.	Niehaus	Sieloff
Adams, L.	Eken	Kempe, A.	Norton	Simoneau
Adams, S.	Enebo	Kempe, R.	Novak	Skoglund
Albrecht	Erickson	Ketola	Osthoff	Smith
Anderson, G.	Esau	Knickerbocker	Parish	Smogard
Anderson, I.	Evans	Knoll	Patton	Stanton
Arlandson	Ewald	Kostohryz	Pehler	Suss
Beauchamp	Faricy	Kroening	Peterson	Swanson
Begich	Fjoslien	Kvam	Petrafeso	Tomlinson
Berg	Friedrich	Laidig	Philbrook	Ulland
Berglin	Fudro	Langseth	Pleasant	Vanasek
Biersdorf	George	Lindstrom	Prahl	Vento
Braun	Hanson	Luther	Reding	Volk
Brinkman	Haugerud	Mangan	Rice	Voss
Byrne	Heinitz	Mann	St. Onge	Wenstrom
Carlson, A.	Hokanson	McCarron	Samuelson	Wenzel
Carlson, L.	Jacobs	McCauley	Sarna	White
Carlson, R.	Jaros	McCollar	Savelkoul	Wieser
Casserly	Jensen	McEachern	Schreiber	Wigley
Clark	Johnson, C.	Menning	Schulz	Williamson
Corbid	Johnson, D.	Metzen	Schumacher	Zubay
Dahl	Jopp	Moe	Searle	Speaker Sabo
Dean	Jude	Munger	Setzepfandt	
DeGroat	Kahn	Neisen	Sherwood	
Dieterich	Kaley	Nelsen	Sieben, H.	
Doty	Kelly, R.	Nelson	Sieben, M.	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2216; A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof; repealing Laws 1969, Chapter 886, Section 3, Subdivision 10.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Faricy moved that the House concur in the Senate amendments to H. F. No. 2216 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2216; A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof; repealing Laws 1969, Chapter 886, Section 3, Subdivision 10.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question being taken on the repassage of the bill and the roll being called, there were yeas 126, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Eckstein	Kelly, R.	Niehaus	Simoneau
Adams, L.	Eken	Kelly, W.	Norton	Skoglund
Adams, S.	Enebo	Kempe, A.	Novak	Smith
Albrecht	Erickson	Kempe, R.	Osthoff	Smogard
Anderson, G.	Esau	Ketola	Parish	Spanish
Anderson, I.	Evans	Knickerbocker	Patton	Stanton
Arlandson	Ewald	Knoll	Pehler	Suss
Beauchamp	Faricy	Kostohryz	Peterson	Swanson
Begich	Fjoslien	Kroening	Petrafeso	Tomlinson
Berg	Forsythe	Kvam	Philbrook	Ulland
Berglin	Friedrich	Laidig	Pleasant	Vanasek
Biersdorf	Fudro	Langseth	Prahl	Vento
Braun	George	Luther	Reding	Volk
Brinkman	Hanson	Mangan	Rice	Voss
Byrne	Haugerud	Mann	St. Onge	Wenstrom
Carlson, A.	Heinitz	McCarron	Samuelson	Wenzel
Carlson, L.	Hokanson	McCauley	Sarna	White
Carlson, R.	Jacobs	McCollar	Schreiber	Wieser
Cassery	Jaros	McEachern	Schulz	Wigley
Clark	Jensen	Menning	Schumacher	Williamson
Corbid	Johnson, C.	Metzen	Searle	Zubay
Dahl	Johnson, D.	Moe	Setzepfandt	Speaker Sabo
Dean	Jopp	Munger	Sherwood	
DeGroat	Jude	Neisen	Sieben, H.	
Dieterich	Kahn	Nelsen	Sieben, M.	
Doty	Kaley	Nelson	Sieloff	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2244, A bill for an act relating to public employment labor relations; providing for determination of the fair share fee; providing for appeal of that determination; amending Minnesota Statutes 1974, Sections 179.63, by adding a subdivision; 179.65, Subdivision 2; 179.71, Subdivision 2; and 179.72, Subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Enebo moved that the House concur in the Senate amendments to H. F. No. 2244 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2244, A bill for an act relating to public employment labor relations; providing for determination of the fair share fee; providing for appeal of that determination; amending Minnesota Statutes 1974, Sections 179.63, by adding a subdivision; 179.65, Subdivision 2; 179.71, Subdivision 2; and 179.72, Subdivision 3.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question being taken on the repassage of the bill and the roll being called, there were yeas 127, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Doty	Kelly, W.	Niehaus	Sieloff
Adams, L.	Eken	Kempe, A.	Norton	Simoneau
Adams, S.	Enebo	Kempe, R.	Novak	Skoglund
Albrecht	Erickson	Ketola	Osthoff	Smith
Anderson, G.	Esau	Knickerbocker	Parish	Smogard
Anderson, I.	Evans	Knoll	Patton	Spanish
Arlandson	Ewald	Kostohryz	Pehler	Stanton
Beauchamp	Faricy	Kroening	Peterson	Suss
Begich	Fjoslien	Kvam	Petrafeso	Swanson
Berg	Forsythe	Laidig	Philbrook	Tomlinson
Berglin	Friedrich	Langseth	Pleasant	Ulland
Biersdorf	Fudro	Lindstrom	Prahl	Vanasek
Braun	George	Luther	Reding	Vento
Brinkman	Hanson	Mangan	Rice	Volk
Byrne	Haugerud	Mann	St. Onge	Voss
Carlson, A.	Heinitz	McCarron	Samuelson	Wenstrom
Carlson, L.	Hokanson	McCauley	Sarna	Wenzel
Carlson, R.	Jacobs	McCollar	Savelkoul	White
Casserly	Jaros	McEachern	Schreiber	Wieser
Clark	Jensen	Menning	Schulz	Wigley
Clawson	Johnson, C.	Metzen	Schumacher	Williamson
Corbid	Johnson, D.	Moe	Searle	Zubay
Dahl	Jude	Munger	Setzepfandt	Speaker Sabo
Dean	Kahn	Neisen	Sherwood	
DeGroat	Kaley	Nelsen	Sieben, H.	
Dieterich	Kelly, R.	Nelson	Sieben, M.	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1957, A bill for an act relating to natural resources; providing general condemnation power upon obtaining consent of landowner; amending Minnesota Statutes 1974, Section 84.027, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Munger moved that the House concur in the Senate amendments to H. F. No. 1957 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1957, A bill for an act relating to natural resources; providing general condemnation power upon obtaining consent of landowner; amending Minnesota Statutes 1974, Section 84.027, by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question being taken on the repassage of the bill and the roll being called, there were yeas 127, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Eckstein	Kelly, R.	Nelson	Sieloff
Adams, L.	Eken	Kelly, W.	Niehaus	Simoneau
Adams, S.	Enebo	Kempe, A.	Norton	Skoglund
Albrecht	Erickson	Kempe, R.	Novak	Smith
Anderson, G.	Esau	Ketola	Osthoff	Smogard
Anderson, I.	Evans	Knickerbocker	Parish	Spanish
Arlandson	Ewald	Knoll	Patton	Stanton
Beauchamp	Faricy	Kostohryz	Pehler	Suss
Begich	Fjoslien	Kroening	Peterson	Swanson
Berg	Forsythe	Kvam	Philbrook	Tomlinson
Berglin	Friedrich	Laidig	Pleasant	Ulland
Biersdorf	Fudro	Langseth	Prahl	Vanasek
Braun	George	Lindstrom	Reding	Vento
Brinkman	Hanson	Luther	Rice	Volk
Byrne	Haugerud	Mangan	St. Onge	Voss
Carlson, A.	Heintz	Mann	Samuelson	Wenstrom
Carlson, L.	Hokanson	McCarron	Sarna	Wenzel
Carlson, R.	Jacobs	McCauley	Savelkoul	White
Clark	Jaros	McCollar	Schreiber	Wieser
Clawson	Jensen	McEachern	Schulz	Wigley
Corbid	Johnson, C.	Menning	Schumacher	Williamson
Dahl	Johnson, D.	Metzen	Searle	Zubay
Dean	Jopp	Moe	Setzepfandt	Speaker Sabo
DeGroat	Jude	Munger	Sherwood	
Dieterich	Kahn	Neisen	Sieben, H.	
Doty	Kaley	Nelsen	Sieben, M.	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 527, A bill for an act relating to the purchase of sur-



plus state property at public auction by state employees; amending Minnesota Statutes 1974, Section 15.055.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Metzen moved that the House concur in the Senate amendments to H. F. No. 527 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 527, A bill for an act relating to the purchase of surplus government property by public employees; providing a penalty; amending Minnesota Statutes 1974, Chapter 43, by adding a section; repealing Minnesota Statutes 1974, Section 15.055.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question being taken on the repassage of the bill and the roll being called, there were yeas 123, and nays 4, as follows:

Those who voted in the affirmative were:

Abeln	Doty	Kahn	Munger	Sieloff
Adams, L.	Eckstein	Kaley	Neisen	Simoneau
Adams, S.	Eken	Kelly, R.	Nelsen	Skoglund
Anderson, G.	Enebo	Kelly, W.	Nelson	Smith
Anderson, I.	Erickson	Kempe, A.	Niehaus	Smogard
Arlandson	Esau	Kempe, R.	Norton	Spanish
Beauchamp	Evans	Ketola	Novak	Stanton
Begich	Ewald	Knickerbocker	Osthoff	Suss
Berg	Faricy	Knoll	Parish	Swanson
Berglin	Fjoslien	Kostohryz	Pehler	Tomlinson
Biersdorf	Forsythe	Kroening	Peterson	Ulland
Braun	Friedrich	Kvam	Petrafeso	Vanasek
Brinkman	Fudro	Laidig	Philbrook	Vento
Byrne	George	Langseth	Reding	Volk
Carlson, A.	Hanson	Lindstrom	Rice	Voss
Carlson, L.	Haugerud	Luther	St. Onge	Wenstrom
Carlson, R.	Heinitz	Mangan	Samuelson	Wenzel
Cassery	Hokanson	Mann	Sarna	White
Clark	Jacobs	McCarron	Schreiber	Wieser
Clawson	Jaros	McCauley	Schulz	Wigley
Corbid	Jensen	McCollar	Schumacher	Williamson
Dahl	Johnson, C.	McEachern	Setzepfandt	Zubay
Dean	Johnson, D.	Menning	Sherwood	Speaker Sabo
DeGroat	Jopp	Metzen	Sieben, H.	
Dieterich	Jude	Moe	Sieben, M.	

Those who voted in the negative were:

Albrecht	Pleasant	Prahl	Savelkoul
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The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1308, A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public use; requiring a substantial beneficial public use to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; appropriating money; amending Minnesota Statutes 1974, Sections 97.481; 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1308

A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public use; requiring a substantial beneficial public use to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; appropriating money; amending Minnesota Statutes 1974, Sections 97.481; 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4;

106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections.

March 8, 1976

The Honorable Alec G. Olson  
President of the Senate  
The Honorable Martin O. Sabo  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1308 report that we have agreed upon the items in dispute and recommend as follows:

That the house recede from its amendments and that S. F. No. 1308 be amended as follows:

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 97.481, is amended to read:

97.481 [ACQUISITION OF WILDLIFE LANDS.] The commissioner of natural resources is hereby authorized and empowered to acquire, in the name of the state, by gift, lease, purchase and transfer of state lands, any such wildlife lands, such as marsh or wetlands, and the margins thereof, including ponds, small lakes and stream bottom lands, which he finds desirable to acquire in the interests of water conservation relating to wildlife development programs, and, he may also acquire for this purpose from any state agency, itself included, lands now in state ownership or tax-forfeited which are suitable for wildlife purposes, and when such lands are so acquired, he is authorized to develop the same in the interest of wildlife, recreational or public hunting areas as he shall deem desirable. *In the determination of which lands will be acquired as wildlife lands, the commissioner shall assign highest priority to parcels containing type 3 or 4 wetlands, as defined in U.S. Fish and Wildlife Service Circular No. 39 (1971 edition), which were previously determined to be public waters.* No such lands shall be acquired until first approved for such purchase, or lease, by a majority of the members of the board of county commissioners in the counties where the land to be purchased, or leased, is located. In the counties in which a soil and water conservation district is organized the supervisors will act as counsellors to the board of county commissioners regarding the best utilization and capability of the land proposed for purchase, including the questions of drainage and flood control. The commissioner in the purchase of such wetlands must recognize that when a majority of land owners, or owners of a majority of the land in the watershed, petition for a drainage outlet, that the state should not interfere, or unnecessarily delay such drainage proceedings when such

proceedings are conducted according to the Minnesota Drainage Code. In no case should state lands, so purchased, or leased, be used to produce crops (WHICH ARE IN SURPLUS AS DEFINED BY THE FEDERAL GOVERNMENT) unless such crops are needed to sustain wildlife. No lands described herein shall be acquired unless there is acquired simultaneously therewith a right-of-way or easement from said lands to a public road so as to make entry upon said lands available to the public. The commissioner may designate lands or interests in lands acquired pursuant to this section as wildlife management areas for the purposes of the outdoor recreation system.

Sec. 2. Minnesota Statutes 1974, Section 105.37, Subdivision 6, is amended to read:

Subd. 6. "Beneficial public purpose", in relation to waters of the state, includes but is not limited to any or all of the following purposes:

(a) Water supply for municipal, industrial, or agricultural (, OR OTHER) purposes;

(b) Recharge of underground water strata;

(c) Retention of water to prevent or reduce downstream flooding, thereby minimizing erosion and resultant property damage;

(d) Entrapment and retention of nutrients and other materials which impair the quality of natural resources;

(e) Recreational activities such as swimming, boating, fishing, and hunting;

(f) Public navigation other than for recreational purposes;

(g) Wildlife habitat (SUCH AS FISH SPAWNING AND REARING AREAS, WATERFOWL NESTING AND FEEDING AREAS, AND) areas for the spawning, rearing, feeding, and (PROTECTION) nesting of (OTHER) wildlife; or

(h) Areas designated as scientific and natural areas pursuant to section 84.033.

Sec. 3. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

Subd. 9. "Waterbasin" means an enclosed natural depression with definable banks capable of containing water which may be partly filled with waters of the state and which is discernible on aerial photographs.

Sec. 4. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 10. "Natural watercourse" means any natural channel which has definable beds and banks capable of conducting confined runoff from adjacent lands.*

Sec. 5. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 11. "Altered natural watercourse" means a former natural watercourse which has been affected by man made changes in straightening, deeping, narrowing, or widening of the original channel.*

Sec. 6. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 12. "Artificial watercourse" means a watercourse which has been artificially constructed by man where there was no previous natural watercourse.*

Sec. 7. Minnesota Statutes 1974, Section 105.38, is amended to read:

105.38 [DECLARATION OF POLICY.] In order to conserve and utilize the water resources of the state in the best interests of the people of the state, and for the purpose of promoting the public health, safety and welfare, it is hereby declared to be the policy of the state:

(1) Subject to existing rights all waters of the state which serve a material beneficial public purpose are public waters subject to the control of the state. In the determination of whether a beneficial public purpose exists, specific evidence of the present or future beneficial public purpose shall be evaluated in accordance with section 105.37, Subdivision 6, and with reference to the existing land use of the area, the soil types surrounding and underlying the water, the ownership of the land surrounding the water, the relative agricultural and wildlife productivity of the area, and relevant provisions of a county or municipal shorelands ordinance enacted pursuant to section 105.485. The public character of water shall not be determined exclusively by the proprietorship of the underlying, overlying, or surrounding land or on whether it is a body or stream of water which was navigable in fact or susceptible of being used as a highway for commerce at the time this state was admitted to the union. This section is not intended to affect determination of the ownership of the beds of lakes or streams.

(2) The state, to the extent provided by law from time to time, shall control the appropriation and use of surface and underground waters of the state.

(3) The state shall control and supervise, so far as practicable, any activity which changes or which will change the course, current, or cross-section of public waters, including but not limited to the construction, reconstruction, repair, removal, abandonment, the making of any other change, or the transfer of ownership of dams, reservoirs, control structures, and waterway obstructions in any of the public waters of the state.

Sec. 8. Minnesota Statutes 1974, Chapter 105, is amended by adding a section to read:

[105.391] [PUBLIC WATERS INVENTORY AND CLASSIFICATION.] *Subdivision 1. On the basis of all information available to him, the commissioner shall inventory the waterbasins of each county and make a preliminary designation as to which constitute public waters. The commissioner shall send his preliminary designation for each county to the county board of that county for its review and comment.*

*Subd. 2. Within 90 days after a county board has received the commissioner's preliminary designation, it shall notify the commissioner of any disagreement with his designation. The commissioner may extend the time within which a county may notify him of a disagreement.*

*Subd. 3. If there is no disagreement between the commissioner and a county concerning the preliminary designation of waterbasins in that county, the commissioner by rule shall designate as public waters those waterbasins listed in the preliminary designation. In the same rule making proceeding the commissioner may also designate as public waters any watercourses which have been determined to be public and classified as to the level of regulation in accordance with the procedures of the commissioner's interim rules. The designation of watercourses as public waters pursuant to this subdivision shall remain in effect until changed by rule of the commissioner following the inventory, designation, and classification of watercourses prescribed by this section. A hearing on proper designation of waterbasins or watercourses shall be held in the county in which the waters to be designated are located. Except as provided below, no waterbasin designated public water may be drained, and no permit authorizing drainage of a waterbasin containing public water may be issued, unless the public water being drained is replaced by a waterbasin which will have equal or greater public value. However, after a state water bank program has been established, a waterbasin designated public water which is eligible for inclusion in that program may be drained without a permit and without replacement of a waterbasin of equal or greater public value if the commissioner does not elect, within 60 days of the receipt of an application for a permit to drain the waterbasin, to either (1) place the waterbasin in the state waterbank program, or (2) acquire it pursuant to section 97.481, or (3) indemnify the landowner through any other appropriate means, including but not limited to conservation restrictions, easements,*

leases, or any applicable federal program. If the applicant is not offered his choice of any one of all of the above alternatives, he is entitled to drain the waters involved.

Subd. 4. If there is a disagreement between the commissioner and a county concerning the preliminary designation of a waterbasin as public waters in that county, the commissioner shall attempt to resolve the disagreement with the county within 60 days after receiving notice of disagreement from the county. During the 60 day period the commissioner may proceed, in the manner provided by subdivision 3, to make a final designation for those waterbasins which are not the subject of disagreement between the commissioner and the county.

Subd. 5. If after 60 days from the date of receiving notice of disagreement by a county, there remain matters upon which the commissioner and the county disagree, the commissioner shall order a public hearing to be held in the county and conducted pursuant to chapter 15. A hearings unit composed of two persons appointed by the commissioner, one person appointed by the affected county board and one person appointed by the area soil and water conservation district shall select a fifth member within 45 days of the public hearing order. If the fifth member of the hearings unit cannot be agreed upon by the four appointees within the 45 day period, then the state soil and water conservation board shall select such member within 30 days. In the event there is a watershed district whose boundaries include the waters involved, the district shall provide the hearings unit with its recommendations. Upon completion of the hearing and review of the hearing examiner's report, the hearings unit shall issue its findings of fact, conclusions and an order, which shall be considered the decision of an agency in a contested case for purposes of judicial review pursuant to section 15.0425. Upon receipt of the order of the hearings unit and after the appeal period has expired, or upon receipt of the final order of the court in the case of an appeal, the commissioner shall promulgate by rule a list of the waterbasins and watercourses determined to be public waters by the hearings unit, provided that unless any aggrieved party other than the commissioner or the affected county board seeks judicial review of the order of the hearings unit, pursuant to chapter 15, both the commissioner and the affected county board shall be bound by the order of the hearings unit and shall not be entitled to seek judicial review. A person who did not intervene pursuant to section 116B.09 in the initial action for judicial review of the order of the hearings unit shall not be entitled to maintain a subsequent civil action pursuant to section 116B.03. In the event the county appeals an order of the hearings unit, the commissioner shall be obligated to pay 50 percent of the appeal costs and disbursements of the county. In the event the commissioner appeals an order of the hearings unit, the commissioner shall be obligated to pay the costs and disbursements incurred by the county in defense of the appeal.

Subd. 6. From money appropriated to him for the following purposes, the commissioner shall grant aid to counties to facili-

tate an inventory of all watercourses for the purpose of designating which watercourses in the county are public waters and for the purpose of recommending a management classification for each watercourse. The commissioner shall consider the size of a county and the number of watercourses within the county when making a grant. Within a reasonable time following the grant of aid for a watercourse inventory, as specified by the commissioner, the county shall report to the commissioner on its watercourse inventory, its recommendations as to which watercourses in the county should be designated public waters, and its recommended management classifications. Within 90 days after receiving a county's report, the commissioner shall notify the county of any disagreement with the county's report. If there is no disagreement concerning a particular watercourse the commissioner shall by rule designate that watercourse public waters and shall specify its proper management classification. The commissioner shall attempt to resolve any disagreement between the commissioner and a county within 60 days after notifying the county of his disagreement. During the 60 day period the commissioner may proceed, in the manner provided by subdivision 3, to make a final designation for watercourses which are not the subject of disagreement between the commissioner and the county. If, after 60 days from the date the county receives notice of the commissioner's disagreement, there remain matters upon which the commissioner and a county disagree, the commissioner, in accordance with subdivision 5, shall present the disagreement to a hearings unit as stipulated therein who shall conduct a public hearing which upon completion shall further comply with the provisions of subdivision 5 relating to judicial review, final order and appeal costs.

Subd. 7. Waters of this state are public waters for the purposes of this section if they have been determined to be public waters or navigable waters by the district court or, if appealed, by the supreme court of this state or by the United States supreme court.

Subd. 8. Notwithstanding any other law to the contrary the procedures, rules and guidelines set forth in the order of the commissioner of natural resources dated March 4, 1976, and filed with the secretary of state by March 4, 1976, and given a document number by the secretary of state, shall be valid and enforceable emergency rules of the commissioner of natural resources for the purposes of Minnesota Statutes, Sections 15.0411 to 15.0422, with respect to public waters during the period between the effective date of this act and their designation as public waters pursuant to this section, without further act or deed of the commissioner.

Sec. 9: Minnesota Statutes 1974, Chapter 105, is amended by adding a section to read:

[105.392] [WATER BANK PROGRAM.] Subdivision 1.  
The legislature finds that it is in the public interest to preserve



*the wetlands of the state and thereby to conserve surface waters, to preserve wildlife habitat, to reduce runoff, to provide for flood-water retention, to reduce stream sedimentation, to contribute to improved subsurface moisture, to enhance the natural beauty of the landscape, and to promote comprehensive and total water management planning. Therefore, the commissioner of natural resources is authorized to promulgate rules, which shall include the procedures and payment rates designed to effectuate the terms of this section. This program is intended to supplement and complement the federal water bank program and the payment rates established shall be at least equal to the federal rates existing at the time any agreements are entered into.*

*Subd. 2. The commissioner shall have authority to enter into agreements with landowners for the conservation of wetlands. These agreements shall be entered into for a period of ten years, with provision for renewal for additional ten year periods. The commissioner may re-examine the payment rates at the beginning of any ten year renewal period in the light of the then current land and crop values and make needed adjustments in rates for any renewal period.*

*Wetlands eligible for inclusion in the waterbank program shall have all the following characteristics as determined by the commissioner: (a) types 3 or 4, as defined in U. S. Fish and Wildlife Service Circular No. 39 (1971 edition); (b) less than 50 acres in area; (c) declared public waters because of its beneficial public value as wildlife habitat; (d) its drainage is lawful, feasible, and practical; and (e) its drainage would provide high quality cropland and that is the projected land use.*

*Subd. 3. In the agreement between the commissioner and an owner, the owner shall agree:*

*(1) to place in the program for the period of the agreement eligible wetland areas he designates, which areas may include wetlands covered by a federal or state government easement which permits agricultural use, together with such adjacent areas as determined desirable by the commissioner;*

*(2) not to drain, burn, fill, or otherwise destroy the wetland character of such areas, nor to use such areas for agricultural purposes, as determined by the commissioner;*

*(3) to effectuate the wetland conservation and development plan for his land in accordance with the terms of the agreement, unless any requirement thereof is waived or modified by the commissioner;*

*(4) to forfeit all rights to further payments or grants under the agreement and to refund to the state all payments or grants received thereunder upon his violation of the agreement at any*

stage during the time he has control of the land subject to the agreement if the commissioner determines that such violation is of such a nature as to warrant termination of the agreement, or to make refunds or accept such payment adjustments as the commissioner may deem appropriate if he determines that the violation by the owner does not warrant termination of the agreement;

(5) upon transfer of his right and interest in the lands subject to the agreement during the agreement period, to forfeit all rights to further payments or grants under the agreement and refund to the state all payments or grants received thereunder during the year of the transfer unless the transferee of any such land agrees with the commissioner to assume all obligations of the agreement;

(6) not to adopt any practice specified by the commissioner in the agreement as a practice which would tend to defeat the purposes of the agreement; and

(7) to additional provisions which the commissioner determines are desirable and includes in the agreement to effectuate the purposes of the program or to facilitate its administration.

Subd. 4. In return for the agreement of the owner, the commissioner shall (1) make an annual payment to the owner for the period of the agreement at the rate as the commissioner determines to be fair and reasonable in consideration of the obligations undertaken by the owner; and (2) provide advice on conservation and development practices on the wetlands and adjacent areas for the purposes of this section as the commissioner determines to be appropriate. In making his determination, the commissioner shall consider, among other things, the rate of compensation necessary to encourage owners of wetlands to participate in the water bank program.

Subd. 5. Any agreement may be renewed or extended at the end of the agreement period for an additional period of ten years by mutual agreement of the commissioner and the owner, subject to any rate redetermination by the commissioner. If during the agreement period the owner sells or otherwise divests himself of the ownership or right of occupancy of the land, the new owner may continue such agreement under the same terms or conditions, or enter into a new agreement in accordance with the provisions of this section, including the provisions for renewal and adjustment of payment rates, or he may choose not to participate in the program, except any water declared public waters shall not be drained.

Subd. 6. The commissioner may terminate any agreement by mutual agreement with the owner if the commissioner determines that the termination would be in the public interest, and may agree to any modification of agreements he may determine

*to be desirable to carry out the purposes of the program or facilitate its administration.*

Sec. 10. Minnesota Statutes 1974, Section 105.42, Subdivision 1a, is amended to read:

Subd. 1a. The commissioner shall recommend by January 15, 1975, to the legislature a comprehensive law containing standards and criteria governing the issuance and denial of permits under this section. These standards and criteria shall relate to the diversion of water from other uses and changes in the level of public waters to insure that projects will be completed and maintained in a satisfactory manner. *The commissioner may by rule identify classes of activities in waterbasins and classes of watercourses on which the commissioner may delegate permit authority to the appropriate county or city under such guidelines as the commissioner may provide based on agreement with the involved county or city and in compliance with the requirements of section 105.45.* After November 15, 1975, a permit shall be granted under this section only when the project conforms to state, regional, and local water and related land resources management plans, and only when it will involve a minimum of encroachment, change, or damage to the environment, particularly the ecology of the waterway. In those instances where a major change in the resource is justified, permits shall include provisions to compensate for the detrimental aspects of the change.

In unincorporated areas and, after January 1, 1976, in incorporated areas, permits that will involve excavation in the beds of public waters shall be granted only where the area in which the excavation will take place is covered by a shoreland conservation ordinance approved by the commissioner and only where the work to be authorized is consistent with the shoreland conservation ordinance. Each permit that will involve excavation in the public waters shall include provisions governing the deposition of spoil materials.

No permit affecting flood waters shall be granted except where the area covered by the permit is governed by a flood plain management ordinance approved by the commissioner and the conduct authorized by the permit is consistent with the flood plain management ordinance, provided that the commissioner has determined that sufficient information is available for the adoption of a flood plain ordinance. No permit involving the control of flood waters by structural means, such as dams, dikes, levees, and channel improvements, shall be granted until after the commissioner has given due consideration to all other flood damage reduction alternatives. In developing his policy with regard to placing emergency levees along the banks of public waters under flood emergency conditions, the commissioner shall consult and cooperate with the office of emergency services.

No permit that will involve a change in the level of public waters shall be granted unless the shoreland adjacent to the waters to be changed is governed by a shoreland conservation ordinance approved by the commissioner and the change in water level is consistent with that shoreland conservation ordinance. Standards and procedures for use in deciding the level of a particular lake must insure that the rights of all persons are protected when lake levels are changed and shall include provisions for providing technical advice to all persons involved, for establishing alternatives to assist local agencies in resolving water level conflicts, and mechanics necessary to provide for local resolution of water problems within the state guidelines.

Sec. 11. Minnesota Statutes 1974, Section 106.021, Subdivision 2, is amended to read:

Subd. 2. [DRAINAGE OF WATERBASINS AND WATERCOURSES.] No (LAKE) *waterbasin* shall be completely drained nor shall any activity regulated by section 105.42 be initiated in a (NATURAL) *watercourse* (BE CHANNELIZED EXCEPT UPON) until the determination (OF THE COMMISSIONER OF NATURAL RESOURCES OF THE STATE OF MINNESOTA) that such (LAKE) *waterbasin* or (NATURAL) *watercourse* is not public waters of the state as defined by section 105.38 (, OR PURSUANT TO THE PERMIT OF THE COMMISSIONER AS PROVIDED IN SUBDIVISION 3). *If a waterbasin or watercourse is determined to be public waters, the permissible drainage activities shall be governed by section 8, subdivisions 3 and 6, of this act.*

Sec. 12. Minnesota Statutes 1974, Section 106.021, Subdivision 6, is amended to read:

Subd. 6. [CRITERIA FOR PROPOSED DRAINAGE SYSTEMS.] (BEFORE JANUARY 1, 1975, THE COMMISSIONER OF NATURAL RESOURCES SHALL PROMULGATE, IN THE MANNER PROVIDED IN CHAPTER 15, A LIST OF CRITERIA THAT) County boards or (COURT) *courts* must consider *the following criteria* when establishing and improving drainage systems (, NO CRITERIA RELATING TO DRAINAGE SYSTEMS, WHETHER PROMULGATED PURSUANT TO THIS SUBDIVISION OR PURSUANT TO LAWS 1973, CHAPTER 315, SHALL BE EFFECTIVE PRIOR TO JULY 1, 1975. THE CRITERIA SHALL RELATE TO THE SOCIAL, ECONOMIC, AND ENVIRONMENTAL IMPACT OF THE PROPOSED DRAINAGE SYSTEM, AND SHALL BE LIMITED TO THE FOLLOWING) *for which a preliminary order pursuant to section 106.101, has not been issued prior to the effective date of this act:*

(a) (AN ECONOMIC ANALYSIS OF) The private and public benefits and costs derived from the proposed project;

(b) (AN ANALYSIS OF) *The present and anticipated agricultural land acreage availability and use within the (COUNTY) project area;*

(c) (AN ANALYSIS OF) *The flooding characteristics of project lands involved;*

(d) (AN ANALYSIS OF) *The alternative measures for the conservation, allocation, and development of the drainage waters;*

(e) (AN ANALYSIS OF) *The water quality effects as a result of the proposed project;*

(f) (AN ANALYSIS OF) *The fish and wildlife resources affected by the proposed project;*

(g) (AN ANALYSIS OF) *The shallow ground water availability, distribution, and use in the project area;*

(h) (AN ANALYSIS OF) *The overall environmental impact of all the criteria in items (a) to (g);*

(i) *The present and anticipated land use within the project area.*

Sec. 13. Minnesota Statutes 1974, Section 106.031, Subdivision 1, is amended to read:

106.031 [PETITION.] Subdivision 1. [FORM.] Before any public drainage system or other improvement authorized by sections 106.011 to 106.661 is established, a petition therefor shall be filed with the county auditor, if for a drainage system entirely within one county, or (WITH THE CLERK OF THE DISTRICT COURT) *pursuant to section 106.015, subdivision 1*, if for a drainage system within two or more counties. Such petition shall be signed by not less than a majority of the resident owners of the land described in the petition or by the owners of at least 60 percent of the area of such land, exclusive of the holder of easements for electric or telephone transmission and distribution lines. The lands described in the petition shall be those over which the proposed ditch passes or upon which the improvement is located, and the petition shall set forth the description of such lands and shall set forth the necessity for the ditch or improvement, and that the same will be of public benefit and utility and will promote the public health, with the description of the starting point, the general course, and terminus or location of the same. The petition shall state that the petitioners will pay all costs and expenses which may be incurred in case the proceedings are dismissed or for any reason no contract for the construction thereof is let. Such petition may be signed by the authorized representative of any municipal corporation or by the commissioner of highways, or the authorized agent of any

public institution or any corporation which may be affected by or assessed for the proposed construction; but in such case, the signature of such representatives, commissioner, agent, or corporation shall each count only as one signature on the petition. Each ditch proceeding shall be designated by number assigned by the auditor or clerk.

Sec. 14. Minnesota Statutes 1974, Section 106.081, Subdivision 1, is amended to read:

106.081 [PRELIMINARY SURVEY AND REPORT.] Subdivision 1. [SURVEY AND REPORT.] The engineer shall promptly proceed and examine all matters set forth in the petition and order and make such preliminary survey of the territory likely to be affected by the proposed improvement as will enable him to determine whether the same is necessary and feasible (IN COMPLIANCE) with *reference to the requirements of section 106.021, subdivision 6. The engineer shall also examine and gather information concerning the factors stated in sections 105.37, subdivision 6, and 105.38, clause (1) for consideration in the determination of whether the proposed drainage system substantially affects any public water.* If some other plan than that described in the petition is found practical, the engineer shall so report, giving such detail and information as is necessary to inform the court or board on all matters pertaining to the feasibility of the proposed plan, either as outlined in the petition or according to a different plan recommended by the engineer. He shall show all changes, whether by extension, adding laterals, or otherwise, that may be necessary to make the plan of the proposed improvement practicable and feasible. If the construction of a ditch or drain is involved in the proposed improvement, the engineer shall examine and report the nature and capacity of the outlet and any necessary extension thereof.

Sec. 15. Minnesota Statutes 1974, Section 106.081, Subdivision 3, is amended to read:

Subd. 3. [INCLUSION IN PRELIMINARY REPORT.] If he finds the improvement petitioned for is feasible, and complies with the requirements of section 106.021, *subdivision 6*, he shall include in his report a preliminary plan of the proposed system showing thereon the proposed drain and laterals or other improvements, and the outlet thereof, together with the watershed of such drainage system and the lands and properties likely to be affected, including so far as known the names of the owners thereof. He shall show upon such plan the elevation of the outlet and the controlling elevations of the lands likely to be affected and also the probable size and character of the ditches and laterals necessary to make the plan practicable and feasible. All elevations so far as practical shall be referred to standard sea level datum. He shall show in his report the character of the outlet and the sufficiency thereof and also the probable cost of the drains and improvements shown on his plan, and all other

information and data necessary to disclose the practicability, necessity and feasibility of the proposed improvement, including (AN ANALYSIS) *consideration* of the project as required by section 106.021, *subdivision 6*, and such other information as the board or court may order.

Sec. 16. Minnesota Statutes 1974, Section 106.081, Subdivision 4, is amended to read:

Subd. 4. [LIMITATION OF SURVEY.] The engineer shall confine his preliminary survey to the drainage area described in the petition, except to secure outlet, unless authorized by order of the board or court, with the consent of the bondsmen, at a hearing after ten days notice by mail to the petitioners and bondsmen; and any investigation made by the engineer as to outlet, without such order, shall be confined to running the necessary levels to ascertain the distance necessary to secure the proper fall. The preliminary survey shall include (AN ANALYSIS) *consideration* of the impact of the project as required by section 106.021, *subdivision 6*.

Sec. 17. Minnesota Statutes 1974, Section 106.091, Subdivision 1, is amended to read:

106.091 [FILING ENGINEER'S REPORT; COMMISSIONER'S REPORT.] Subdivision 1. [FILING.] Upon completion of his survey and report, the engineer shall file his report in duplicate with the auditor or clerk. The auditor or clerk shall transmit one copy thereof to the director of the division of waters, soils and minerals. If the (REPORT BE FILED WITH THE CLERK) *proposed drainage system involves more than one county*, a duplicate thereof shall also be filed with the auditor of each county affected.

Sec. 18. Minnesota Statutes 1974, Section 106.091, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER'S REPORT.] The commissioner of natural resources shall make an advisory report to the board or court giving his opinion as to the sufficiency and adequacy of the engineer's report. The commissioner shall set forth in his report any matters pertaining to the project which should be further investigated and evaluated in accordance with (SECTION) *sections 105.37, subdivision 6; 105.38, clause (1), and 106.021, subdivision 6*. If the commissioner determines that the report is not adequate and sufficient, he shall so report *the specific inadequacies or insufficiencies*. The commissioner's initial report shall be filed with the auditor or clerk on or before the date fixed for the preliminary hearing or at any continuance thereof. The commissioner may request additional time for review and evaluation of the engineer's report in cases where such additional time can be shown to be necessary for proper evaluation. However, no request for additional time for filing the commissioner's report may

be made after five days from the date of notice by the auditor or clerk that a date is to be fixed for the preliminary hearing. No extension of time shall exceed two weeks from the date of the request.

Sec. 19. Minnesota Statutes 1974, Section 106.101, Subdivision 4, is amended to read:

Subd. 4. [DISMISSAL.] At said hearing or any adjournment thereof, if it shall appear that the proposed improvement is not feasible, or that the adverse environmental impact is greater than the public benefit or utility based upon the (REQUIREMENTS AND) criteria required to be considered by section 106.021, *subdivision 6*, and no plan is reported by the engineer whereby it can be made feasible, and acceptable, or that it is not of public benefit or utility, or that the outlet is not adequate, the petition shall be dismissed.

Sec. 20. Minnesota Statutes 1974, Section 106.101, Subdivision 5, is amended to read:

Subd. 5. [FINDINGS AND ORDER.] If the board or court shall be satisfied that the proposed improvement as outlined in the petition or as modified and recommended by the engineer is feasible, that there is necessity therefor, that it will be of public benefit and promote the public health, based upon the (REQUIREMENTS AND) criteria required to be considered by section 106.021, *subdivision 6*, and that the outlet is adequate, the board or court shall so find and by such order shall designate the changes that shall be made in the proposed improvement from that outlined in the petition including such changes as are necessary to minimize or (COMPENSATE FOR) *mitigate* adverse impact on the environment. These changes may be described in general terms and shall be sufficiently described by filing with the order a map outlining the proposed improvement thereon. Thereafter the petition shall be treated as modified accordingly. When the ditch shall outlet into an existing county or judicial ditch, the board or court may find that the outlet is adequate subject to confirmation and permission being obtained in accordance with section 106.531. In such case the board or court shall assign a number to the ditch and the board or court shall proceed to act in behalf of the ditch to obtain outlet rights in accordance with section 106.531.

Sec. 21. Minnesota Statutes 1974, Section 106.111, Subdivision 1, is amended to read:

106.111 [ORDER FOR DETAILED SURVEY.] Subdivision 1. Upon the filing of the *preliminary hearing* order as specified in section 106.101, subdivision 5, the board or court shall order the engineer or any other engineer, if a change of engineers be determined, to proceed to make a detailed survey and



furnish all necessary plans and specifications for the proposed improvement and report the same to the board or court with all reasonable dispatch. All of the provisions of section 106.071 shall be applicable to the employment of the engineer.

Sec. 22. Minnesota Statutes 1974, Section 106.121, Subdivision 1, is amended to read:

106.121 [ENGINEER'S SURVEY.] Subdivision 1. [SURVEY AND EXAMINATION.] Upon the filing of the order *for detailed survey* named in section 106.111, the engineer shall proceed to survey the lines of the drainage improvement petitioned for and approved by order made upon preliminary hearing, and to survey and examine all lands and properties affected thereby.

Sec. 23. Minnesota Statutes 1974, Section 106.121, Subdivision 4, is amended to read:

Subd. 4. [DATA AND REPORT.] The engineer shall prepare and submit the following data and report:

(a) A complete map of the drainage system or improvement drawn to scale, showing thereon (1) the termini and course of each drain and whether open or tile, and the location of all other proposed improvements; (2) the location and situation of the outlet; (3) the watershed of the drainage system and the sub-watershed of main branches, if any, together with the location of existing highway bridges and culverts; (4) all lands and properties affected, together with the names of the owners thereof so far as known; (5) public streets, highways and railways affected; (6) the outlines of any lake basin, wetland and public body of water affected; (7) such other physical characteristics of the watershed as may appear necessary for the understanding thereof.

(b) A profile of all lines of ditch proposed showing graphically, the elevation of the ground and gradient at each 100-foot station, the station number at each section line and at each property line, whether open or tiled, the size of tile and the bottom width and side slope of open ditch sections, and such other information as may appear necessary for the understanding thereof.

(c) Plans for all private bridges and culverts proposed to be constructed by and as a part of the ditch system, together with plans for all other works and items of construction necessary for the completion of the drainage system or improvement. A list showing the required minimum hydraulic capacity of all bridges and culverts at all railway and highway open ditch crossings and at other prospective open ditch crossings where bridges and culverts are not specified to be constructed as a part of the ditch, together with plans and estimates of the cost of highway

bridges and culverts required for the information of the viewers in determining benefits and damages.

(d) A tabular statement showing the number of cubic yards of *excavation and linear feet* tile on each tile line with the average depth thereof, and all bridges, culverts, works and other construction items required by the plans for the completion of the system, together with the estimated unit cost of each of said items and a summary of the total cost thereof. Such summary shall include an estimate of the cost of fully completing the system, including supervision and other costs thereof.

(e) The acreage which will be required and taken as right of way upon each government lot and 40-acre tract or fraction thereof under separate ownership required for right of way for any open ditch.

(f) Specifications for drain tile shall require that all drain tile used shall comply with the requirements of the American Society for Testing Materials standard specifications for drain tile, except where the depths to which the drains are to be laid or the conditions of the soil, in the opinion of the engineer, require tile of a special and higher quality.

(g) When more economical construction will result, the engineer may recommend that the work be divided into sections and let separately, and that open and tile work or tile and labor thereon be let separately, and the time and manner so far as practicable in which the whole work or any section thereof shall be done.

(h) Such other detail and information as shall appear requisite to fully inform the board or court of the practicability and necessity of the proposed improvements shall be made available including a comprehensive examination of all (REQUIREMENTS) *the criteria* of section 106.021, *subdivision 6*, together with his recommendations thereon.

Sec. 24. Minnesota Statutes 1974, Section 106.131, is amended to read:

106.131 [COMMISSIONER'S FINAL ADVISORY REPORT] Upon the filing of the engineer's report, a complete copy thereof shall be transmitted to the commissioner by the auditor or clerk.

The commissioner shall examine the same and within 30 days make his *advisory* report thereon to the board or court. If he finds the report incomplete and not in accordance with the provisions of this chapter, he shall so report *specifying the incomplete or nonconforming provisions of the engineer's report*. If he approves the same as being an acceptable plan for the drain-

age of the lands affected, he shall so state. If he does not approve the plan, he shall file his recommendations for changes deemed advisable(, OR,). If in his opinion, the proposed system or improvement is not of public benefit or utility based upon the (REQUIREMENTS OR) criteria required to be considered by section 106.021, *subdivision 6*, he shall (SO) report *specifically what facts or evidence support his advisory opinion*. If a soil survey appears advisable, he shall so advise, and in such event the engineer shall make the soil survey and report thereon before the final hearing. The commissioner's report shall be directed to the board or court and shall be filed with the auditor or clerk.

No notice shall issue for the final hearing until the commissioner's report shall be filed.

Sec. 25. Minnesota Statutes 1974, Section 106.201, Subdivision 1, is amended to read:

106.201 [ORDER ESTABLISHING.] Subdivision 1. [DISMISSAL.] If it shall appear that the benefits are not more than the total cost, including damages awarded, or that the proposed system will not be of public benefit and utility, or (THAT THE SAME IS) not practicable(, OR THAT THE SYSTEM DOES NOT COMPLY WITH REQUIREMENTS) *based upon the criteria of section 106.021, subdivision 6*, the board or court shall so find and the petition shall be dismissed.

Sec. 26. Minnesota Statutes 1974, Section 106.201, Subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT.] If the board or court shall find that the engineer's and viewers' reports have been made and all other proceedings in the matter had in accordance with law, that the estimated benefits are greater than the total estimated cost, including damages, that the damages and benefits have been duly determined, that the proposed drainage system will be of public utility and benefit, and will promote the public health, that the proposed system is practicable, and that such reports as made or amended are complete, just and correct, (AND COMPLY WITH REQUIREMENTS OF SECTION 106.021,) then the board or court shall by order containing such findings, establish the drainage improvement as reported or amended, and adopt and confirm the viewers' report as made or amended.

Sec. 27. [APPROPRIATION.] *The sum of \$1,040,000 is appropriated from the general fund to the commissioner of natural resources for the purposes of this act. This appropriation shall be available immediately upon the effective date of this act and shall not cancel but shall be available until expended. Of this amount, \$240,000 is appropriated to carry out the purposes of section 8, \$200,000 is appropriated for the purposes of grants to counties pursuant to section 8, subdivision 6, and \$600,000 is appropriated for the water bank program pursuant to section 9.*

*The unobligated balance of the \$750,000 appropriated by Laws 1975, Chapter 415, Section 1, Subdivision 7, is cancelled and reappropriated for the purposes of the waterbank program pursuant to section 9 of this act and for fee acquisition pursuant to section 97.481 of wetlands eligible for inclusion in the waterbank program as specified in section 9 of this act.*

Sec. 28. [EFFECTIVE DATE.] *This act is effective the day following its final enactment."*

Further, strike the title and insert:

"A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public purpose; requiring a material beneficial public purpose to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; establishing a state water bank program for public waters; appropriating money; amending Minnesota Statutes 1974, Sections 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1a; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 97.481."

We request adoption of this report and repassage of the bill.

Senate Conferees: HOWARD D. OLSON, ROGER D. MOE and MYRTON O. WEGENER.

House Conferees: GLEN A. SHERWOOD, WILLIS R. EKEN, RODNEY N. SEARLE, HENRY J. SAVELKOUL and WALTER R. HANSON.

Sherwood moved that the report of the Conference Committee on S. F. No. 1308 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1308, A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public use; requiring a substantial beneficial public use to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers

and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; appropriating money; amending Minnesota Statutes 1974, Sections 97.481; 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question being taken on the repassage of the bill and the roll being called, there were yeas 120, and nays 8, as follows:

Those who voted in the affirmative were:

Abeln	Eken	Kelly, W.	Nelson	Sieben, H.
Adams, L.	Enebo	Kempe, A.	Norton	Sieben, M.
Adams, S.	Esau	Kempe, R.	Novak	Sieloff
Anderson, G.	Evans	Ketola	Osthoff	Simoneau
Anderson, I.	Ewald	Knickerbocker	Parish	Skoglund
Arlandson	Faricy	Knoll	Patton	Smith
Beauchamp	Fjoslien	Kostohryz	Pehler	Smogard
Begich	Forsythe	Kroening	Peterson	Spanish
Berg	Friedrich	Kvam	Petraleso	Stanton
Berglin	Fudro	Laidig	Philbrook	Suss
Biersdorf	George	Langseth	Pleasant	Swanson
Braun	Hanson	Lindstrom	Prahl	Tomlinson
Brinkman	Haugerud	Luther	Reding	Ulland
Byrne	Heinitz	Mangan	Rice	Vanasek
Carlson, A.	Hokanson	Mann	St. Onge	Vento
Carlson, L.	Jacobs	McCarron	Samuelson	Volk
Carlson, R.	Jaros	McCauley	Sarna	Voss
Casserly	Jensen	McCollar	Savelkoul	Wenstrom
Clark	Johnson, C.	McEachern	Schreiber	Wenzel
Clawson	Johnson, D.	Menning	Schulz	White
Corbid	Jude	Metzen	Schumacher	Wigley
Dahl	Kahn	Munger	Searle	Williamson
Dean	Kaley	Neisen	Setzepfandt	Zubay
Doty	Kelly, R.	Nelsen	Sherwood	Speaker Sabo

Those who voted in the negative were:

Albrecht	Dieterich	Erickson	Niehaus	Wieser
DeGroat	Eckstein	Moe		

The bill was repassed, as amended by Conference, and its title agreed to.

Mr. Speaker:

I hereby announce that the Conference Committee on S. F. No. 250 was discharged pursuant to Joint Rule 23a and that the Senate has moved that a new Conference Committee of 5 members was appointed by the Committee on Committees on the part of the Senate, to act with a like new Conference Committee to be appointed on the part of the House.

S. F. No. 250, A bill for an act relating to the legislature; creating an advisory on the Minnesota legislature; prescribing powers and duties; appropriating money.

Messrs. Coleman, Conzemius, Davies, Ashbach and Dunn have been appointed as such committee on the part of the Senate.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Voss moved that the House accede to the request of the Senate for the appointment of a new Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 250. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2173 and 2284.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1812 and 2025.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 60.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 2173, A bill for an act relating to Minnesota culture; preserving and presenting Minnesota folklife; creating center for study of Minnesota folklife; creating position of state folklorist in the historical society; prescribing powers and duties of the folklorist.

The bill was read for the first time.

Kahn moved that S. F. No. 2173 and H. F. No. 1994, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2284, A bill for an act relating to the counties of Nobles and Rock; authorizing the acquisition of real estate for the operation of television translator systems.

The bill was read for the first time.

Erickson moved that S. F. No. 2284 and H. F. No. 2485, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1812, A bill for an act relating to the counties of Lake of the Woods and Koochiching; authorizing each county to acquire real estate for and establish and operate a television translator system either within or without the county.

The bill was read for the first time.

Braun moved that S. F. No. 1812 and H. F. No. 1972, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2025, A bill for an act relating to nursing homes; requiring training for certain nursing assistants; providing a penalty.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 60, A bill for an act relating to insurance; providing for the establishment and administration of plans of health insurance to provide certain minimum benefits to all persons in the state; creating a comprehensive health care association; providing a dual option for health care for certain employees; regulating health maintenance organizations' coverage of dental

services and conversion privileges; appropriating money; amending Minnesota Statutes 1974, Section 62D.12, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Appropriations.

### CONSENT CALENDAR

S. F. No. 2344, A bill for an act relating to motor vehicles; authorizing the issuance of temporary vehicle permits for certain specified purposes; amending Minnesota Statutes 1974, Sections 168.091, Subdivision 1; and 168.092, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 127, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Eckstein	Kelly, R.	Nelson	Sieben, M.
Adams, L.	Eken	Kelly, W.	Niehaus	Sieloff
Adams, S.	Enebo	Kempe, A.	Norton	Simoneau
Albrecht	Erickson	Kempe, R.	Novak	Skoglund
Anderson, G.	Esau	Ketola	Osthoff	Smith
Anderson, I.	Evans	Knickerbocker	Parish	Smogard
Arlandson	Ewald	Knoll	Patton	Spanish
Beauchamp	Faricy	Kostohryz	Pehler	Stanton
Begich	Fjoslien	Kroening	Peterson	Suss
Berg	Forsythe	Kvam	Petraleso	Swanson
Berglin	Friedrich	Laidig	Philbrook	Tomlinson
Biersdorf	Fudro	Langseth	Pleasant	Ulland
Braun	George	Lindstrom	Prahl	Vanasek
Brinkman	Hanson	Luther	Reding	Vento
Byrne	Haugerud	Mangan	Rice	Volk
Carlson, A.	Heinitz	Mann	St. Onge	Wenstrom
Carlson, L.	Hokanson	McCarron	Samuelson	Wenzel
Carlson, R.	Jacobs	McCauley	Sarna	White
Casserly	Jaros	McCollar	Savelkoul	Wieser
Clark	Jensen	McEachern	Schreiber	Wigley
Corbid	Johnson, C.	Menning	Schulz	Williamson
Dahl	Johnson, D.	Metzen	Schumacher	Zubay
Dean	Jopp	Moe	Searle	Speaker Sabo
DeGroat	Jude	Munger	Setzepfandt	
Dieterich	Kahn	Neisen	Sherwood	
Doty	Kaley	Nelsen	Sieben, H.	

The bill was passed and its title agreed to.

### CONSIDERATION UNDER RULE 1.10

Pursuant to Rule 1.10, Norton requested immediate consideration of H. F. No. 1130 and S. F. Nos. 916 and 1120.

H. F. No. 1130 was reported to the House.



Kempe, A. moved to amend H. F. No. 1130 as follows:

Page 28, line 17, after "chambers" insert "*unless it is more than 75 miles*".

The motion prevailed and the amendment was adopted.

H. F. No. 1130, A bill for an act relating to the organization, operation and financing of state government; establishing an indirect cost billing system; requiring revolving fund billing rates to be determined by the commissioner of finance; transferring certain powers and duties relating to finance and recordation from and to the department of finance; appropriating money; amending the expense provisions for district court judges; amending Minnesota Statutes 1974, Sections 3.30, Subdivision 2; 15.191, Subdivision 2; 16A.055; 16A.129; 16A.15, Subdivision 3; 16A.17, Subdivisions 1, 4, 5, 6, 7, and by adding a subdivision; 16A.28; 84A.04; 93.12; 276.09; 276.10; 293.10; 348.04; 379.05; 379.07; 379.09; 385.21; 473F.07, Subdivisions 1 and 2; Chapter 16, by adding a section; and Chapter 16A, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 124.28, Subdivision 2; and 484.54; repealing Minnesota Statutes 1974, Sections 3.30, Subdivision 2a; 10.16; 16.141; 16.16; 16.161; 16.164; 16.18; 16.19; 16A.09; 16A.125, Subdivisions 1, 2, 3, 7, 8, 9, and 10; 16A.17, Subdivision 2; and 136.06.

The bill was read for the third time, as amended, and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 119, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Dieterich	Kahn	Menning	Schreiber
Adams, L.	Doty	Kaley	Metzen	Schulz
Adams, S.	Eken	Kelly, R.	Moe	Schumacher
Albrecht	Enebo	Kelly, W.	Neisen	Searle
Anderson, G.	Erickson	Kempe, A.	Nelsen	Setzepfandt
Anderson, I.	Esau	Kempe, R.	Nelson	Sherwood
Arlandson	Evans	Ketola	Niehaus	Sieben, H.
Beauchamp	Ewald	Knickerbocker	Norton	Sieben, M.
Begich	Faricy	Knoll	Novak	Sieloff
Berg	Fjoslien	Kostohryz	Osthoff	Simoneau
Berglin	Friedrich	Kroening	Parish	Skoglund
Biersdorf	Fudro	Kvam	Pehler	Smith
Braun	George	Laidig	Peterson	Smogard
Brinkman	Hanson	Langseth	Petrafeso	Spanish
Byrne	Heinitz	Lindstrom	Philbrook	Stanton
Carlson, A.	Hokanson	Luther	Pleasant	Suss
Carlson, L.	Jacobs	Mangan	Prahl	Swanson
Carlson, R.	Jaros	Mann	Reding	Tomlinson
Clark	Jensen	McCarron	St. Onge	Ulland
Corbid	Johnson, D.	McCauley	Samuelson	Vanasek
Dahl	Jopp	McCollar	Sarna	Vento
Dean	Jude	McEachern	Savelkoul	Voik

Voss  
Wenstrom

Wenzel  
White

Wieser  
Wigley

Williamson  
Zubay

Speaker Sabo

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

S. F. No. 916, A bill for an act relating to historic sites; providing for acquisition, administration and control of additional sites by the Minnesota historical society; appropriating money; amending Minnesota Statutes 1974, Sections 138.025, Subdivision 1, and by adding subdivisions; and 138.53, Subdivision 50; repealing Minnesota Statutes 1974, Sections 85.012, Subdivision 7; and 138.025, Subdivisions 7 and 8.

The bill was read for the third time and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 124, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Eckstein	Kelly, R.	Nelsen	Sieben, M.
Adams, L.	Eken	Kelly, W.	Nelson	Sieloff
Adams, S.	Enebo	Kempe, A.	Niehaus	Simoneau
Albrecht	Erickson	Kempe, R.	Norton	Skoglund
Anderson, G.	Esau	Ketola	Novak	Smith
Anderson, I.	Evans	Knickerbocker	Osthoff	Smogard
Arlandson	Ewald	Knoll	Parish	Spanish
Beauchamp	Faricy	Kostohryz	Patton	Stanton
Begich	Fjoslien	Kroening	Pehler	Suss
Berg	Forsythe	Kvam	Peterson	Swanson
Berglin	Friedrich	Laidig	Petrafeso	Tomlinson
Biersdorf	Fudro	Langseth	Philbrook	Ulland
Braun	George	Lindstrom	Pleasant	Vanasek
Brinkman	Hanson	Luther	Prahl	Vento
Byrne	Haugerud	Mangan	Reding	Volk
Carlson, A.	Heinitz	Mann	St. Onge	Voss
Carlson, L.	Jacobs	McCarron	Sarna	Wenstrom
Carlson, R.	Jaros	McCauley	Savelkoul	Wenzel
Casserly	Jensen	McCollar	Schreiber	White
Clark	Johnson, C.	McEachern	Schulz	Wieser
Corbid	Johnson, D.	Menning	Schumacher	Wigley
Dahl	Jopp	Metzen	Searle	Williamson
Dean	Jude	Moe	Setzepfandt	Zubay
Dieterich	Kahn	Munger	Sherwood	Speaker Sabo
Doty	Kaley	Neisen	Sieben, H.	

The bill was passed and its title agreed to.

S. F. No. 1120 was reported to the House.

Anderson, G., moved to amend S. F. No. 1120, the unofficial engrossment as follows:

Page 5, line 31 after "*Commission*" insert "*, or successor organization,*".

The motion prevailed and the amendment was adopted.

S. F. No. 1120, A bill for an act relating to flood plain management; providing for a program of grants to local government units for the construction of floodwater retention and retarding structures; appropriating money; amending Minnesota Statutes 1974, Chapter 104, by adding sections.

The bill was read for the third time, as amended, and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 129, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Doty	Kaley	Nelsen	Sieben, H.
Adams, L.	Eckstein	Kelly, R.	Nelson	Sieben, M.
Adams, S.	Eken	Kelly, W.	Niehaus	Sieloff
Albrecht	Enebo	Kempe, A.	Norton	Simoneau
Anderson, G.	Erickson	Kempe, R.	Novak	Skoglund
Anderson, I.	Esau	Ketola	Osthoff	Smith
Arlandson	Evans	Knickerbocker	Parish	Smogard
Beauchamp	Ewald	Knoll	Patton	Spanish
Begich	Faricy	Kostohryz	Pehler	Stanton
Berg	Fjoslien	Kroening	Peterson	Suss
Berglin	Forsythe	Kvam	Petraseso	Swanson
Biersdorf	Friedrich	Laidig	Philbrook	Tomlinson
Braun	Fudro	Langseth	Pleasant	Ulland
Brinkman	George	Lindstrom	Prahl	Vanasek
Byrne	Hanson	Luther	Reding	Vento
Carlson, A.	Haugerud	Mangan	Rice	Volk
Carlson, L.	Heinitz	Mann	St. Onge	Voss
Carlson, R.	Hokanson	McCarron	Samuelson	Wenstrom
Casserly	Jacobs	McCauley	Sarna	Wenzel
Clark	Jaros	McCollar	Savelkoul	White
Clawson	Jensen	McEachern	Schreiber	Wieser
Corbid	Johnson, C.	Menning	Schulz	Wigley
Dahl	Johnson, D.	Metzen	Schumacher	Williamson
Dean	Jopp	Moe	Searle	Zubay
DeGroat	Jude	Munger	Setzepfandt	Speaker Sabo
Dieterich	Kahn	Neisen	Sherwood	

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

### SPECIAL ORDERS

H. F. No. 2019 was reported to the House.

Clawson moved to amend H. F. No. 2019 as follows:

Page 2, line 29, delete underlined language and insert: "*1-[1-(2-thienyl) cyclohexyl]*".

Page 2, line 30, delete underlined language and insert: "*piperidine*".

Page 6, line 29, delete "(3)" and insert "(c)".

Page 7, line 4, delete "(4)" and insert "(3)".

Page 7, line 13, delete "(5)" and insert "(4)".

Page 7, line 14, delete "(6)" and insert "(5)".

The motion prevailed and the amendment was adopted.

Berglin moved to amend H. F. No. 2019 as follows:

Page 8, strike all of lines 27 and 28 and insert in lieu thereof the following:

*"Paraldehyde; Pemoline; Pentasocine and its salts and esters; Petrichloral; Phenobarbital; Phentermine; Propoxyphene and its salts and esters."*

The motion prevailed and the amendment was adopted.

H. F. No. 2019, A bill for an act relating to controlled substances; scheduling certain substances; amending Minnesota Statutes 1974, Section 152.02, Subdivisions 2, 3, 4, 5, and by adding a subdivision.

The bill was read for the third time, as amended, and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 127, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Dahl	Jacobs	Mangan	Pleasant
Adams, L.	Dean	Jaros	Mann	Prahl
Adams, S.	DeGroat	Jensen	McCarron	Reding
Albrecht	Dieterich	Johnson, C.	McCauley	Rice
Anderson, G.	Doty	Johnson, D.	McCollar	St. Onge
Anderson, I.	Eckstein	Jopp	McEachern	Samuelson
Arlandson	Eken	Jude	Menning	Sarna
Beauchamp	Enebo	Kahn	Metzen	Savelkoul
Begich	Erickson	Kaley	Moe	Schreiber
Berg	Esau	Kelly, R.	Neisen	Schulz
Berglin	Evans	Kelly, W.	Nelsen	Schumacher
Biersdorf	Ewald	Kempe, A.	Nelson	Searle
Braun	Faricy	Kempe, R.	Niehaus	Setzepfandt
Brinkman	Fjoslien	Ketola	Norton	Sherwood
Byrne	Forsythe	Knickerbocker	Novak	Sieben, H.
Carlson, A.	Friedrich	Knoll	Osthoff	Sieben, M.
Carlson, L.	Fudro	Kostohryz	Parish	Sieloff
Carlson, R.	George	Kvam	Patton	Simoneau
Casserly	Hanson	Laidig	Pehler	Skoglund
Clark	Haugerud	Langseth	Peterson	Smith
Clawson	Heinitz	Lindstrom	Petraleso	Smogard
Corbid	Hokanson	Luther	Philbrook	Spanish

Stanton	Ulland	Voss	Wieser	Speaker Sabo
Suss	Vanasek	Wenstrom	Wigley	
Swanson	Vento	Wenzel	Williamson	
Tomlinson	Volk	White	Zubay	

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

H. F. No. 2117, A bill for an act relating to public welfare; authorizing the assignment of accident insurance proceeds by any recipient of medical assistance; amending Minnesota Statutes, 1975 Supplement, Sections 256B.02, Subdivision 9; 256B.042, by adding a subdivision; and 256B.06, Subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 128, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Doty	Kaley	Nelsen	Sieben, M.
Adams, L.	Eckstein	Kelly, R.	Nelson	Sieloff
Adams, S.	Eken	Kelly, W.	Niehaus	Simoneau
Albrecht	Enebo	Kempe, A.	Norton	Skoglund
Anderson, G.	Erickson	Kempe, R.	Novak	Smith
Anderson, I.	Esau	Ketola	Osthoff	Smogard
Arlandson	Evans	Knickerbocker	Patton	Spanish
Beauchamp	Ewald	Knoll	Pehler	Stanton
Begich	Faricy	Kostohryz	Peterson	Suss
Berg	Fjoslien	Kroening	Petrafeso	Swanson
Berglin	Forsythe	Kvam	Philbrook	Tomlinson
Biersdorf	Friedrich	Laidig	Pleasant	Ulland
Braun	Fudro	Langseth	Prahl	Vanasek
Brinkman	George	Lindstrom	Reding	Vento
Byrne	Hanson	Luther	Rice	Volk
Carlson, A.	Haugerud	Mangan	St. Onge	Voss
Carlson, L.	Heinitz	Mann	Samuelson	Wenstrom
Carlson, R.	Hokanson	McCarron	Sarna	Wenzel
Casserly	Jacobs	McCauley	Savelkoul	White
Clark	Jaros	McCollar	Schreiber	Wieser
Clawson	Jensen	McEachern	Schulz	Wigley
Corbid	Johnson, C.	Menning	Schumacher	Williamson
Dahl	Johnson, D.	Metzen	Searle	Zubay
Dean	Jopp	Moe	Setzepfandt	Speaker Sabo
DeGroat	Jude	Munger	Sherwood	
Dieterich	Kahn	Neisen	Sieben, H.	

The bill was passed and its title agreed to.

H. F. No. 1881 was reported to the House.

There being no objection, H. F. No. 1881 was continued on Special Orders for one day.

H. F. No. 2002 was reported to the House.

There being no objection, H. F. No. 2002 was continued on Special Orders for one day.

H. F. No. 1615 was reported to the House.

Faricy moved to amend H. F. No. 1615, as follows:

Page 1, line 8, strike "twelfth" and insert "fifteenth".

The motion prevailed and the amendment was adopted.

Faricy moved to amend H. F. No. 1615, as follows:

Page 1, line 16, strike "mother" and insert "woman".

The motion prevailed and the amendment was adopted.

McCollar moved to amend H. F. No. 1615, as follows:

Page 1, line 14, strike "commissioner" and insert "board".

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

H. F. No. 1615, A bill for an act relating to public health; providing for care, medical treatment, and legal rights of live births resulting from abortions.

The bill was read for the third time, as amended, and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 120, and nays 4, as follows:

Those who voted in the affirmative were:

Abeln	DeGroat	Hokanson	Laidig	Osthoff
Adams, L.	Dieterich	Jacobs	Langseth	Parish
Adams, S.	Doty	Jaros	Lindstrom	Patton
Anderson, G.	Eckstein	Jensen	Luther	Pehler
Anderson, I.	Eken	Johnson, C.	Mangan	Peterson
Arlandson	Enebo	Johnson, D.	Mann	Petrafeso
Beauchamp	Erickson	Jopp	McCarron	Philbrook
Begich	Esau	Jude	McCauley	Pleasant
Biersdorf	Evans	Kaley	McCollar	Prahl
Braun	Ewald	Kelly, R.	McEachern	Reding
Brinkman	Faricy	Kelly, W.	Menning	Rice
Byrne	Fjoslien	Kempe, A.	Metzen	St. Onge
Carlson, A.	Forsythe	Kempe, R.	Moe	Samuelson
Carlson, L.	Friedrich	Ketola	Munger	Sarna
Carlson, R.	Fudro	Knickerbocker	Neisen	Savelkoul
Clawson	George	Knoil	Neisen	Schreiber
Corbid	Hanson	Kostohryz	Nelson	Schulz
Dahl	Haugerud	Kroening	Norton	Schumacher
Dean	Heinitz	Kvam	Novak	Searle

Setzepfandt	Simoneau	Suss	Volk	Wieser
Sherwood	Smith	Swanson	Voss	Wigley
Sieben, H.	Smogard	Tomlinson	Wenstrom	Williamson
Sieben, M.	Spanish	Vanasek	Wenzel	Zubay
Sieloff	Stanton	Vento	White	Speaker Sabo

Those who voted in the negative were:

Berglin	Clark	Kahn	Ulland
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The bill was passed, as amended, and its title agreed to.

H. F. No. 2374, A bill for an act relating to highway traffic regulation; requiring courts to report to the commissioner of public safety a stay of imposition of sentence granted under provisions of law relating to driving while under the influence of drugs or alcoholic beverages; amending Minnesota Statutes 1974, Sections 169.121, Subdivision 6; and 609.135, Subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 88, and nays 25, as follows:

Those who voted in the affirmative were:

Abeln	Corbid	Jacobs	McCauley	Simoneau
Adams, L.	Dahl	Jensen	McCollar	Skoglund
Adams, S.	Dean	Johnson, C.	McEachern	Smogard
Anderson, G.	DeGroat	Johnson, D.	Menning	Spanish
Anderson, I.	Dieterich	Jopp	Metzen	Stanton
Arlandson	Doty	Jude	Neisen	Suss
Beauchamp	Eckstein	Kahn	Novak	Tomlinson
Begich	Eken	Kaley	Parish	Vanasek
Berglin	Enebo	Kelly, R.	Patton	Vento
Braun	Erickson	Kelly, W.	Pehler	Volk
Brinkman	Esau	Kempe, A.	Peterson	Voss
Byrne	Evans	Kroening	Petrafeso	Wenstrom
Carlson, A.	Ewald	Laidig	Prahl	Wieser
Carlson, L.	Fjoslien	Lindstrom	St. Onge	Wigley
Carlson, R.	Forsythe	Luther	Savelkoul	Zubay
Casserly	Hanson	Mangan	Schreiber	Speaker Sabo
Clark	Heinitz	Mann	Schumacher	
Clawson	Hokanson	McCarron	Sherwood	

Those who voted in the negative were:

Albrecht	Jaros	Kostohryz	Niehaus	Sieloff
Biersdorf	Kempe, R.	Kvam	Norton	Smith
Farcy	Ketola	Moe	Pleasant	Ulland
Friedrich	Knickerbocker	Nelsen	Searle	Wenzel
Haugerud	Knoll	Nelson	Sieben, M.	White

The bill was passed and its title agreed to.

H. F. No. 2068, A bill for an act relating to hospitals; providing for loans to medical students who agree to practice in the

hospital district; amending Minnesota Statutes 1974, Section 447.34, Subdivision 1; and Chapter 447, by adding a section.

The bill was read for the third time and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 125, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Dieterich	Jude	Neisen	Sherwood
Adams, L.	Doty	Kahn	Nelsen	Sieben, H.
Adams, S.	Eckstein	Kaley	Nelson	Sieben, M.
Albrecht	Eken	Kelly, R.	Niehaus	Sieloff
Anderson, G.	Enebo	Kelly, W.	Norton	Simoneau
Anderson, I.	Erickson	Kempe, A.	Novak	Skoglund
Arlandson	Esau	Kempe, R.	Osthoff	Smith
Beauchamp	Evans	Ketola	Parish	Smogard
Begich	Ewald	Knickerbocker	Patton	Spanish
Berg	Faricy	Knoll	Pehler	Stanton
Berglin	Fjoslien	Kostohryz	Peterson	Suss
Biersdorf	Forsythe	Kroening	Petraleso	Tomlinson
Braun	Friedrich	Kvam	Philbrook	Ulland
Brinkman	Fudro	Laidig	Pleasant	Vanasek
Byrne	George	Lindstrom	Prahl	Vento
Carlson, A.	Hanson	Luther	Reding	Volk
Carlson, L.	Hangerud	Mangan	Rice	Voss
Carlson, R.	Heinitz	Mann	St. Onge	Wenstrom
Casserly	Hokanson	McCarron	Samuelson	Wenzel
Clark	Jacobs	McCauley	Sarna	White
Clawson	Jaros	McCollar	Saveikoul	Wieser
Corbid	Jensen	McEachern	Schreiber	Wigley
Dahl	Johnson, C.	Menning	Schulz	Williamson
Dean	Johnson, D.	Moe	Schumacher	Zubay
DeGroat	Jopp	Munger	Searle	Speaker Sabo

The bill was passed and its title agreed to.

H. F. No. 2560 was reported to the House.

Fjoslien moved to amend H. F. No. 2560, as follows:

Page 1, line 11, after "tractor" insert "*or farm field fertilizer applicator*".

Page 1, line 12, after "*vehicle*" strike "*owned by a political subdivision and*".

Page 1, line 13, after "*sludge from*" insert "*or fertilizer from the*".

Page 1, line 14, strike "*sewage treatment*" and insert "*supply*".

Page 1, after line 15, insert:



*"A vehicle owned by a political subdivision and used exclusively for the purpose of transporting sewage sludge to farm fields within a fifteen mile radius of the supply facilities may be operated during daylight hours only. Such a vehicle shall not be operated between the hours of sunset and sunrise, nor at any other time when visibility is impaired by weather, smoke, fog or other conditions rendering persons and vehicles not clearly discernible on the highway at a distance of 500 feet."*

The motion prevailed and the amendment was adopted.

H. F. No. 2560, A bill for an act relating to highway traffic regulations; prescribing the width of vehicles; amending Minnesota Statutes 1974, Section 169.80, Subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 121, and nays 4, as follows:

Those who voted in the affirmative were:

Abeln	Eken	Kempe, A.	Niehaus	Sieloff
Adams, L.	Erickson	Kempe, R.	Norton	Skoglund
Adams, S.	Esau	Ketola	Novak	Smogard
Albrecht	Evans	Knickerbocker	Osthoff	Spanish
Anderson, G.	Ewald	Knoll	Parish	Stanton
Anderson, I.	Faricy	Kostohryz	Patton	Suss
Arlandson	Fjoslien	Kroening	Pehler	Swanson
Beauchamp	Forsythe	Kvam	Peterson	Tomlinson
Begich	Friedrich	Laidig	Petrafeso	Ulland
Berg	Fudro	Langseth	Philbrook	Vanasek
Braun	George	Lindstrom	Pleasant	Vento
Brinkman	Hanson	Luther	Prahl	Volk
Byrne	Haugerud	Mangan	Reding	Voss
Carlson, A.	Heinitz	Mann	St. Onge	Wenstrom
Carlson, L.	Hokanson	McCarron	Samuelson	Wenzel
Carlson, R.	Jacobs	McCauley	Sarna	White
Cassarly	Jaros	McCollar	Savelkoul	Wieser
Clark	Johnson, C.	McEachern	Schreiber	Wigley
Clawson	Johnson, D.	Menning	Schulz	Williamson
Corbid	Jopp	Metzen	Schumacher	Zubay
Dahl	Jude	Moe	Searle	Speaker Sabo
Dean	Kahn	Munger	Setzepfandt	
DeGroat	Kaley	Neisen	Sherwood	
Doty	Kelly, R.	Nelson	Sieben, H.	
Eckstein	Kelly, W.	Nelson	Sieben, M.	

Those who voted in the negative were:

Berglin	Jensen	Rice	Simoneau
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The bill was passed, as amended, and its title agreed to.

## CONSIDERATION UNDER RULE 1.10

Pursuant to Rule 1.10, Norton requested immediate consideration of S. F. No. 429.

S. F. No. 429 was reported to the House.

Carlson, A., requested that pursuant to Rule 2.5 he be excused from voting on S. F. No. 429. The request was granted.

Voss moved to amend S. F. No. 429, the unofficial engrossment, as follows:

Page 3, line 6, strike "50 perent" and insert "100 percent".

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

S. F. No. 429, A bill for an act relating to the Minnesota zoological garden; providing a means of public access to the garden at the time of its opening; directing the department of highways to improve a certain road to provide such public access; and appropriating money.

The bill was read for the third time and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 102, and nays 22, as follows:

Those who voted in the affirmative were:

Abeln	Eken	Kelly, R.	Nelsen	Simoneau
Adams, L.	Enebo	Kelly, W.	Nelson	Skoglund
Anderson, G.	Erickson	Kempe, A.	Norton	Smith
Anderson, I.	Esau	Kempe, R.	Novak	Smogard
Arlandson	Evans	Ketola	Parish	Stanton
Beauchamp	Ewald	Knoll	Patton	Suss
Begich	Faricy	Kostohryz	Petrafeso	Swanson
Berg	Forsythe	Kroening	Philbrook	Tomlinson
Biersdorf	Fudro	Kvam	Pleasant	Ulland
Brinkman	George	Laidig	Reding	Vanasek
Byrne	Hanson	Langseth	Rice	Vento
Carlson, L.	Haugerud	Lindstrom	St. Onge	Voss
Carlson, R.	Heinitz	Luther	Sarna	Wenstrom
Casserly	Hokanson	Mangan	Savelkoul	Wenzel
Clark	Jacobs	Mann	Schumacher	White
Corbid	Jaros	McCarron	Searle	Wieser
Dahl	Jensen	McCauley	Setzepfandt	Williamson
Dean	Johnson, C.	McCollar	Sherwood	Speaker Sabo
Dieterich	Johnson, D.	Menning	Sieben, H.	
Doty	Jopp	Metzen	Sieben, M.	
Eckstein	Jude	Moë	Sielöff	

Those who voted in the negative were:

Albrecht	Fjoslien	Neisen	Prahl	Wigley
Berglin	Friedrich	Niehaus	Samuelson	Zubay
Braun	Kahn	Osthoff	Schulz	
Clawson	Kaley	Pehler	Spanish	
DeGroat	Knickerbocker	Peterson	Volk	

The bill was passed and its title agreed to.

### SPECIAL ORDERS, Continued

H. F. No. 101 was reported to the House.

Sieben, H., moved to amend H. F. No. 101 as follows:

In the title.

Page 1, line 3, after "aircraft;" insert "providing penalties;"

The motion prevailed and the amendment was adopted.

Fjoslien moved that H. F. No. 101 be re-referred to the Committee on Governmental Operations.

A roll call was requested and properly seconded.

The question was taken on the adoption of the motion and the roll being called, there were yeas 16, and nays 102, as follows:

Those who voted in the affirmative were:

Adams, S.	Erickson	Jopp	Peterson	Wigley
Albrecht	Esau	Kvam	Searle	Zubay
DeGroat	Fjoslien	Nelsen		
Eckstein	Friedrich	Niehaus		

Those who voted in the negative were:

Abeln	Corbid	Johnson, D.	McCarron	Rice
Adams, L.	Dean	Jude	McCollar	St. Onge
Anderson, G.	Dieterich	Kahn	Menning	Samuelson
Anderson, I.	Doty	Kaley	Metzen	Sarna
Arlandson	Enebo	Kelly, R.	Moe	Schulz
Beauchamp	Evans	Kelly, W.	Munger	Schumacher
Begich	Ewald	Kempe, A.	Neisen	Setzepfandt
Berg	Faricy	Kempe, R.	Nelson	Sherwood
Berglin	Forsythe	Ketola	Norton	Sieben, H.
Biersdorf	Fudro	Knickerbocker	Novak	Sieben, M.
Brinkman	George	Knoll	Osthoff	Sieloff
Byrne	Hanson	Kostohryz	Parish	Simoneau
Carlson, A.	Heinitz	Kroening	Patton	Skoglund
Carlson, L.	Hokanson	Laidig	Petraffeso	Smith
Carlson, R.	Jacobs	Langseth	Philbrook	Smogard
Casserly	Jaros	Lindstrom	Pleasant	Spanish
Clark	Jensen	Luther	Prahl	Stanton
Clawson	Johnson, C.	Mangan	Reding	Suss

Swanson	Vanasek	Voss	White	Speaker Sabo
Tomlinson	Vento	Wenstrom	Wieser	
Ulland	Volk	Wenzel		

The motion did not prevail.

H. F. No. 101, A bill for an act relating to insurance; establishing certain compulsory insurance for aircraft; amending Minnesota Statutes 1974, Sections 60A.081; 360.59, by adding a subdivision; 360.91; and Chapter 360, by adding sections.

The bill was read for the third time, as amended, and placed upon its final passage.

The question being taken on the passage of the bill and the roll being called, there were yeas 99, and nays 23, as follows:

Those who voted in the affirmative were:

Abeln	Dieterich	Kempe, A.	Norton	Simoneau
Adams, L.	Doty	Kempe, R.	Novak	Skoglund
Anderson, I.	Enebo	Ketola	Osthoff	Smith
Arlandson	Evans	Knickerbocker	Parish	Smogard
Beauchamp	Faricy	Knoll	Patton	Spanish
Begich	Forsythe	Kostohryz	Pehler	Stanton
Berg	Fudro	Kroening	Petrafeso	Suss
Berglin	George	Kvam	Philbrook	Swanson
Biersdorf	Hanson	Laidig	Prahl	Tomlinson
Brinkman	Heinitz	Langseth	Reding	Ulland
Byrne	Hokanson	Luther	Rice	Vanasek
Carlson, A.	Jacobs	Mangan	Samuelson	Vento
Carlson, L.	Jaros	McCarron	Sarna	Voss
Carlson, R.	Jensen	McCollar	Schulz	Wenstrom
Casserly	Johnson, D.	Menning	Schumacher	Wenzel
Clark	Jude	Metzen	Setzepfandt	White
Clawson	Kahn	Moe	Sherwood	Williamson
Corbid	Kaley	Munger	Sieben, H.	Zubay
Dean	Kelly, R.	Neisen	Sieben, M.	Speaker Sabo
DeGroat	Kelly, W.	Nelson	Sieloff	

Those who voted in the negative were:

Albrecht	Ewald	Jopp	Peterson	Volk
Braun	Fjoslien	Mann	Pleasant	Wieser
Eckstein	Friedrich	McEachern	St. Onge	Wigley
Erickson	Haugerud	Nelsen	Savelkoul	
Esau	Johnson, C.	Niehaus	Searle	

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

Anderson, I., moved that the remaining bills on Special Orders for today be continued on Special Orders for Wednesday, March 17, 1976, immediately following the Consent Calendar. The motion prevailed.

## GENERAL ORDERS

There being no objection, the bills on General Orders for today were continued until Wednesday, March 17, 1976.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the Conference Committee on S. F. No. 250:

Voss; Sabo; Anderson, I.; Haugerud and Carlson, A.

## MOTIONS AND RESOLUTIONS

Haugerud moved that H. F. No. 2060, now in the Committee on Judiciary, be returned to its author. The motion prevailed.

Skoglund moved that H. F. No. 2294, now in the Committee on Financial Institutions and Insurance, be returned to its author. The motion prevailed.

Carlson, R., moved that H. F. No. 2482, now in the Committee on Local and Urban Affairs, be returned to its author. The motion prevailed.

Prahl introduced:

House Resolution No. 31, A house resolution congratulating the Grand Rapids High School hockey team on winning the state championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

Fjoslien moved that H. F. No. 1907, now in the Committee on Taxes, be returned to its author. The motion prevailed.

Sieben, H., moved that H. F. No. 998, now on General Orders be returned to its author. The motion prevailed.

## ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 10:00 a.m., Wednesday, March 17, 1976. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed and the Speaker declared the House adjourned until 10:00 a.m., Wednesday, March 17, 1976.

**EDWARD A. BURDICK, Chief Clerk, House of Representatives**