

STATE OF MINNESOTA

SIXTY-NINTH SESSION - 1976

NINETY-FIFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 22, 1976

The House convened at 11:00 a.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	Eckstein	Kaley	Neisen	Sieben, M.
Adams, L.	Eken	Kalis	Nelsen	Sieloff
Adams, S.	Enebo	Kelly, R.	Nelson	Simoneau
Albrecht	Erickson	Kelly, W.	Niehaus	Skoglund
Anderson, G.	Esau	Kempe, A.	Norton	Smith
Anderson, I.	Evans	Kempe, R.	Novak	Smogard
Arlandson	Ewald	Ketola	Osthoff	Spanish
Begich	Faricy	Knickerbocker	Parish	Stanton
Berg	Fjoslien	Knoll	Patton	Suss
Berglin	Forsythe	Kostohryz	Pehler	Swanson
Biersdorf	Friedrich	Kroening	Peterson	Tomlinson
Birnstihl	Fudro	Kvam	Philbrook	Ulland
Braun	Fugina	Laidig	Pleasant	Vanasek
Brinkman	George	Langseth	Prahl	Vento
Byrne	Graba	Lemke	Reding	Volk
Carlson, A.	Hanson	Lindstrom	Rice	Voss
Carlson, L.	Haugerud	Luther	St. Onge	Wenstrom
Carlson, R.	Heinitz	Mangan	Samuelson	Wenzel
Casserty	Hokanson	Mann	Sarna	Wieser
Clark	Jacobs	McCarron	Savelkoul	Wigley
Clawson	Jaros	McCauley	Schreiber	Williamson
Corbid	Jensen	McCollar	Schulz	Zubay
Dahl	Johnson, C.	McEachern	Schumacher	Speaker Sabo
Dean	Johnson, D.	Menning	Searle	
DeGroat	Jopp	Metzen	Setzepfandt	
Dieterich	Jude	Moe	Sherwood	
Doty	Kahn	Munger	Sieben, H.	

A quorum was present.

Beauchamp, Petrafeso and White were excused until 2:45 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. On 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. 2683, 617, 1947 and 1482 and S. F. Nos. 360, 1753, 1780, 1530, 551, 819, 1097, 1764, 1800, 2177, 1991, 2339, 2436, 2510, 1886, 2486, 252, 2053, 1857, 2164, 2465, 2277, and 2078 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following report was received and filed in the Chief Clerk's Office: A Review of Admissions Practices in University of Minnesota Professional Schools submitted pursuant to Laws 1975, Chapter 433, Section 4.

The following communication was received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

March 19, 1976

The Honorable Martin Sabo
Speaker of the House

Sir:

I have the honor to inform you that I received, approved, signed and deposited in the office of the Secretary of State the following House Files:

H. F. No. 1904, An act relating to cemeteries; prohibiting certain activities on public and private cemeteries and Indian burial grounds; requiring the posting of Indian burial grounds; amending Minnesota Statutes 1974, Section 307.08.

H. F. No. 59, An act relating to towns; authorizing towns to request the taking of a census by the secretary of state; amending Minnesota Statutes 1974, Chapter 365, by adding a section.

H. F. No. 2105, An act relating to county agricultural societies; authorizing the renewal of the period of corporate existence of certain agricultural societies whose period of duration has expired; validating acts done and contracts made subsequent to the expiration of the corporate existence.

H. F. No. 2011, An act relating to state lands; authorizing the conveyance of certain state lands in Goodhue county to the city of Red Wing.

H. F. No. 1999, An act relating to game and fish; providing temporary permits for handicapped hunters; amending Minnesota Statutes, 1975 Supplement, Section 98.48, Subdivision 12.

Sincerely,

WENDELL R. ANDERSON
Governor

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Vanasek, Munger, Pehler, McCauley and Kelly, W., introduced:

H. F. No. 2688, A resolution urging Congress and the President to establish the Solar Energy Research Institute in Minnesota.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Simoneau and Fudro introduced:

H. F. No. 2689, A bill for an act relating to the city of Columbia Heights fire department relief association; an establishment of paid division and volunteer division of the association and the administration of each division; benefits and contributions; membership of certain fire personnel in the public employees' police and fire fund.

The bill was read for the first time and referred to the Committee on Governmental Operations.

HOUSE ADVISORY BILLS

Pursuant to Rule 5.3, the following House Advisory Bill was introduced:

Lindstrom introduced:

H. A. B. No. 73, Study of State-owned land acquisition, exchange and disposal procedures.

The bill was referred to the Committee on Governmental Operations.

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Pursuant to Joint Rule 13, Volk reported on the progress of S. F. No. 1206, now in Conference Committee.

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. 2159, A bill for an act relating to the city of Minneapolis; municipal employees survivor benefits; amending Minnesota Statutes 1974, Section 422A.23, Subdivisions 2 and 3; repealing Minnesota Statutes 1974, Section 422A.23, Subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

Knoll moved that the House refuse to concur in the Senate amendments to H. F. No. 2159, 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 Senate Files, herewith transmitted:

S. F. Nos. 485 and 1644.

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. 1906.

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. 1928 and 2335.

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. 2127, 2241, 2313, 2430 and 2452.

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. 2132.

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. 1704, 2039, 2248 and 2278.

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. 1791.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 485, A bill for an act relating to the operation of state government; creating a department of vocational rehabilitation; transferring the powers and duties of the division of vocational rehabilitation to the department; transferring personnel and appropriations; repealing Minnesota Statutes 1974, Sections 121.29; 121.30; 121.301; 121.31; 121.32; 121.33; 121.331; 121.71; 121.711; 121.712; 121.713; and 121.714.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1644, A bill for an act relating to public welfare; establishing a senior companion program; appropriating funds.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1906, A bill for an act relating to licensed occupations; establishing a policy for the regulation of occupations; transferring responsibility for the provision of staffing and administrative service; clarifying reporting responsibilities; prescribing a procedure for complaint review; granting licensing boards additional powers relating to injunctive relief, subpoenas, continuing education, and other matters; prescribing duties of the board of health relating to human services occupations; creating advisory councils; merging the licensed practical nursing board into the board of nursing; making miscellaneous changes in practice acts for various licensed occupations; adopting the standard terms "licensure" and "license" for occupational licensing boards; transferring employees and moneys; amending Minnesota Statutes 1974, Sections 125.04; 125.05; 125.06; 125.08; 125.09, Subdivision 1; 125.12, Subdivision 1; 125.13, Subdivision 1; 125.17, Subdivision 1; 125.182, Subdivisions 2 and 3; 125.183, by adding a subdivision; 125.184, as amended; 125.185, as amended; 125.187; 144.955; 144.959; 147.021, Subdivision 1; 147.06; 147.13; 147.18; 147.23; 148.05; 148.06, Subdivision 1; 148.07, as amended; 148.10; 148.211, Subdivision 2; 148.241, Subdivision 1; 148.291, Subdivision 3; 148.32; 148.57; 148.59; 148.90, as amended; 148.91, Subdivisions 1 and 3; 148.97, Subdivision 6; 148.98; 150A.04, Subdivision 5; 150A.06, Subdivision 1; 150A.08, Subdivision 4; 150A.09, Subdivisions 1 and 3; 151.06, Subdivision 4; 151.10; 151.101; 151.11; 151.12; 151.13; 151.14; 151.19; 151.25; 151.27; 151.37, Subdivisions 5 and 6; 151.40; 153.07; 153.08; 153.09; 154.04; 155.02, Subdivision 7a; 155.03, Subdivision 2; 155.06, Subdivision 3; 155.09, Subdivisions 1, 4 and 5; 155.11, Subdivision 2; 155.14; 155.15; 155.16; 155.18, Subdivision 1; 155.19; 155.20, Subdivision 2; 156.01, Subdivision 5; 156.02, Subdivision 2; 156.03; 156.07; 156.072, Subdivisions 2 and 3; 156.081, Subdivision 1; 156.14; 214.01, Subdivision 1; 214.06; 270.47; 270.50; 270.51; 326.08, Subdivision 1; 326.11, Subdivision 6; 326.15; 326.19; 326.20; 326.21; 326.22, as amended; 326.23; 326.241, as amended; 326.242, Subdivisions 8 and 9; 326.33, Subdivisions 2 and 3; 326.331; 326.332, Subdivision 1; 326.333; 326.334, Subdivision 1; 326.54; 326.543; 326.544; 326.545; 326.546; 341.05, as amended; 341.06; 341.07; 341.08; 341.12; 341.13; 341.15; 386.61, Subdivision 2; 386.63, Subdivisions 2 and 3; 386.64; 386.65, Subdivision 1; 386.67; 386.69; 386.72; 386.73; Chapter 214, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 125.03, Subdivision 1; 125.11; 125.183, Subdivision 3; 144.952, by adding a subdivision; 147.01; 147.02, Subdivision 1; 147.05; 148.03; 148.181; 148.191; 148.211, Subdivision 1; 148.261, Subdivision 1; 148.29, Subdivision 2; 148.291, Subdivision 1; 148.299; 148.52; 148.54; 148.60; 148.67; 148.95; 150A.02, Subdivision 1; 150A.03, Subdivision 2; 151.03; 151.06, Subdivision 1; 151.07; 153.02, 153.03; 153.04; 153.13; 153.15; 154.22; 154.23; 155.05; 155.06, Subdivision 1; 155.08; 156.01; Subdivision 1; 214.01, Subdivision 2; 214.04; 214.07; 214.09, Subdivision 3; 270.41; 270.42; 270.48;

326.03, Subdivision 1; 326.04; 326.05; 326.06; 326.08, Subdivision 2; 326.09; 326.10; 326.11, Subdivisions 1 and 5; 326.12; 326.13; 326.14; 326.17; 326.18; 326.33, Subdivision 1; 326.541; 326.542; 341.01; 341.04; 341.10; 341.11; 386.62; 386.63, Subdivision 1; 386.66; 386.68; 386.70, Subdivision 1; 386.71; repealing Minnesota Statutes 1974, Sections 125.09, Subdivisions 2 and 3; 144.956; 144.958; 144.96; 144.965; 145.861; 145.862; 145.863; 145.864; 145.865, Subdivision 3; 148.06, Subdivision 2; 148.08, Subdivision 1; 148.291, Subdivision 2; 148.55; 148.58; 148.94; 148.97; Subdivision 2; 148.99, Subdivision 1; 150A.04, Subdivisions 1, 2, 3 and 4; 150A.07; 150A.08, Subdivision 2; 150A.09, Subdivision 2; 151.09; 153.10; 153.11; 154.065, Subdivision 6; 156.01, Subdivision 4; 326.08, Subdivision 3; 326.11, Subdivision 3; 326.16; 326.334, Subdivision 3; 386.63, Subdivision 6; 386.65, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 145.865, Subdivision 1; 145.866; 148.211, Subdivision 3; 148.231, Subdivision 3; 148.261, Subdivision 2; 148.291, Subdivision 4; 148.297, Subdivision 2; 148.55; 326.10, Subdivision 4; 326.11, Subdivisions 2 and 4; 386.695; 386.696; and 386.70, Subdivisions 3, 4, 5 and 6.

The bill was read for the first time.

Reding moved that S. F. No. 1906 and H. F. No. 2339, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1928, A bill for an act relating to the city of Maplewood; paramedic service; authorizing the collection of taxes in excess of the levy limits for purposes of the paramedic program.

The bill was read for the first time.

Kostohryz moved that S. F. No. 1928 and H. F. No. 2280, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2335, A bill for an act relating to child support and paternity; providing for continuing court orders; granting county court jurisdiction; amending Minnesota Statutes 1974, Sections 256.87, Subdivision 1; 256.872; 256.873; 257.253; 257.254; 257.257; 257.259; 257.261, Subdivision 1; 257.29; 393.07, Subdivision 9; and 518.49.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 2127, A bill for an act relating to civil actions; awarding costs and attorneys fees to a party in frivolous cases; amending Minnesota Statutes 1974, Chapter 549, by adding a section.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 2241, A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for disposition of proceeds of sale.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 2313, A bill for an act relating to commitment and discharge of inebriate persons; limiting length of commitment for inebriates; amending Minnesota Statutes 1974, Section 253A.07, Subdivision 25; Minnesota Statutes, 1975 Supplement, Sections 253A.07, Subdivision 17; and 253A.15, Subdivision 1.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

S. F. No. 2430, A bill for an act relating to jurisdiction over federal lands; permitting acceptance by the state of retrocession of jurisdiction over federal lands by federal agencies; amending Minnesota Statutes 1974, Section 1.043.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 2452, A bill for an act relating to juries; providing that persons 70 years of age or younger may serve on juries; amending Minnesota Statutes 1974, Section 628.43.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 2132, A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; providing for the revocation of a driver's license or permit by the commissioner of public safety upon receipt of chemical test that person's blood contains .10 percent or more by weight of alcohol; providing procedural safeguards; providing for issuance of a limited license; providing for reinstatement of a revoked license; prescribing penalties; and appropriating money; amending Minnesota Statutes 1974, Chapter 169, by adding a section; and Section 169.121, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1704, A bill for an act relating to motor vehicles; defining terms; providing for the licensure and regulation of certain motor vehicle dealers; prescribing penalties; appropriating money; amending Minnesota Statutes 1974, Section 168.27.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 2039, A bill for an act relating to insurance; reporting of certain professional liability judgments or settlements.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

S. F. No. 2248, A bill for an act relating to juveniles; providing limitations on procedures for juvenile detention; providing definitions; setting standards; amending Minnesota Statutes 1974, Section 260.015, by adding subdivisions; 260.101; 260.171, Subdivisions 1, 2, and by adding subdivisions; 641.14; and Chapter 260, by adding sections; repealing Minnesota Statutes 1974, Sections 260.171, Subdivision 3; and 260.175.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

S. F. No. 2278, A bill for an act relating to appropriations; converting certain standing appropriations to direct appropriations; abolishing other standing appropriations; appropriating money; amending Minnesota Statutes 1974, Sections 9.061, Subdivision 5; 97.482, Subdivision 2; 638.08; and Laws 1971, Chapter 121, Section 2, as amended; repealing Minnesota Statutes 1974, Sections 7.07, 136.821; Minnesota Statutes, 1975 Supplement, Sections 123.937; 144.146, Subdivision 2; Laws 1973, Chapter 768, Section 23; and Laws 1975, Chapter 433, Section 20.

The bill was read for the first time.

Voss moved that S. F. No. 2278 and H. F. No. 2364, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1791, A bill for an act relating to real estate; providing for limitation of action for damages based on errors in the survey of land; amending Minnesota Statutes 1974, Chapter 541, by adding a section.

The bill was read for the first time and referred to the Committee on Judiciary.

CONSIDERATION UNDER RULE 1.10

Pursuant to Rule 1.10 Norton requested immediate consideration of H. F. Nos. 2215, 2169, 1901 and 1876.

H. F. No. 2215, A bill for an act relating to aeronautics; appropriating and transferring money for construction of hangars.

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

The bill was passed and its title agreed to.

H. F. No. 2169 was reported to the House and given its third reading.

UNANIMOUS CONSENT

Knoll requested unanimous consent to offer an amendment. The request was granted.

Knoll moved to amend H. F. No. 2169, as follows:

Page 3, strike lines 18 and 19.

The motion prevailed and the amendment was adopted.

H. F. No. 2169, A bill for an act relating to torts; defining the state's liability for torts; appropriating money.

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 105, and nays 22, as follows:

Those who voted in the affirmative were:

Abeln	Erickson	Kelly, R.	Neisen	Sieben, M.
Adams, L.	Evans	Kelly, W.	Nelsen	Sieloff
Adams, S.	Ewald	Kempe, A.	Norton	Simoneau
Anderson, G.	Faricy	Kempe, R.	Novak	Skoglund
Arlandson	Fjoslien	Ketola	Parish	Smith
Begich	Forsythe	Knickerbocker	Patton	Smogard
Berg	Friedrich	Knoll	Pehler	Spanish
Birnstihl	Fudro	Kostohryz	Peterson	Stanton
Brinkman	Fugina	Kroening	Philbrook	Suss
Byrne	George	Kvam	Pleasant	Swanson
Carlson, L.	Hanson	Laidig	Prahl	Tomlinson
Casserly	Haugerud	Langseth	Reding	Ulland
Clark	Heinitz	Lemke	St. Onge	Vanasek
Clawson	Hokanson	Lindstrom	Samuelson	Volk
Dahl	Jacobs	Luther	Sarna	Voss
Dean	Jaros	Mangan	Savelkoul	Wenstrom
Dieterich	Johnson, D.	Mann	Schreiber	Wenzel
Doty	Jude	McEachern	Schulz	Wigley
Eckstein	Kahn	Metzen	Schumacher	Williamson
Eken	Kaley	Moe	Searle	Zubay
Enebo	Kalis	Munger	Setzepfandt	Speaker Sabo

Those who voted in the negative were:

Albrecht	Carlson, A.	Jensen	Menning	Sherwood
Anderson, I.	Carlson, R.	Jopp	Nelson	Wieser
Berglin	Corbid	McCarron	Niehaus	
Biersdorf	DeGroat	McCauley	Osthoff	
Braun	Esau	McCollar	Rice	

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

H. F. No. 1901, A bill for an act relating to education; authorizing the establishment of a pilot higher education extension center to serve downtown St. Paul and its surrounding area; 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 122, and nays 2, as follows:

Those who voted in the affirmative were:

Adams, L.	Birnstihl	Clawson	Erickson	Fugina
Adams, S.	Braun	Corbid	Esau	George
Anderson, G.	Brinkman	Dahl	Evans	Hanson
Anderson, I.	Byrne	Dean	Ewald	Haugerud
Arlandson	Carlson, A.	Dieterich	Faricy	Hokanson
Begich	Carlson, L.	Doty	Fjoslien	Jacobs
Berg	Carlson, R.	Eckstein	Forsythe	Jaros
Berglin	Casserly	Eken	Friedrich	Jensen
Biersdorf	Clark	Enebo	Fudro	Johnson, C.

Johnson, D.	Laidig	Nelson	Savelkoul	Suss
Jopp	Langseth	Niehaus	Schreiber	Swanson
Jude	Lemke	Norton	Schulz	Tomlinson
Kahn	Lindstrom	Novak	Schumacher	Ulland
Kaley	Luther	Osthoff	Searle	Vanasek
Kalis	Mangan	Parish	Setzepfandt	Volk
Kelly, R.	Mann	Patton	Sherwood	Voss
Kelly, W.	McCarron	Pehler	Sieben, H.	Wenstrom
Kempe, A.	McCauley	Peterson	Sieben, M.	Wenzel
Kempe, R.	McCollar	Philbrook	Sieloff	Wigley
Ketola	Menning	Pleasant	Simoneau	Williamson
Knickerbocker	Metzen	Prahl	Skoglund	Zubay
Knoll	Moe	Reding	Smith	Speaker Sabo
Kostohryz	Munger	St. Onge	Smogard	
Kroening	Neisen	Samuelson	Spanish	
Kvam	Nelsen	Sarna	Stanton	

Those who voted in the negative were:

Heinitz Wieser

The bill was passed and its title agreed to.

H. F. No. 1876 was reported to the House.

Kelly, W., moved to amend H. F. No. 1876 as follows:

Page 5, line 28, delete the words "and taxation".

Page 5, line 31, delete "(1) the railroad gross earnings tax;" and renumber the remaining clauses.

Page 6, line 7, after the word "regulatory", delete "or taxation policies".

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 44, and nays 76, as follows:

Those who voted in the affirmative were:

Anderson, I.	Eken	Kelly, W.	Neisen	Stanton
Arlandson	Enebo	Ketola	Nelson	Suss
Begich	Esau	Kroening	Pehler	Swanson
Berglin	Haugerud	Langseth	Rice	Tomlinson
Braun	Jacobs	Lindstrom	Samuelson	Ulland
Casserly	Jaros	McEachern	Schulz	Vanasek
Clark	Johnson, D.	Menning	Setzepfandt	Voss
Corbid	Kahn	Moe	Smith	Speaker Sabo
DeGroat	Kalis	Munger	Spanish	

Those who voted in the negative were:

Abeln	Albrecht	Birnstihl	Carlson, A.	Clawson
Adams, L.	Anderson, G.	Brinkman	Carlson, L.	Dean
Adams, S.	Biersdorf	Byrne	Carlson, R.	Dieterich

Doty	Heinitz	Luther	Peterson	Simoneau
Eckstein	Hokanson	Mangan	Philbrook	Skoglund
Erickson	Jensen	Mann	Pleasant	Smogard
Evans	Jopp	McCarron	Prahl	Volk
Ewald	Jude	McCauley	Sarna	Wenstrom
Faricy	Kaley	McCollar	Savelkoul	Wenzel
Fjoslien	Kempe, A.	Metzen	Schreiber	Wieser
Forsythe	Kempe, R.	Nelsen	Schumacher	Wigley
Friedrich	Knickerbocker	Niehaus	Searle	Zubay
Fudro	Kostohryz	Novak	Sherwood	
Fugina	Kvam	Osthoff	Sieben, H.	
George	Laidig	Parish	Sieben, M.	
Hanson	Lemke	Patton	Sieloff	

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

Osthoff moved to amend H. F. No. 1876, as follows:

Page 3, line 30, strike "The department may stipulate minimum operating".

Page 3, line 31, strike "standards concerning frequency of service."

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

H. F. No. 1876, A bill for an act relating to transportation; providing for rail transportation improvements throughout the state; creating the Minnesota rail line improvement account; authorizing the development of a state plan for rail transportation and a feasibility study of rail line acquisition by the state or by a political subdivision of the state; 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 129, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Carlson, A.	Erickson	Jacobs	Knickerbocker
Adams, L.	Carlson, L.	Esau	Jaros	Knoll
Adams, S.	Carlson, R.	Evans	Jensen	Kostohryz
Albrecht	Casserly	Ewald	Johnson, C.	Kroening
Anderson, G.	Clark	Faricy	Johnson, D.	Kvam
Anderson, I.	Clawson	Fjoslien	Jopp	Laidig
Arlandson	Corbid	Forsythe	Jude	Langseth
Begich	Dahl	Friedrich	Kahn	Lemke
Berg	Dean	Fudro	Kaley	Lindstrom
Berglin	DeGroat	Fugina	Kalis	Luther
Biersdorf	Dieterich	George	Kelly, R.	Mangan
Birnstihl	Doty	Hanson	Kelly, W.	Mann
Braun	Eckstein	Haugerud	Kempe, A.	McCarron
Brinkman	Eken	Heinitz	Kempe, R.	McCauley
Byrne	Enebo	Hokanson	Ketola	McCollar

McEachern	Osthoff	Samuelson	Sieloff	Vanasek
Menning	Parish	Sarna	Simoneau	Volk
Metzen	Patton	Savelkoul	Skoglund	Voss
Moe	Pehler	Schreiber	Smith	Wenstrom
Munger	Peterson	Schulz	Smogard	Wenzel
Neisen	Philbrook	Schumacher	Spanish	Wieser
Nelsen	Pleasant	Searle	Stanton	Wigley
Nelson	Prahl	Setzepfandt	Suss	Williamson
Niehaus	Reding	Sherwood	Swanson	Zubay
Norton	Rice	Sieben, H.	Tomlinson	Speaker Sabo
Novak	St. Onge	Sieben, M.	Ulland	

The bill was passed and its title agreed to.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection the order of business reverted to Reports of Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 2177 and H. F. No. 2535, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except H. F. No. 2535, page 2, lines 7 to 11, reads in part:

"the mandatory retirement age (FOR A PERIOD OF ONE YEAR NOT TO EXTEND BEYOND JULY 1, 1976,) but in no event beyond age of 62, subject to an annual medical examination and the written approval of the commissioner of corrections, whose decision shall be final."

Whereas S. F. No. 2177, page 2, lines 15 to 23, reads in part:

"the mandatory retirement age for a period of one year not to extend beyond (JULY 1, 1976,) *July 1, 1977*, but in no event beyond age of 62, subject to an annual medical examination (AND) *indicating the individual is of satisfactory health and is capable of continued correctional employment.* The written approval of the commissioner of corrections, whose decision shall be final, *shall also be required; provided approval shall be granted unless the commissioner finds the performance of the employee to be unsatisfactory.*"

H. F. No. 2535, page 12, line 22, contains a comma after "2a".

Whereas S. F. No. 2177, page 13, line 2 does not.

S. F. No. 2177, page 13, line 14 to page 27, line 18 contains the language:

"Sec. 13. Minnesota Statutes 1974, Section 353.01, Subdivision 2b, is amended to read:

Subd. 2b. [EXCLUDED EMPLOYEES.] The following persons are excluded from the meaning of "public employee":

(a) Persons employed for professional services where such service is incidental to regular professional duties.

(b) Election officers.

(c) Independent contractors and their employees.

(d) Patient and inmate help in governmental subdivision charitable, penal and correctional institutions.

(e) Members of boards, commissions, bands and others who serve the governmental subdivision intermittently.

(f) Employees who hold positions of an essentially temporary or seasonal character, provided such employment does not continue for a period in excess of 120 working days in any calendar year. In the event such employees receive compensation on a monthly salary basis, each calendar month for which they are so paid shall constitute 30 working days; however, immediately following the expiration of such 120 working days if such employees continue in public service and earn in excess of \$150 in any one calendar month, the department heads must then report all such employees for membership and must cause employee contributions to be made on behalf of such employees in accordance with section 353.27, subdivision 4.

(g) Part-time employees who receive monthly compensation not exceeding \$150, and part-time employees and elected officials whose annual compensation is stipulated in advance to be not more than \$1,800 per year.

(h) Persons who first occupy an elected office after February 1, 1969, the compensation for which does not exceed \$150 per month.

(i) Emergency employees who are employed by reason of work caused by fire, flood, storm or similar disaster.

(j) Employees who by virtue of their employment are required to contribute to any other pension, relief or retirement fund established for the benefit of officers and employees of a governmental subdivision, except as an act of the legislature has specifically enabled participation by employees of a designated

governmental subdivision in a plan supplemental to the public employees retirement association; provided that this clause shall not prevent a person who belongs to the public employees retirement association from also belonging to or contributing to volunteer firemen's relief association that does not determine its benefits or contributions on the basis of the salary or compensation of the fireman.

(k) Police matrons employed in a police department of any city who are transferred to the jurisdiction of a joint city and county detention and corrections authority.

(l) Persons who make application to be exempted from membership in the public employees retirement association, due to membership in any religious organization which has been organized five years or more, and whose customs, rites or religious beliefs forbid their membership in any public retirement association, providing such persons file an application stating the applicable provisions of their religious organization, *confirmed by such organization*, and waive all claims for retirement annuities or benefits of any kind pursuant to this chapter.

(m) Students who are occasionally employed part time by a governmental subdivision in any capacity and full time students who are enrolled and are regularly attending classes at an accredited school, college or university; *provided, no full time public employees shall be exempt under this paragraph and any such employees presently exempt hereunder shall become members as of July 1, 1976.*

(n) Resident physicians, medical interns and pharmacist interns who are serving in public hospitals.

(o) Appointed or elected officers, paid entirely on a fee basis, and who were not members on June 30, 1971.

(p) Nothing in Laws 1973, Chapter 753 shall be interpreted to impair or revoke any option exercised under Laws 1963, Chapter 793.

Sec. 14. Minnesota Statutes 1974, Section 353.01, Subdivision 16, is amended to read:

Subd. 16. [ALLOWABLE SERVICE.] "Allowable service" means:

(1) Service during years of actual membership in the course of which employee contributions were currently made; periods covered by payments in lieu of salary deductions made as provided in section 353.35, and service in years during which the public employee was not a member but for which he later elected, while a member, to obtain credit by making payments to the fund as permitted by any law then in effect.

(2) Any period of authorized leave of absence with pay from which deductions for employee contributions are made, deposited, and credited to the fund.

(3) Any period of authorized leave of absence without pay or temporary layoff, during or for which a member obtained credit by payments to the fund made in lieu of salary deductions, provided that such payments are made in an amount or amounts based on his average salary on which deductions were paid (a) for the last six months of public service, or (b) that portion of the last six months while he was in public service, to apply to the period in either case immediately preceding commencement of such leave of absence or temporary layoff; provided, however, that if the employee elects to pay employee contributions for the period of any leave of absence without pay or temporary layoff, or for any portion thereof, he shall also, as a condition to the exercise of such election, pay to the fund an amount equivalent to both the required employer and additional employer contributions therefor, such payment to be made currently or within (ONE YEAR) *30 days* from the date the leave of absence or temporary layoff terminates, unless the employer by appropriate action of its governing body and made a part of its official records, prior to the date of the first payment of such employee contribution, certifies to the association in writing that it will cause to be paid such employer and additional employer contributions from the proceeds of a tax levy made pursuant to section 353.28.

(4) Any period during which a member is on an authorized sick leave of absence, with or without pay, an authorized seasonal leave of absence, or an authorized temporary layoff.

(5) Any period during which a member is on an authorized leave of absence to enter military service, provided that the members returns to public service upon discharge from military service pursuant to section 192.262, and pays into the fund employee contributions based upon his salary at the date of return from military service. The amount of these contributions shall be in accord with the contribution rates and salary limitations, if any, in effect during such leave, plus interest thereon at six percent per annum compounded annually from the date of return to public service to the date payment is made. In such cases the matching employer contribution and additional employer contribution provided in section 353.27, subdivision 3 and 3a, shall be paid by the department employing such member upon his return to public service and the governmental subdivision involved is hereby authorized to appropriate money therefor. Such member shall not receive credit for any voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction or call to active duty.

Sec. 15. Minnesota Statutes, 1975 Supplement, Section 353.-01, Subdivision 24, is amended to read:

Subd. 24. [OPTIONAL ANNUITY.] "Optional (SURVIVORS) annuity" means the allowance paid or payable by the fund to (A SURVIVOR) *the designated optional annuity beneficiary* of a member or former member, (OR DEFERRED ANNUITANT,) pursuant to an optional annuity form selected (BY SUCH MEMBER OR FORMER MEMBER) at or before retirement, or to the spouse of a deceased member under section 353.32, subdivision 1a.

Sec. 16. Minnesota Statutes 1974, Section 353.01, Subdivision 30, is amended to read:

Subd. 30. [DESIGNATED OPTIONAL ANNUITY BENEFICIARY.] "Designated (SURVIVOR) *optional annuity beneficiary*" means the person designated by a former member to receive a joint and survivor annuity or a modified joint and survivor annuity.

Sec. 17. Minnesota Statutes 1974, Section 353.03, Subdivision 1, is amended to read:

353.03 [BOARD OF TRUSTEES.] Subdivision 1. [MANAGEMENT; COMPOSITION; ELECTION.] The management of the public employees retirement fund is hereby vested in a board of trustees consisting of (13) 14 members, who shall be known as the board of trustees. This board shall consist of three trustees, one of who shall be designated by each of the following associations, Minnesota school boards association, League of Minnesota Municipalities, and Association of Minnesota Counties(, AND) ; nine trustees, who shall be elected from the membership by the members of the retirement association(, AND) *except members of the police and fire fund*; one trustee who shall be a retired annuitant elected by other annuitants; *and one trustee who is a member of the police and fire fund elected by the membership of the police and fire fund*. Elected trustees shall hold office for a term of four years. For seven days beginning December 1 of each year, except 1974 and every fourth year thereafter, the association shall accept at its office filings in person or by mail of candidates for the board of trustees. The candidates shall submit at the time of (HIS) filing a nominating petition signed by 25 or more members of the fund, (AND IN THE CASE OF) a retired annuitant *candidate*, a nominating petition signed by 25 or more such annuitants, *and a police and fire fund candidate, a nominating petition signed by 25 or more members of such fund*. No nominee may withdraw his name from nomination after December 15. Candidates shall file at large for all seats vacant at the forthcoming election. By January 10 of each year *in which elections are to be held* the board shall distribute by mail to the members and annuitants ballots listing the candidates, the number of positions to be filled and blank lines for write in votes. No special marking may be used on the ballot to indicate incumbents. The last day for mailing ballots to the fund shall be January 31. All terms expire on January 31 of the fourth year,

and the position shall remain vacant until the newly elected member is qualified. The ballot envelopes shall be so designed and the ballots shall be counted in such a manner as to insure that each vote is secret. The (ELECTION) elections shall be supervised by the secretary of state. It shall be the duty of the board of trustees to faithfully administer the law without prejudice and consistent with the expressed intent of the legislature. They shall act as trustees with a fiduciary obligation to the state of Minnesota which created the fund, the taxpayers of the governmental subdivisions which aid in financing it and the public employees who are its beneficiaries.

Sec. 18. Minnesota Statutes, 1975 Supplement, Section 353.03, Subdivision 2a, is amended to read:

Subd. 2a. [EXTENSION OF TERMS.] Notwithstanding the provisions of subdivision 1, (NO BOARD ELECTION SHALL BE HELD IN THE YEAR 1975 AND) the terms of office of all board members (ARE HEREBY) *shall be extended (FOR ONE YEAR) until such time that the legislature determines a new method of board composition.*

Sec. 19. Minnesota Statutes 1974, Section 353.03, is amended by adding a subdivision to read:

Subd. 6. [GOVERNMENTAL SUBDIVISIONS, NOT AGENTS OF ASSOCIATION.] *Governmental subdivisions are not agents of the board or the association; if, however, a governmental subdivision or any of its employees undertake to act for a person or furnish information to a person or the association and such action or information is inappropriate or incorrect resulting in a loss of rights to such person under laws applicable to the association, the board in its sole discretion may grant such person the rights to which the person would have been entitled if the inappropriate action had not been taken or the incorrect information furnished; provided, however, an optional annuity election submitted to the association after the death of a member or former member shall not be given effect under this subdivision.*

Sec. 20. Minnesota Statutes, 1975 Supplement, Section 353.15, is amended to read:

353.15 [NONASSIGNABILITY AND EXEMPTION OF ANNUITIES AND BENEFITS FROM JUDICIAL PROCESS AND TAXATION.] No money, annuity, or benefit provided for in this chapter is assignable or subject to a power of attorney, execution, levy, attachment, garnishment, or legal process, *including actions for divorce, separate maintenance, and child support*, or to any state income tax or state inheritance tax, except that none shall be exempt from taxation under chapter 291, unless transferred to a surviving spouse or minor or dependent child of the decedent or a trust for their benefit. Provided, however,

the association may pay an annuity, benefit or refund to a trust company, qualified under chapter 48, that is trustee for a person eligible to receive such annuity, benefit or refund. Upon the request of a retired, disabled or former member, the association may mail the annuity, benefit or refund check to a banking institution, savings association or credit union for deposit to such person's account or joint account with his spouse. The association may prescribe the conditions under which such payment will be made. If in the judgment of the secretary conditions so warrant, payment may be made to a public body in behalf of an annuitant, disabilitant, or survivor upon such terms as the secretary may prescribe.

Sec. 21. Minnesota Statutes 1974, Section 353.27, Subdivision 7, is amended to read:

Subd. 7. [ADJUSTMENT FOR ERRONEOUS RECEIPTS OR DISBURSEMENTS.] (1) [ERRONEOUS DEDUCTIONS.] Any deductions taken in error by the employer from the salary of an employee for the retirement fund and transmitted to the association shall be refunded to the employee; and the employer contribution and the additional employer contribution, if any, for the erroneous employee contribution shall be refunded to the employer, provided, however, the association and the state social security agency may make proper adjustments of moneys taken as employee and employer deductions.

(2) [ERRONEOUS DISBURSEMENT.] In the event a salary warrant or check from which a deduction for the retirement fund was taken has been canceled or the amount of the warrant or check returned to the funds of the department making the payment, a refund of the sum so deducted, of any portion of it as is required to adjust the deductions, shall be made to the department or institution (PROVIDED APPLICATION FOR IT IS MADE ON A FORM FURNISHED BY THE BOARD OF TRUSTEES).

Sec. 22. Minnesota Statutes, 1975 Supplement, Section 353.29, Subdivision 7, is amended to read:

Subd. 7. [ANNUITIES; ACCRUAL.] Except as to elected public officials, all retirement annuities granted under the provisions of this chapter shall commence with the first day of the first calendar month next succeeding the date of termination of public service and shall be paid in equal monthly installments commencing one month thereafter, but no payment shall be made for the month, or any portion thereof, in which entitlement to such annuity has terminated; however, if an annuitant dies leaving a surviving spouse who is or will become eligible for monthly survivor benefits, such spouse shall be entitled to the payment of such annuity through the date of annuitant's death. Any annuity granted to an elective public official shall accrue on the day following expiration of his public office or right thereto, and his

annuity for that month shall be prorated accordingly. No annuity, once granted, shall be increased, decreased, or revoked except as provided in this chapter. No annuity payment shall be made retroactive (BEYOND THE FIRST DAY OF THE CALENDAR) *for more than three months prior to that month in which application therefor shall be filed with the association.*

Sec. 23. Minnesota Statutes 1974, Section 353.30, Subdivision 3, is amended to read:

Subd. 3. [OPTIONAL ANNUITIES.] The board of trustees shall establish optional annuities (AT RETIREMENT) which shall take the form of a joint and survivor annuity. Such optional forms shall be actuarially equivalent to the forms provided in section 353.29 and this section. In establishing those optional forms the board shall obtain the written recommendation of an approved actuary and these recommendations shall be a part of the permanent records of the board. (UPON RETIREMENT) A member or *former member* may select an optional form of annuity in lieu of accepting any other form of annuity which might otherwise be available.

Sec. 24. Minnesota Statutes 1974, Section 353.33, is amended by adding a subdivision to read:

Subd. 6a. [MEDICAL ADVISER.] *The executive officer of the state board of health or such other licensed physician on the staff of the state board of health as he may designate shall be the medical adviser of the executive director.*

Sec. 25. Minnesota Statutes 1974, Section 353.33, is amended by adding a subdivision to read:

Subd. 6b. [DUTIES OF THE MEDICAL ADVISER.] *The medical adviser shall designate licensed physicians to examine applicants for disability benefits. The medical adviser shall pass upon all medical reports based upon such examinations required to determine whether applicants are totally and permanently disabled as defined in section 353.01, subdivision 19, or disabled as defined in section 353.656, and shall investigate all health and medical statements and certificates by or on behalf of said applicants in connection with disability benefits, and shall report in writing to the executive director, his conclusions and recommendations on all matters referred to him.*

Sec. 26. Minnesota Statutes 1974, Section 353.33, Subdivision 11, is amended to read:

Subd. 11. [RETIREMENT STATUS AT AGE 65.] No person shall be entitled to receive disability benefits and a retirement annuity at the same time. The disability benefits paid to a person hereunder shall terminate when he reaches age 65, if he

is still totally and permanently disabled. At that time he shall be deemed to be on retirement status and may at his option be paid either a normal retirement annuity as provided in section 353.29 or normal retirement annuity equal to the disability benefit paid to him before he reached age 65, whichever amount is greater. Any disabled person who becomes age 65 after June 30, 1973, shall have his annuity computed in accordance with the law in effect on July 1, 1973. *A person who elects an annuity under section 353.29 may, prior to age 65, select an optional annuity pursuant to section 353.30, subdivision 3.*

Sec. 27. Minnesota Statutes 1974, Section 353.34, Subdivision 6, is amended to read:

Subd. 6. [ADDITIONS TO FUND.] The board of trustees may credit to the fund any moneys received in the form of contributions, donations, gifts, appropriations, bequests, or otherwise. (IF A FORMER MEMBER DOES NOT APPLY FOR REFUND WITHIN FIVE YEARS AFTER THE LAST DEDUCTION WAS TAKEN FROM HIS SALARY FOR THE RETIREMENT FUND, AND THE TOTAL AMOUNT OF HIS ACCUMULATED DEDUCTIONS IS NOT OVER \$25, SUCH ACCUMULATED DEDUCTIONS SHALL BE CREDITED TO AND BECOME A PART OF THE RETIREMENT FUND PROPER.) Refundable accumulated deductions of any former member, (IF OVER \$25 IN AMOUNT AND) if unclaimed for a period of five years after separation from public service, shall be credited to a donations suspense account. The board of trustees may pay refunds of accumulated deductions, from such donations suspense account, upon proper application therefor. After the refundable accumulated deductions of any former member have remained in such donations suspense account for a period of ten years, without application for a refund thereof having been made, such deductions shall be transferred to and credited to the retirement fund proper. In the event the former member should return to public service, the amount so credited to the retirement fund shall be restored to his individual account.

Sec. 28. Minnesota Statutes 1974, Section 353.35, is amended to read:

353.35 [CONSEQUENCES OF REFUND; REPAYMENT, RIGHTS RESTORED.] When any former member accepts a refund all existing service credits and all rights and benefits to which the member was entitled prior to the acceptance of such refund shall terminate and shall not again be restored until the former member acquires not less than 18 months allowable service credit subsequent to taking his last refund (IN THAT EVENT HE MAY REPAY) and repays all (REFUND) refunds taken and interest received under section 353.34, subdivisions 1 and 2, plus interest at six percent per annum compounded annually. If more than one refund has been taken, all refunds must be repaid with interest at six percent per annum compounded annually.

Sec. 29. Minnesota Statutes 1974, Section 353.656, Subdivision 6, is amended to read:

Subd. 6. [RETIREMENT STATUS AT AGE 55.] All disability benefits payable under this section shall terminate when the disabled fireman or police officer becomes 55 years of age. Thereafter, retirement benefits shall be paid to the disabled fireman or police officer in the same amount as the disability benefits which he was previously receiving. Any disabled person who becomes age 55 after June 30, 1973, shall have his annuity computed in accordance with the law in effect on July 1, 1973. *Prior to reaching age 55, a disabled person may select an optional annuity pursuant to section 353.30, subdivision 3.*

Sec. 30. Minnesota Statutes 1974, Chapter 354, is amended by adding a section to read:

[354.093] [MATERNITY LEAVE.] *A member of the fund granted parental or maternity leave of absence by the employing authority shall be entitled to service credit not to exceed one year for the period of leave upon payment to the fund by the end of the fiscal year following the fiscal year in which the leave of absence terminated. The amount of such payment shall include the required employee, employer and amortization contributions for the period of leave prescribed in section 354.42. Such payment shall be based on the member's average monthly salary upon return to teaching service, and shall be without interest. Repayment shall be accompanied by a certified or otherwise adequate copy of the resolution or action of the employing authority granting or approving the leave.*

Sec. 31. Minnesota Statutes 1974, Chapter 356, is amended by adding a section to read:

[356.33] [PRIVATE DATA.] *For the purpose of Minnesota Statutes, Sections 15.162 to 15.196, data on individuals collected by any public pension or retirement fund, program, plan, or association which is financed in whole or in part by funds or tax revenues provided by the state of Minnesota or any of its political subdivisions is "private data"; provided said associations shall release such data to federal, state and local governmental agencies when such release is necessary for the efficient administration of the associations or for conduct of an audit by the legislative auditor, and shall make an annual report to the legislature listing individually, but without names of the recipients, all monthly benefits in excess of \$1,000 per month plus the ending salary and number of years of service for each recipient with that monthly benefit.*

Sec. 32. Minnesota Statutes 1974, Chapter 356, is amended by adding a section to read:

[356.34] [LIMITATION ON COVERED SALARY.] *Effective as to pay periods ending after July 1, 1977, compensation,*

including overtime and other extraordinary payments, received by any member of the state employees retirement fund, the highway patrolmen's retirement fund, the teachers retirement fund, or the public employees retirement fund, which is in excess of the participant's normal base salary shall not be considered salary for purposes of determining pension contributions or benefits.

Sec. 33. Notwithstanding any law to the contrary, a person who retired as a member of any fund enumerated in Minnesota Statutes, 1975 Supplement, Section 356.30, Subdivision 3, between May 1, 1975 and January 1, 1976 and who failed to elect to receive a combined service annuity authorized by section 356.30, subdivision 1, may make such election and repay any refund until January 1, 1977. Benefits shall be adjusted and paid on the basis of the election from and after the date of election."

Whereas H. F. 2535 does not contain this language H. F. 2535, page 13, line 15 to page 14, line 27 contains the language:

"Sec. 14. Minnesota Statutes, 1975 Supplement, Section 353.01, Subdivision 6, is amended to read:

Subd. 6. [GOVERNMENTAL SUBDIVISION.] "Governmental subdivision" means a county, city, town, school district within this state, or a department or unit of state government, the League of Minnesota Municipalities, or any public body whose revenues are derived from taxation, fees, assessments or from other sources, but does not mean any municipal housing and redevelopment authority organized under the provisions of sections 462.415 to 462.711; or any port authority organized pursuant to chapter 458; (OR ANY SOIL CONSERVATION DISTRICT ORGANIZED PURSUANT TO CHAPTER 40;) or any hospital district organized or reorganized prior to July 1, 1975 pursuant to legislation enacted by the 1959 Legislature.

Sec. 15. Minnesota Statutes 1974, Chapter 353, is amended by adding a section to read:

[353.019] [SOIL AND WATER CONSERVATION DISTRICT EMPLOYEES.] Subdivision 1. From and after July 1, 1976, all employees of a soil and water conservation district shall become members of the public employees retirement association coordinated fund, unless specifically exempt under section 353.01, subdivision 2b.

Subd. 2. [PURCHASE OF PRIOR SERVICE CREDIT.] Any employee of a soil and water conservation district covered by the retirement association after July 1, 1976, who was so employed prior to July 1, 1976, and who was excluded from coverage by the retirement association for such prior service shall be allowed to obtain allowable service credit for such prior service by (a) paying to the retirement association an employee contribution equal to six percent of covered salary in effect when

such service was rendered plus interest at the rate of six percent per annum compounded annually from the year of purchase to the date payment is made; (b) the member at the same time shall pay additionally a matching amount equal to that required to be paid under (a); providing the employing soil and water conservation district may, in its sole discretion, for all its employees electing to make payment hereunder, pay the retirement association the obligation under (b). Payment must be made in one lump sum prior to July 1, 1980, or prior to termination of public service whichever is earlier, and no allowable service with respect to such payment shall be credited to the employee's account until payment is received by the retirement association."

Whereas S. F. No. 2177 does not contain this language.

S. F. No. 2177, page 27 line 32 to page 28, line 8 contains the language:

"Sec. 35. Employees and former employees of Hennepin county who were members of the public employees retirement association on May 1, 1975 and have at least three years but less than ten years of allowable service in such fund, or a combination of such fund and funds listed in Minnesota Statutes, 1975 Supplement, Section 356.32, Subdivision 2, shall be entitled to proportionate annuities under Minnesota Statutes, 1975 Supplement, Section 356.32, even if they are over 65 years of age."

Whereas H. F. No. 2535 does not contain this language.

S. F. No. 2177, page 28, line 13, reads "excluded from Minnesota state retirement coverage by".

Whereas H. F. No. 2535, page 14, line 32 reads in part "excluded from coverage by".

In the title, H. F. No. 2535, lines 2 to 19 reads "relating to retirement; mandatory retirement age for correctional officers; inclusions and exclusions under the Minnesota State Retirement System; inclusion of employees of the soil and water conservation district in membership of the public employees retirement association; miscellaneous changes in the elective state officers' plan and the unclassified employees retirement plan; amending Minnesota Statutes 1974, Sections 352.01, Subdivisions 2A and 2B; 352C.02, Subdivisions 2, 3, and by adding a subdivision; 352C.04, Subdivisions 1 and 2a; 352C.05; 352C.09, Subdivision 1; Chapters 352C, by adding a section; and 353, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 43.051, Subdivision 3; 352D.02, Subdivision 1; 353.01, Subdivision 6; and repealing Minnesota Statutes 1974, Section 352C.04, Subdivisions 2 and 2b."

Whereas S. F. No. 2177, in the title, lines 2 to 34 reads "relating to retirement; miscellaneous amendments to the public em-

ployees retirement law; providing for a medical adviser in disability cases; inclusions and exclusions under the Minnesota state retirement system; mandatory retirement age for correctional officers; miscellaneous amendments to the elective state officers retirement plan and the unclassified employees retirement plan; providing for privacy of individual retirement data; providing for release of necessary data to governmental agencies; requiring an annual report to the legislature; excluding overtime payments for pension purposes; service credit for teachers on parental or maternity leave; elections to receive a combined service annuity; amending Minnesota Statutes 1974, Sections 352.01, Subdivisions 2A and 2B; 352C.02, Subdivisions 2, 3, and by adding a subdivision; 352C.04, Subdivisions 1 and 2a; 352C.05; 352C.09, Subdivision 1; 353.01, Subdivisions 2b, 16, and 30; 353.03, Subdivision 1, and by adding a subdivision; 353.27, Subdivision 7; 353.30, Subdivision 3; 353.33, Subdivision 11, and by adding subdivisions; 353.34, Subdivision 6; 353.35, 353.656, Subdivision 6; Chapter 352C, by adding a section; Chapter 354, by adding a section; Chapter 356, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 43.051, Subdivision 3; 352D.02, Subdivision 1; 353.01, Subdivision 24; 353.03, Subdivision 2a; 353.15; and 353.29, Subdivision 7; and repealing Minnesota Statutes 1974, Section 352C.04, Subdivisions 2 and 2b.”

SUSPENSION OF RULES

Beauchamp moved that the rules be so far suspended that S. F. No. 2177 be substituted for H. F. No. 2535 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2277 and H. F. No. 2467, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except that S. F. No. 2277, page 17, line 20 to page 19, line 14 reads:

“Sec. 23. Minnesota Statutes, 1975 Supplement, Section 136A.121, Subdivision 3, is amended to read:

Subd. 3. [ALLOCATION AND AMOUNT.] (1) Scholarships and grants-in-aid shall be awarded annually on a funds available basis to those first year students (AND), transfer students, *and students who experience unusual financial difficulties after the first year*, who meet the commission's requirements;

(2) A financial stipend shall accompany scholarship awards if the scholarship winner demonstrates financial need and will attend an eligible institution. Financial stipends shall range from a maximum of \$1,100 to a minimum of \$100 but in no event shall exceed one half of the applicant's financial need. Scholarship winners who do not demonstrate financial need under criteria

prescribed by the commission shall be awarded honorary scholarships;

(3) A financial stipend based on financial need shall accompany grants-in-aid. Financial stipends shall range from a maximum of \$1,100 to a minimum of \$100, but in no event shall exceed one half of the applicant's financial need;

(4) In dispensing available funds in a given year, priority shall be given on the following basis;

Renewal scholarships and grants-in-aid.

Thereafter, until the funds are exhausted, to first year (AND) *students, transfer applicants, and students who experience unusual financial difficulties after the first year*, on the basis of their rank in the case of scholarships, and on the basis of need with first year (AND) *students, transfer applicants, and students who experience unusual financial difficulties after the first year* treated as a single pool of applicants in the case of grants-in-aid, as determined by standards prescribed by the commission.

(5) Each scholarship or grant-in-aid shall be awarded for one academic year but shall be renewable until a total of eight semesters or twelve quarters or their equivalent have been covered, or a baccalaureate degree obtained, whichever occurs first;

(6) Each scholarship or grant-in-aid shall be renewable, contingent on continued residency in Minnesota, United States citizenship, satisfactory academic standing and recommendation of the college or vocational school and, in the case of financial assistance, evidence of continued need;

(7) The student must apply for renewal of his scholarship or grant-in-aid each year;

(8) The student must continue to attend an eligible institution;

(9) All scholarship winners shall be notified of their award by the commission and shall be given appropriate evidence of the award;

(10) All grant-in-aid recipients shall be duly notified thereof by the commission;

(11) Financial scholarships and grants-in-aid awarded under the terms of sections 136A.09 to 136A.131 shall be applied to educational costs in the following order: tuition, fees, books, supplies and other expenses. Unpaid portions of such awards shall revert to the commission scholarship or grant-in-aid account."

Whereas, H. F. No. 2467 does not contain this language.

H. F. No. 2467, page 23, line 5 reads: "provisions of subdivisions 1 to (17) 7 shall be construed as".

Whereas, S. F. No. 2277, page 24, line 32 reads: "provisions of subdivisions 1 to 7 shall be construed as".

H. F. No. 2467, page 31, lines 9 and 10 read: "*or employee shall use state money to employ domestic servants or personnel with similar domestic duties to work*".

Whereas, S. F. No. 2277, page 33, lines 4 and 5 read in part: "*or employee shall use state money to employ personnel with domestic duties to work in*".

Further, the title of S. F. No. 2277, in line 22 contains: "16A.-121, Subdivision 3;".

Whereas this does not appear in the title of H. F. No. 2467.

SUSPENSION OF RULES

Faricy moved that the rules be so far suspended that S. F. No. 2277 be substituted for H. F. No. 2467 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1800 and H. F. No. 2269, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, except S. F. No. 1800, page 10, lines 27 and 28 "under the age of 22" is stricken, whereas in H. F. No. 2269, page 10, lines 23 and 24 it is not.

S. F. No. 1800, page 11, line 7 reads "of employer;" whereas H. F. No. 2269, page 11, lines 3 to 13 reads: "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 (401a) 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 recreational activities of minors; and the period of such service does not exceed 16 weeks in a calendar year;*".

H. F. No. 2269, page 13, line 10 reads "by the person employing him."

Whereas S. F. No. 1800 page 13, lines 4 to 9 reads "by the person employing him;

(7) *Part time service performed by an individual for a political subdivision of the state of Minnesota when such individual is employed in park and recreation activities of the political subdivision for a fixed period of time not to exceed one hundred calendar days in any calendar year."*

H. F. No. 2269, page 14, line 28 to page 17, line 31 contains the language:

"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.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 25, is amended to read:

Subd. 25. "Wages" means all remuneration for services, including commissions and bonuses, and tips and gratuities paid to an employee by a customer of an employer and accounted for by the employee to the employer, and the cash value of all remuneration in any medium other than cash, except that such term shall not include:

(1) For the purpose of determining contributions payable under section 268.06, subdivision 2, that part of the remuneration which exceeds (THE LESSER OF \$6,500 OR 70) 85 percent of the average annual wage rounded to the nearest \$100 computed in accordance with the provisions of clause (6) of this subdivision paid to an individual by an employer with respect to covered employment in this state, or with respect to employment under the unemployment compensation law of any other state during any calendar year paid to such individual by such covered employer or his predecessor during such calendar year; provided, that if the term "wages" as contained in the federal unemployment tax act is amended to include remuneration in excess of the amount required to be paid hereunder to an individual by an employer under the federal act for any calendar year, wages for the purposes of sections 268.03 to 268.24 shall include remuneration paid in a calendar year up to an amount equal to the dollar limitation specified in the federal unemployment tax act. For the purposes of this clause, the term "employ-

ment" shall include service constituting employment under any employment security law of another state or of the federal government;

(2) The amount of any payment made to, or on behalf of, an employee under a plan or system established by an employer which makes provision for his employees generally or for a class or classes of his employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (a) retirement or (b) sickness or accident disability or (c) medical and hospitalization expenses in connection with sickness or accident disability, or (d) death, provided the employee (i) has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium (or contributions to premiums) paid by his employer and (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;

(3) The payment by an employer (without deduction from the remuneration of the employee) (a) of the tax imposed upon an employee under section 3101 of the federal internal revenue code, or (b) of any payment required from an employee under a state unemployment compensation law;

(4) Any payments made to a former employee during the period of active military service in the armed forces of the United States by such employer, whether legally required or not;

(5) Any payment made to, or on behalf of, an employee or his beneficiary (a) from or to a trust described in section 401(a) of the federal internal revenue code which is exempt from tax under section 501(a) of such code at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as an employee and not as a beneficiary of the trust, or (b) under or to an annuity plan which, at the time of such payment is a plan described in section 403(a) of the federal internal revenue code, or (c) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a) of the federal internal revenue code;

(6) On or before July 1 of each year the commissioner shall determine the average annual 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.

The average annual wage determined shall be effective for the calendar year next succeeding the determination.

(THIS SECTION SHALL BECOME EFFECTIVE JANUARY 1, 1976.)”.

Whereas S. F. No. 1800 does not contain this language.

H. F. No. 2269, page 18, line 8 to page 19, line 5, contains the language:

“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.”.

Whereas S. F. No. 1800 does not contain this language.

H. F. No. 2269, page 19, line 17 to page 21, line 8 reads “employers shall be (NINE TENTHS OF ONE PERCENT IF THE

AMOUNT IN THE UNEMPLOYMENT COMPENSATION FUND IS LESS THAN \$90,000,000 ON JUNE 30 OF THE PRECEDING CALENDAR YEAR; OR EIGHT TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$90,000,000 BUT LESS THAN \$110,000,000; OR SEVEN TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$110,000,000 BUT LESS THAN \$130,000,000; OR SIX TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$130,000,000 BUT LESS THAN \$150,000,000; OR FIVE TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$150,000,000 BUT LESS THAN \$170,000,000; OR THREE TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$170,000,000 BUT LESS THAN \$200,000,000; OR ONE TENTH OF ONE PERCENT IF THE FUND IS \$200,000,000 OR MORE; PROVIDED THAT NO EMPLOYER SHALL HAVE A CONTRIBUTION RATE OF MORE THAN FIVE PERCENT EXCEPT THAT IN THE CASE OF AN EMPLOYER WHOSE EXPERIENCE RATIO IN EACH OF THE IMMEDIATELY PRECEDING THREE CALENDAR YEARS WAS IN EXCESS OF FIVE PERCENT, THE MAXIMUM CONTRIBUTION RATE SHALL BE SIX PERCENT.) *determined on the basis of the following table:*

<i>Fund Ratio</i>	<i>Minimum Tax Rate</i>
<i>Less than or equal to 0.9 percent</i>	<i>1.0 percent</i>
<i>More than 0.9 percent, but less than or equal to 1.0 percent</i>	<i>0.9 percent</i>
<i>More than 1.0 percent, but less than or equal to 1.1 percent</i>	<i>0.8 percent</i>
<i>More than 1.1 percent, but less than or equal to 1.2 percent</i>	<i>0.7 percent</i>
<i>More than 1.2 percent, but less than or equal to 1.3 percent</i>	<i>0.6 percent</i>
<i>More than 1.3 percent, but less than or equal to 1.4 percent</i>	<i>0.5 percent</i>
<i>More than 1.4 percent, but less than or equal to 1.5 percent</i>	<i>0.4 percent</i>
<i>More than 1.5 percent, but less than or equal to 1.6 percent</i>	<i>0.3 percent</i>
<i>More than 1.6 percent, but less than or equal to 2.0 percent</i>	<i>0.2 percent</i>
<i>More than 2.0 percent</i>	<i>0.1 percent</i>

Provided that no employer shall have a contribution rate of more than five percent except in the case of an employer whose experience ratio in each of the immediately preceding three calendar years was in excess of five percent, the maximum tax rate shall be eight percent.

For the purpose of this subdivision, the fund ratio shall be determined as the ratio of the total amount of money in the unemployment compensation fund, reduced by the balance of advances of federal funds, made in accordance with Title XII of the Social Security Act, as amended, at the close of business on June 30 of each year, commencing with June 30, 1975, divided by the total amount of wages subject to contributions under this law during the preceding calendar year. The minimum rate so determined shall be effective for the calendar year next succeeding the determination."

Whereas S. F. No. 1800, page 15, lines 14 to 31 reads:

"employers shall be nine-tenths of one percent if the amount in the unemployment compensation fund is less than \$90,000,000 on June 30 of the preceding calendar year; or eight-tenths of one percent if the fund is more than \$90,000,000 but less than \$110,000,000; or seven-tenths of one percent if the fund is more than \$110,000,000 but less than \$130,000,000; or six-tenths of one percent if the fund is more than \$130,000,000 but less than \$150,000,000; or five-tenths of one percent if the fund is more than \$150,000,000 but less than \$170,000,000; or three-tenths of one percent if the fund is more than \$170,000,000 but less than \$200,000,000; or one-tenth of one percent if the fund is \$200,000,000 or more; provided that no employer shall have a contribution rate of more than (FIVE) *seven* percent except that in the case of an employer whose experience ratio in each of the immediately preceding three calendar years was in excess of (FIVE) *seven* percent, the maximum contribution rate shall be (SIX) *nine* percent."

H. F. No. 2269, page 21, line 9 to page 31, line 15 contains the language.

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, com-

puted 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 sections 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

(6) failed without good cause to accept suitable re-employment offered by a base period employer, provided such dis-

qualification 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 12 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 an in 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 partially 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 PLEASES 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 dis-

close 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.*

Sec. 12. *This act is effective January 1, 1977, except the provisions to amend section 268.12, subdivision 5, which shall become effective the day following final enactment."*

Whereas S. F. No. 1800 does not contain this language.

S. F. No. 1800, page 15, line 32 to page 36, line 32 contains the language:

"Sec. 4. Minnesota Statutes 1974, Section 268.06, is amended by adding a subdivision to read:

Subd. 8a. [EMERGENCY; SURTAX.] Notwithstanding any other provision of this section, each employer subject to this law shall pay, in addition to regular contributions applicable to calendar years 1976, 1977 and 1978, an emergency surtax of ten percent of the regular contributions.

Sec. 5. 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) 15, or more, credit weeks, (AND \$540 OR MORE IN WAGE CREDITS,) within the base period of employment in in-

sured work with one or more employers, benefits shall be payable to such individual during his benefit years 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 sections 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. 6. Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1, is amended to read:

268.09 [UNEMPLOYMENT COMPENSATION; DISQUALIFIED FROM BENEFITS.] Subdivision 1. [DISQUALIFY-

ING CONDITIONS.] An individual shall be disqualified for benefits;

(1) [VOLUNTARY LEAVING OR DISCHARGE FOR MISCONDUCT.] If such individual voluntarily and without good cause attributable to the employer discontinued his employment with such employer or *leaves employment because of pregnancy without availing herself of maternity leave rights*, or was discharged for misconduct, not amounting to gross misconduct, connected with his work or for misconduct which interferes with and adversely affects his employment, if so found by the commissioner, (FOR NOT LESS THAN FIVE NOR MORE THAN EIGHT WEEKS OF UNEMPLOYMENT IN ADDITION TO AND FOLLOWING THE WAITING PERIOD, OR WAS DISCHARGED FOR GROSS MISCONDUCT CONNECTED WITH HIS WORK OR GROSS MISCONDUCT WHICH INTERFERES WITH AND ADVERSELY AFFECTS HIS EMPLOYMENT, IF SO FOUND BY THE COMMISSIONER, FOR 12 WEEKS OF UNEMPLOYMENT IN ADDITION TO AND FOLLOWING THE WAITING PERIOD, WHICH DISQUALIFICATION SHALL NOT BE REMOVED BY SUBSEQUENT EMPLOYMENT, AND PROVIDED FURTHER THAT THE COMMISSIONER IS EMPOWERED TO IMPOSE A TOTAL DISQUALIFICATION FOR THE BENEFIT YEAR AND TO CANCEL PART OR ALL OF THE WAGE CREDITS FROM THE LAST EMPLOYER FROM WHOM HE WAS DISCHARGED FOR GROSS MISCONDUCT CONNECTED WITH HIS WORK, AND THE MAXIMUM BENEFIT AMOUNT PAYABLE TO SUCH INDIVIDUAL SHALL BE REDUCED AS FOLLOWS:) *until he has, subsequent to that separation, earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of six times his weekly benefit amount.*

((A) BY AN AMOUNT EQUAL TO THE WEEKLY BENEFIT AMOUNT TIMES THE NUMBER OF WEEKS FOR WHICH SUCH INDIVIDUAL WAS DISQUALIFIED, WHEN THE SEPARATION OCCURS BECAUSE OF A VOLUNTARY SEPARATION AS DESCRIBED IN THIS CLAUSE OR AS A RESULT OF DISCHARGE FOR MISCONDUCT;) *When the separation occurs as a result of a discharge for gross misconduct such disqualification shall continue until he has earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of 12 times his weekly benefit amount.*

((B) BY AN AMOUNT EQUAL TO 12 TIMES HIS WEEKLY BENEFIT AMOUNT, WHEN THE SEPARATION OCCURS AS A RESULT OF A DISCHARGE FOR GROSS MISCONDUCT.)

For the purpose of this clause "gross misconduct" shall be defined as misconduct involving assault and battery, or an im-

moral act, or the malicious destruction of property or the theft of money or property of a value of \$50, or more.

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.

((2) SEPARATION TO ASSUME FAMILY OBLIGATIONS. IF SUCH INDIVIDUAL VOLUNTARILY LEAVES EMPLOYMENT BECAUSE OF PREGNANCY WITHOUT AVAILING HERSELF OF MATERNITY LEAVE RIGHTS PROVIDED BY LAW, PROVIDED THAT SUCH DISQUALIFICATION SHALL BE REMOVED BY SUBSEQUENT EMPLOYMENT IN INSURED WORK FOR A PERIOD OF NOT LESS THAN SIX WEEKS.)

An individual who voluntarily leaves employment for compelling personal reasons involving the obligation to care for a seriously ill member of the immediate family shall be disqualified for benefits for five weeks of unemployment in addition to and following the waiting period.

((3)) (2) [LIMITED OR NO CHARGE OF BENEFITS.] Benefits paid subsequent to an individual's separation under any of the foregoing clauses or because of his failure, without good cause, to accept an offer of suitable re-employment, 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 he refused; provided that this clause shall not apply to an individual involuntarily separated from employment because of pregnancy.

((4)) (3) [FAILURE TO APPLY FOR OR ACCEPT SUITABLE WORK.] If the commissioner finds that he has failed, without good cause, either to apply for available, suitable work when so directed by the employment office, or the commissioner or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the commissioner, or to actively seek employment. Such disqualification shall continue for the week in which such refusal or failure occurred and **(FOR A PERIOD OF SEVEN WEEKS OF UNEMPLOYMENT IMMEDIATELY FOLLOWING SUCH REFUSAL OR FAILURE)** *until he has earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of six times his weekly benefit amount.*

(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.

(5) [LABOR DISPUTE.] 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 partially 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 a violation of federal and state laws involving occupational safety and 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 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 reemployment 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.

(6) [REFUSAL OF SUITABLE REEMPLOYMENT.] If such individual has failed without good cause to accept suitable re-employment offered by a base period employer. Such disqualification shall prevail for the week in which the failure occurred (AND FOR A PERIOD OF SEVEN WEEKS OF UNEMPLOYMENT FOLLOWING SUCH FAILURE) *until he has, subsequent to that separation, earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of six times his weekly benefit amount, provided such disqualification shall not apply if such individual is in training with the approval of the commissioner.*

Sec. 7. Minnesota Statutes 1974, Section 268.10, Subdivision 1, is amended to read:

268.10 [DETERMINATION OF CLAIMS FOR BENEFITS; APPEALS.] Subdivision 1. [FILING.] Claims for benefits shall be made in accordance with such regulations as the commissioner may prescribe. *Each application form shall require the applicant's signature and shall contain the statement "I hereby certify under penalty of perjury that all representations made in this application are true."* Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a print-

ed statement of such regulations. Such printed statements shall be supplied by the commissioner to each employer without cost to him.

(1) Any employer upon separation of an employee from his employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of his employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within three days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish such separation notices which he has received from all employers from whom such individual earned wage credits in the base period.

(2) Upon the filing, by an individual, of a claim for benefits, the commissioner shall give notice to all such base period employers of the filing of such claim and request each such base period employer, within seven days after the mailing of such notice, to furnish the following information:

- (a) The total wage credits earned in the base period;
- (b) The number of credit weeks which end within the base period;
- (c) The week ending dates for each calendar week within the base period in which the individual earned less than the amount required to make a credit week and the amount of earnings in each such week;
- (d) The reason for the separation or separations of such individual from the employ of the employer in the base period; and
- (e) Such employer's protest, if any, relating to the ineligibility or disqualification of such individual.

(3) If any base period employer, after the notice of filing of a claim and the request for wage and separation information has been duly mailed to his last known address, fails to file information as provided by items (a) through (e) of clause 2 of this subdivision within seven days, the commissioner shall determine an individual's benefit rights based on the claimant's statements or any other available information. Any employer shall be liable for a late filing fee of not less than \$5 nor more than \$25, as the commissioner may determine, to be paid to the department of employment services and credited to the contingent fund if he has failed without good cause to submit the wage and separation information as required in clause 2 of this subdivision

within seven days after the request has been duly mailed to his last known address. In the absence of fraud, if a redetermination of benefit rights based on an employer's late report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid to him prior to such redetermination.

Sec. 8. Minnesota Statutes 1974, Section 268.18, Subdivision 3, is amended to read:

Subd. 3. [PENALTY FOR FALSE STATEMENTS.] Whoever makes a false statement or representation knowing it to be false or knowingly fails to disclose a material fact to obtain or increase any benefit or other payment under sections 268.03 to 268.24, or under the employment security law of any state or of the federal government or of a foreign government, either for himself or any other person, shall be guilty of a (MISDEMEANOR) *violation of section 609.48.*

Any employing unit or any officer or agent of an employing unit or any other person who makes a false statement or representation knowing it to be false, or who knowingly fails to disclose a material fact, to prevent or reduce the payment of benefits to any individual entitled thereto, or to avoid becoming or remaining a subject employer or to avoid or reduce any contribution or other payment required from an employing unit under those sections or under the employment security law of any state or of the federal government, or who wilfully fails or refuses to make any such contributions or other payment or to furnish any reports at the time when required hereunder or to produce or permit the inspection or copying of records as required hereunder, shall be guilty of a (MISDEMEANOR) *violation of section 609.48.*

Sec. 9. Minnesota Statutes 1974, Section 268.12, Subdivision 12, is amended to read:

Subd. 12. [INFORMATION.] Except as hereinafter otherwise provided, information obtained from any employing unit or individual pursuant to the administration of sections 268.03 to 268.24, and from any determination as to the benefit rights of any individual shall be held confidential and shall not be disclosed or be open to public inspection in any manner revealing the individual's or employing unit's identity. Any claimant or other interested party (or his legal representative) shall be supplied with information from the records of the department of employment services, to the extent necessary for the proper presentation of his claim, contention or refutation of any claim in which he is an interested party in any proceeding under these sections with respect thereto. Subject to such restrictions as the commissioner may by regulation prescribe, such information may be made available to any agency of this or any other state, or any federal agency charged with the administration of an em-

ployment and security law or the maintenance of a system of public employment offices, any local human rights department within the state which has enforcement powers, or the Bureau of Internal Revenue of the United States Department of the Treasury, and information obtained in connection with administration of the employment service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service. Upon request therefor, the commissioner shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, or any local human rights department within the state which has enforcement powers, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under these sections. The commissioner may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of these sections, and may in connection with such request, transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the federal internal revenue code. *Upon request of the department of public welfare, the commissioner shall verify at a reasonable cost whether or not a person is or was employed for the dates or time requested. The department of public welfare shall maintain the information obtained as a private record within the meaning of section 15.162, subdivision 3, provided the information may be used by the department of public welfare for prosecuting violations of law.*

All letters, reports, communications, or any other matters, either oral or written, from an employer or his workers to each other or to the commissioner or any of his agents, representatives, or employees, which shall have been written or made in connection with the requirements and administration of sections 268.03 to 268.24 or the regulations thereunder, shall be absolutely privileged and shall not be made subject matter or basis for any suit for slander or libel in any court of this state.

Sec. 10. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; (AND)

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101(.);

(12) *Benefits received from the fund established by Minnesota Statutes, Section 268.05, but only to the extent that the total of benefits and federal adjusted gross income exceeds \$8,000.*

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year,

be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 11. Minnesota Statutes 1974, Section 290.61 is amended to read:

290.61 [PUBLICITY OF RETURNS, INFORMATION.] It shall be unlawful for the commission or any other public official or employee to divulge or otherwise make known in any manner any particulars set forth or disclosed in any report or return required by this chapter, or any information concerning, the taxpayer's affairs acquired from his or its records, officers, or employees while examining or auditing any taxpayer's liability for taxes imposed hereunder, except in connection with a proceeding involving taxes due under this chapter from the taxpayer making such return and except as provided in section 290.361. *Upon request of the department of employment services the commissioner shall furnish to that department at a reasonable cost information as to whether or not a person who has applied for unemployment compensation benefits, received taxable wages during the year for which information is requested, and if he did receive taxable wages, the employer from which the wages were obtained. The department of employment services shall maintain the information obtained as a private record within the meaning of section 15.162, subdivision 3, provided the information may be used by the department of employment services for prosecuting violations of law. The commissioner may furnish a copy of any taxpayer's return to any official of the United States or of any state having duties to perform in re-*

spect to the assessment or collection of any tax imposed upon or measured by income, if such taxpayer is required by the laws of the United States or of such state to make a return therein and if the laws of the United States or of such state provide substantially for the same secrecy in respect to the information revealed thereby as is provided by our laws. The commissioner and all other public officials and employees shall keep and maintain the same secrecy in respect to any information furnished by any department, commission, or official of the United States or of any other state in respect to the income of any person as is required by this section in respect to information concerning the affairs of taxpayers under this chapter. Nothing herein contained shall be construed to prohibit the commissioner from publishing statistics so classified as not to disclose the identity of particular returns or reports and the items thereof.

Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

Sec. 12. [EFFECTIVE DATE.] *Sections 1, 9 and 11 are effective for services performed subsequent to the day following final enactment. Section 3 is effective January 1, 1977. Section 4 is effective retroactive to January 1, 1976. Sections 2, 6 and 10 are effective for benefit years beginning on or after June 27, 1976. Section 10 is effective for taxes payable in 1977 on income earned in 1976."*

H. F. No. 2269, in the title, lines 2 to 12, reads:

"relating to employment services; unemployment compensation; defining wages; determining employer contribution rates; amending 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 Minnesota Statutes, 1975 Supplement, Sections 268.04, Subdivisions 12, 23 and 25; 268.06, Subdivision 8; 268.07, Subdivision 2; and repealing Minnesota Statutes, 1975 Supplement, Section 268.09."

Whereas S. F. No. 1800, in the title, lines 2 to 21, reads:

"relating to unemployment compensation; providing for exclusion of certain part time services; providing for an emergency surtax in employer contributions; modifying disqualifying conditions for employment compensation; permitting information to be furnished to department of public welfare by commissioner of employment services; permitting information to be furnished to department of employment services by commissioner of revenue; providing taxation of unemployment compensation benefits in certain conditions; providing a penalty; amending Minnesota Statutes 1974, Sections 268.04, Subdivision 29; 268.06, by adding a subdivision; 268.10, Subdivision 1; 268.18, Subdivision 3; 268.12, Subdivision 12; and 290.61; Minnesota Statutes, 1975 Supplement, Sections 268.04, Subdivision 12; 268.06, Subdivision 8;

268.07, Subdivision 2; 268.09, Subdivision 1; and 290.01, Subdivision 20.”.

SUSPENSION OF RULES

Adams, L., moved that the rules be so far suspended that S. F. No. 1800 be substituted for H. F. No. 2269 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Norton from the Committee on Appropriations to which was referred:

H. F. No. 2112, A bill for an act relating to retirement; increasing certain benefits and annuities; appropriating money.

Reported the same back with the following amendments:

Page 4, line 17, after “Sec. 5.” insert “Subdivision 1.”.

Page 4, line 18, delete “\$17,066,223” and insert “\$16,888,250”.

Page 4, line 21, delete “\$210,075” and insert “\$32,102”.

Page 4, after line 26, insert:

“Subd. 2. There is hereby appropriated to the highway patrolmen’s retirement fund \$165,782 from the trunk highway fund and \$39,472 from the game and fish fund.”.

Page 5, line 26, after “Senate,” insert “and”.

Page 5, line 27, after “finance” delete “, and the legislative advisory committee”.

Page 5 delete lines 30 to 32.

Page 6 delete lines 1 to 5 and insert “calculation made pursuant to this section shall be returned to the fund from which the appropriation was made, by the commissioner of finance.

In the event of such an excess appropriation to the highway patrolmen’s retirement fund, the excess amount shall be returned to the general fund, the trunk highway fund, and the game and fish fund in proportion to the amounts appropriated from each fund pursuant to section 5, subdivision 1, clause (1); and section 5, subdivision 2 of this act.”.

With the recommendation that when so amended the bill do pass.

The report was adopted.

Norton from the Committee on Appropriations to which was referred:

H. F. No. 2144, A bill for an act relating to the state transportation system; creating the Minnesota state transportation fund; appropriating money therefrom for construction and reconstruction of bridges and bridge approaches; authorizing the issuance of state bonds therefor pursuant to article XI of the constitution.

Reported the same back with the following amendments:

Page 1, line 17, delete "addition" and insert "replacement".

Page 4, line 15, after "subdivisions." insert: "Designs of bridges under the trunk highway system, which have an estimated project cost of less than \$200,000, shall be performed in-house by the highway department. The maximum use of standardized bridges is encouraged."

Page 8, line 10, delete "\$300,000,000" and insert "\$150,000,000".

Page 8, line 15, delete "\$300,000,000" and insert "\$150,000,000".

Page 8, line 18, delete "\$160,000,000" and insert "\$80,000,000".

Page 8, line 19, delete "\$50,000,000" and insert "\$25,000,000".

Page 8, line 20, delete "\$90,000,000" and insert "\$45,000,000".

Page 8, line 25, delete "\$600,000,000" and insert "\$300,000,000".

With the recommendation that when so amended the bill do pass.

The report was adopted.

Norton from the Committee on Appropriations to which was referred:

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.

Reported the same back with the following amendments:

Strike everything after the enacting clause and substitute the following:

"ARTICLE I

Section 1. [62E.01] [CITATION.] *Sections 1 to 16 of this article may be cited as the Minnesota comprehensive health insurance act of 1976.*

Sec. 2. [62E.02] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 16 of this article, the terms and phrases defined in this section have the meanings given them.*

Subd. 2. "Employer" means any person, partnership, association, trust, estate or corporation, which employs five or more individuals who are residents of this state.

Subd. 3. "Health maintenance organization" means a non-profit corporation licensed and operated as provided in Minnesota Statutes, Chapter 62D.

Subd. 4. "Qualified plan" means those health benefit plans which have been certified by the commissioner as providing the minimum benefits required by section 6 of this article or the actuarial equivalent of those benefits.

Subd. 5. "Qualified medicare supplement plan" means those health benefit plans which have been certified by the commissioner as providing the minimum benefits required by section 7 of this article or the actuarial equivalent of those benefits.

Subd. 6. "Commissioner" means the commissioner of insurance.

Subd. 7. "Dependent" means a spouse or unmarried child under the age of 18 years, a dependent child who is a student under the age of 25 and financially dependent upon the parent, or a dependent child of any age who is disabled.

Subd. 8. "Employee" means any person who has entered into the employment of or works under contract or service or apprenticeship with any employer. "Employee" does not include a person who has been employed for less than 30 days by his present employer, nor one who is employed less than an average of 30 hours per week by his present employer.

Subd. 9. "Plan of health coverage" means any plan or combination of plans of coverage, including combinations of self insurance, individual health insurance policies, group health insurance policies, coverage under a nonprofit health service plan,

or coverage under a health maintenance organization subscriber contract.

Subd. 10. "Insurer" means those companies operating pursuant to Minnesota Statutes, Chapters 62A and 62C and offering or selling policies or contracts of accident and health insurance. "Insurer" does not include health maintenance organizations.

Subd. 11. "Accident and health insurance policy" or "policy" means insurance or nonprofit health service plan contracts providing benefits for hospital, surgical and medical care. "Policy" does not include coverage which is (1) limited to disability or income protection coverage, (2) automobile medical payment coverage, (3) supplemental to liability insurance, or (4) sold by fraternal and provides payments on a per diem, daily indemnity or nonexpense incurred basis.

Subd. 12. "Health benefits" means benefits offered to employees on an indemnity or prepaid basis which pay the costs of medical, surgical or hospital care.

Subd. 13. "Eligible person" means an individual who is a resident of Minnesota, or an employer who employs less than 50 employees who are Minnesota residents.

Subd. 14. "Minnesota comprehensive health association" or "association" means the association created by section 9 of this article.

Subd. 15. "Medicare" means part A and part B of the United States Social Security Act, Title XVIII, as amended, 42 U.S.C. Sections 1394, et seq.

Subd. 16. "Medicare supplement plan" means any plan of insurance protection which provides benefits for the costs of medical, surgical or hospital care and which is marketed as providing benefits which complement or supplement the benefits provided by medicare.

Subd. 17. "State plan premium" means the standard premiums established by the association and approved by the commissioner pursuant to section 13, subdivision 5, of this article.

Subd. 18. "Writing carrier" means the insurer or insurers and health maintenance organization or organizations selected by the association and approved by the commissioner to administer the comprehensive health insurance plan.

Subd. 19. "Fraternal" means a corporation, society, order, or voluntary association without capital stock which provides policies of accident and health insurance in accordance with Minnesota Statutes, Chapter 64A.

Subd. 20. "Comprehensive health insurance plan" or "state plan" means policies of insurance or contracts of health maintenance organization coverage offered by the association through the writing carrier providing benefits which are not less than those required for the qualified plans and the qualified medicare supplement plan.

Subd. 21. "Self insurer" means an employer who directly provides a plan of health coverage to his employees and administers the plan of health coverage himself or through an insurer. "Self insurance" means a plan of health coverage offered by a self insurer and excludes multi employer funds jointly administered.

Sec. 3. [62E.03] [DUTIES OF EMPLOYER.] Subdivision 1. [OFFER OF COVERAGE.] Every employer shall make available to his employees a plan of health coverage. If the plan of health coverage does not meet or exceed the requirements of this article, for a basic coverage qualified plan, the employer shall make available a supplemental plan of health benefits which, when combined with the existing plan of health benefits, constitutes a basic coverage qualified plan. The plan may be financed from funds contributed solely by the employer or solely by the employees or any combination thereof. The plans may consist of self insurance, group policies or individual policies or any combination thereof.

Subd. 2. [DENIAL OF TAX DEDUCTION.] If an employer fails to make available at least a basic coverage plan of health benefits to his employees, as required by this section, none of the employer's costs for health benefits shall qualify as an income tax deduction under Minnesota Statutes, Section 290.09. In the case of an employer exempt from income tax who fails to make available at least a basic coverage plan of health benefits to his employees, he shall lose his exemption from income tax.

Sec. 4. [62E.04] [DUTIES OF INSURERS.] Subdivision 1. [INDIVIDUAL POLICIES.] For each type of qualified plan described in section 6, subdivisions 1 to 3 of this article, an insurer or fraternal issuing individual policies of accident and health insurance in this state shall develop and file with the commissioner an individual policy which meets the minimum standards of that type of qualified plan. An insurer or fraternal issuing individual policies of accident and health insurance in this state shall offer each type of qualified plan to each person who applies and is eligible for accident and health insurance from that insurer or fraternal.

Subd. 2. [MEDICARE SUPPLEMENT PLAN.] An insurer or fraternal issuing medicare supplement plans in this state shall develop and file with the commissioner a medicare supplement policy which meets the minimum standards of a qualified medicare supplement plan. An insurer or fraternal issuing medicare

supplement plans in this state shall offer a qualified medicare supplement plan to each person who is eligible for coverage and who applies for a medicare supplement plan.

Subd. 3. [GROUP POLICIES.] *For each type of qualified plan described in section 6, subdivisions 1 to 3 of this article, an insurer or fraternal issuing group policies of accident and health insurance in this state shall develop and file with the commissioner a group policy which provides for each member of the group the minimum benefits required by that type of qualified plan. An insurer or fraternal issuing group policies of accident and health insurance in this state shall offer each type of qualified plan to each eligible applicant for group accident and health insurance.*

Subd. 4. [CATASTROPHIC COVERAGE.] *An insurer or fraternal shall include coverage of catastrophic hospital and medical costs in the coverage provided by every new or renewal policy of insurance which covers hospital and medical services and is not a qualified plan unless the applicant for the policy declines the catastrophic hospital and medical coverage in writing. The coverage shall provide benefits payable after a covered individual incurs out-of-pocket expenses of \$5,000 or more within a calendar year for services described in section 6, subdivision 1 of this article. Catastrophic coverage benefits shall be payable, subject to any reasonable copayment authorized by the commissioner, up to a maximum lifetime limit of \$250,000.*

Subd. 5. [EFFECT OF NONCOMPLIANCE.] *No policy of accident and health insurance may be issued in this state 180 days after the effective date of this article by an insurer or a fraternal which has not complied with the requirements of this section.*

Subd. 6. *Any insurer or fraternal which issues policies of accident and health insurance on less than 1,500 Minnesota residents may fulfill its obligations under this section by offering the required qualified plans in its own name and reinsuring up to 60 percent of the coverage through the association.*

Sec. 5. [62E.05] [CERTIFICATION OF QUALIFIED PLANS.] *An insurer, fraternal, or employer may apply to the commissioner for certification that a plan of health coverage is a qualified plan or a qualified medicare supplement plan. The commissioner shall, within 90 days of the date of application, make a final determination whether the plan is qualified. No plan of health coverage shall purport to be a qualified plan until it receives certification from the commissioner. All plans of health coverage offered for sale shall be conspicuously labelled as "qualified" or "nonqualified" on the front of the policy or evidence of insurance. All qualified plans shall indicate whether they are high coverage, basic coverage or catastrophic coverage plans. A health maintenance organization contract which has*

been approved by the health department shall be deemed to be certified as a high coverage qualified plan.

Sec. 6. [62E.06] [MINIMUM BENEFITS OF QUALIFIED PLAN.] Subdivision 1. [BASIC COVERAGE.] A plan of health coverage shall be certified as a basic coverage qualified plan if it otherwise meets the requirements established by chapter 62A and the other laws of this state, and meets or exceeds the following minimum standards:

(a) The minimum benefits for a covered individual shall, subject to the other provisions of this subdivision, be equal to at least 80 percent of the cost of covered services in excess of an annual deductible which does not exceed \$500 per person. The coverage shall include a limitation of \$3,000 per person on total annual out-of-pocket expenses for services covered under this subdivision. The coverage may be subject to a maximum lifetime benefit of not less than \$250,000. Covered expenses shall be the usual and customary charges for the following services and articles when prescribed by a physician:

- (1) Hospital services;
- (2) Professional services for the diagnosis or treatment of an injury, illness or condition (other than outpatient mental or dental services) which are rendered by a physician or at his direction;
- (3) The first 20 professional services for the diagnosis or treatment of one or more mental conditions rendered during the year by one or more physicians or at their direction;
- (4) Drugs requiring a physician's prescription;
- (5) Services of a facility providing skilled nursing care for not more than 120 days in a year if the services commence within 14 days following confinement of at least three consecutive days in a hospital for the same condition;
- (6) Service of a home health agency up to a maximum of 180 visits per year;
- (7) Use of radium or other radioactive materials;
- (8) Oxygen;
- (9) Anesthetics;
- (10) Prostheses;
- (11) Rental, or purchase as appropriate, of durable medical equipment;

(12) *Diagnostic x-rays and laboratory tests;*

(13) *Oral surgery for partially or completely unerupted impacted teeth, for a tooth root without the extraction of the entire tooth, or for the gums and tissues of the mouth when not performed in connection with the extraction or repair of teeth; and*

(14) *Services of a physical therapist.*

(b) *Charges for the services and articles described in clause (a) do not include the following:*

(1) *Any charge for any care for any injury or disease;*

(i) *Arising out of and in the course of employment and subject to a worker's compensation or similar law;*

(ii) *For which benefits are payable without regard to fault under coverage statutorily required to be contained in any motor vehicle or other liability insurance policy or equivalent self-insurance;*

(iii) *For which benefits are payable under another policy of accident and health insurance; or*

(iv) *For which benefits are payable or services are provided pursuant to any governmental program, other than medical assistance;*

(2) *Any charge for treatment for cosmetic purposes other than surgery for the repair of an injury;*

(3) *Any charge for travel, other than travel by ambulance to the nearest health care institution qualified to treat the illness or injury;*

(4) *Any charge for confinement in a private room, to the extent that it is in excess of the institution's average charge for semi-private rooms, unless a private room is prescribed as medically necessary by a physician;*

(5) *That part of any charge for services or articles rendered or prescribed by a physician, dentist, or other health care personnel, which exceeds the prevailing charge in the locality where the service is provided; or*

(6) *Any charge for services or articles the provision of which is not within the scope of authorized practice of the institution or individual rendering the services or articles.*

Subd. 2. [HIGH COVERAGE.] *A plan of health coverage shall be certified as a high coverage qualified plan if it otherwise*

meets the requirements established by the laws of this state and provides for payment of 80 percent of the covered expenses listed in subdivision 1, in excess of an annual deductible which does not exceed \$150 per person. Except as provided in this subdivision, the coverage shall meet the requirements of subdivision 1.

Subd. 3. [CATASTROPHIC COVERAGE.] A plan of health coverage shall be certified as a catastrophic coverage qualified plan if it otherwise meets the requirements established by the laws of this state and provides for payment of 80 percent of the covered expenses listed in subdivision 1, in excess of an annual deductible which does not exceed \$1,000 per covered person. Except as provided in this subdivision, the coverage shall meet the requirements of subdivision 1.

Subd. 4. [HEALTH MAINTENANCE COVERAGE.] A health maintenance organization which provides the services required by Minnesota Statutes, Chapter 62D, shall be deemed to be providing a high coverage qualified plan.

Sec. 7. [62E.07] [QUALIFIED MEDICARE SUPPLEMENT PLAN.] Any plan which provides benefits to persons over the age of 65 years may be certified as a qualified medicare supplement plan if the plan is designed to supplement medicare and provides coverage of 50 percent of the deductible or co-payment required under parts A and B of medicare and 80 percent of the charges for covered services described in section 6, subdivision 1, which are not paid by parts A and B of medicare. The coverage shall include a limitation of \$1,000 per person on total annual out-of-pocket expenses for covered services. The coverage may be subject to a maximum lifetime benefit of not less than \$100,000.

Sec. 8. [62E.08] [DUTIES OF COMMISSIONER.] The commissioner may:

(a) Formulate general policies to advance the purposes of sections 1 to 16 of this article; the commissioner may also adopt, promulgate, repeal, and amend rules in the manner provided in Minnesota Statutes, Chapter 15, to carry out the provisions of sections 1 to 16 of this article;

(b) Supervise the creation of the Minnesota comprehensive health association within the limits described in section 9 of this article;

(c) Approve the selection of the writing carrier by the association and approve the association's contract with the writing carrier including the state plan coverage and premiums to be charged;

(d) Appoint advisory committees;

(e) *Conduct periodic audits to assure the general accuracy of the financial data submitted by the writing carrier and the association;*

(f) *Contract with the federal government or any other unit of government to ensure coordination of the state plan with other governmental assistance programs; and*

(g) *Undertake directly or through contracts with other persons studies or demonstration programs to develop awareness of the benefits of sections 1 to 16 of this article, so that the residents of this state may best avail themselves of the health care benefits provided by these sections.*

Sec. 9. [62E.09] [COMPREHENSIVE HEALTH ASSOCIATION.] *Subdivision 1. There is established a comprehensive health association with membership consisting of all insurers, self insurers, fraternal and health maintenance organizations licensed or authorized to do business in this state.*

Subd. 2. The board of directors of the association shall be made up of seven individuals selected by participating members, subject to approval by the commissioner. To select the initial board of directors, and to initially organize the association, the commissioner shall give notice to all members of the time and place of the organizational meeting. In determining voting rights at the organizational meeting each member shall be entitled to vote in person or proxy. The vote shall be a weighted vote based upon the member's cost of self insurance, or health insurance premium or health maintenance contract payment derived from this state in the previous calendar year, as determined by the commissioner. If the board of directors is not selected within 60 days after notice of the organizational meeting, the commissioner may appoint the initial board. In approving or selecting members of the board, the commissioner may consider, among other things, whether all types of members are fairly represented. Members of the board may be reimbursed from the moneys of the association for expenses incurred by them as members, but shall not otherwise be compensated by the association for their services.

Subd. 3. The board shall submit to the commissioner, a plan of operation for the association to assure the fair, reasonable and equitable administration and funding of the association. The plan of operation shall become effective upon approval in writing by the commissioner, consistent with the date on which the coverage must be made available under sections 1 to 16 of this article. The commissioner shall, after notice and hearing pursuant to the rule making procedures of chapter 15, approve the plan of operation if he determines that the plan is suitable to assure the fair, reasonable and equitable administration of the association. If the board fails to submit a suitable plan of operation within 180 days after its initial appointment, or if at any time thereafter the board fails to submit suitable amendments to the plan, the

commissioner shall, after notice and hearing pursuant to the rule making procedures of chapter 15, adopt and promulgate reasonable rules as necessary or advisable to effectuate the provisions of this section. The rules shall continue in force until modified by the commissioner or superseded by a plan submitted by the board and approved by the commissioner. The plan of operation shall, in addition to requirements enumerated in sections 1 to 16 of this article:

(a) Establish procedures for the handling and accounting of assets and moneys of the association;

(b) Establish regular times and places for meetings of the board of directors;

(c) Establish procedures for records to be kept of all financial transactions, and for the annual fiscal reporting to the commissioner;

(d) Establish procedures whereby selections for the board of directors shall be made and submitted to the commissioner;

(e) Establish procedures to amend, subject to the approval of the commissioner, the plan of operations;

(f) Establish procedures for the selection of a writing carrier and set forth the powers, duties and reporting requirements of the writing carrier;

(g) Provide a method for those insurers and fraternal which qualify under section 4, subdivision 6, to reinsure their qualified policies; and

(h) Contain additional provisions necessary or proper for the execution of the powers and duties of the association.

Subd. 4. All members shall maintain membership in the association as a condition of doing business in this state and in consideration of their mutual promises, shall enter into a contract of reinsurance between each member and the association according to the terms specified in section 10 of this article. The contract of reinsurance shall be executed on or before January 1, 1977, for a period of one year and shall be renewed annually thereafter. A company which ceases to do business within the state shall remain liable under the contract for the reinsurance contracted for during that calendar year.

Subd. 5. [OPEN MEETINGS.] All meetings of the association, its board, and any committees of the association shall comply with the provisions of Minnesota Statutes, Section 471.705.

Sec. 10. [62E.10] [OPERATION OF COMPREHENSIVE PLAN.] Subdivision 1. Upon certification as an eligible per-

son in the manner provided by section 13 of this article, an eligible person may enroll in the comprehensive health insurance plan by payment of the state plan premium to the writing carrier.

Subd. 2. Not less than 87-1/2 percent of the state plan premium paid to the writing carrier shall be used to pay the commissions authorized in section 14, subdivision 3, and claims, and not more than 12-1/2 percent shall be used for the payment of the writing carrier's actual direct and indirect expenses, as specified in subdivision 7.

Subd. 3. Each member of the association shall share the losses due to claim expenses of the comprehensive health insurance plan and the costs of operation of the association pursuant to the terms of the individual reinsurance contracts executed by the association with each member in accordance with section 9 of this article. Deviations in the claim experience of the state plan from the actuarially determined expected claim cost level included in the state plan premium shall be the liability of the association members. Association members shall share in the excess costs of the state plan in an amount equal to the ratio of the member's total cost of self insurance, or accident and health insurance premium or health maintenance organization contract charges received from Minnesota residents as divided into the total cost of self insurance, or accident and health insurance premium and health maintenance organization contract charges received by all association members from Minnesota residents, as determined by the commissioner. The reinsurance contract shall provide for a retroactive determination of each member's claim liability or payment due within 30 days after each renewal date of the reinsurance contract. Failure by a member to tender to the association the assessed reinsurance claim within 30 days of notification by the association shall be grounds for termination of the member's membership.

Net gains, if any, shall be held at interest to offset future losses or allocated to reduce future state plan premiums.

Subd. 4. Any employer which has in its employ one or more eligible persons enrolled in the comprehensive health insurance plan may make all or any portion of the state plan premium payment to the state plan directly to the writing carrier.

Sec. 11. [62E.11] [MINIMUM BENEFITS OF COMPREHENSIVE HEALTH INSURANCE PLAN.] The association through its comprehensive health insurance plan shall offer policies which provide the benefits of a high coverage qualified plan, a basic coverage qualified plan, a catastrophic coverage qualified plan, and a qualified medicare supplement plan. They shall offer health maintenance organization contracts in those areas of the state where a health maintenance organization has been selected as a writing carrier and has agreed to make the coverage available.

Sec. 12. [62E.12] [ADMINISTRATION OF PLAN.] Subdivision 1. *Any member of the association may submit to the commissioner the policies of accident and health insurance or the health maintenance organization contracts which are being proposed to serve in the comprehensive health insurance plan. The time and manner of the submission shall be prescribed by rule of the commissioner.*

Subd. 2. *Upon the commissioner's approval of the policy forms submitted pursuant to Minnesota Statutes, Section 62A.10, the association shall select policies submitted by a member or members of the association to be the comprehensive health insurance plan. This selection shall be based upon criteria including the member's proven ability to handle large group health insurance cases, efficient claim paying capacity, and the estimate of total charges for administering the plan. The association may select separate writing carriers for the three types of qualified coverage plans, the qualified medicare supplement plan, and the health maintenance organization contract.*

Subd. 3. *The writing carrier shall perform all administrative and claims payment functions required by this section. The writing carrier shall provide these services for a period of three years, unless a request to terminate is approved by the commissioner. The commissioner shall approve or deny a request to terminate within 90 days of its receipt. A failure to make a final decision on a request to terminate within the specified period shall be deemed to be an approval. Six months prior to the expiration of each three year period, the association shall invite submissions of policy forms from members of the association, including the writing carrier. The association shall follow the provisions of subdivision 2 in selecting a writing carrier for the subsequent three year period.*

Subd. 4. *The writing carrier shall provide to each eligible person enrolled in the state plan an individual certificate, setting forth a statement of the insurance protection to which he is entitled and specifying to whom benefits are payable.*

Subd. 5. *The writing carrier shall submit to the association and the commissioner on a monthly basis a report on the operation of the state plan. Specific information to be contained in this report shall be determined by the association prior to the effective date of the state plan.*

Subd. 6. *All claim payments shall be paid by the writing carrier pursuant to the provisions of sections 1 to 16 of this article, and shall indicate that the claim was paid by the state plan. Each claim payment shall include information specifying the procedure to be followed in the event of a dispute over the amount of payment.*

Subd. 7. The writing carrier shall be reimbursed from the premiums received for its actual direct and indirect expenses. Direct and indirect expenses shall include, but not be limited to, a pro rata reimbursement for the portion of the writing carrier's administrative, printing, claims administration, management and building overhead expenses which are assignable to the maintenance and administration of the state plan. The association shall approve cost accounting methods to substantiate the writing carrier's cost reports consistent with generally accepted accounting principles. Direct and indirect expenses shall not include costs directly related to the original submission of policy forms prior to selection as the writing carrier.

Subd. 8. The writing carrier shall at all times when carrying out its duties under sections 1 to 16 of this article be considered an agent of the association and the commissioner with civil liability subject to the provisions of Minnesota Statutes, Section 3.751.

Subd. 9. Premiums received by the writing carrier for the comprehensive health insurance plan are specifically exempted from the provisions of Minnesota Statutes, Section 60A.15.

Subd. 10. In performing the duties required of them as members of association, the members of the association shall be exempt from the provisions of Minnesota Statutes, Sections 325.8011 to 325.8028.

Sec. 13. [62E.13] [ENROLLMENT OF ELIGIBLE PERSONS.] *Subdivision 1. An individual eligible person may enroll himself and his dependents by submission of a certificate of eligibility to the writing carrier. The certificate shall provide the following:*

(a) Name, address, age, and length of time at residence of the applicant;

(b) Name, address, and age of spouse and children, if any, if they are to be insured;

(c) Health history of all persons to be insured; and

(d) A designation as to which type of comprehensive health insurance coverage is desired.

Subd. 2. An employer who is an eligible person may enroll his employees and their dependents in the state plan by submitting the information required in subdivision 1 for each person who is to be enrolled.

Subd. 3. Within 30 days of receipt of the certificate described in subdivisions 1 or 2, the writing carrier either shall reject the

application for failing to comply with the requirements of subdivision 1 or shall forward to the eligible person a notice of acceptance and pertinent billing information. Insurance shall be effective immediately upon receipt of the first month's premium, and shall be retroactive to the date of the application if the applicant otherwise complies with the requirements of sections 1 to 16 of this article. No person shall purchase more than one qualified plan from the state plan.

Subd. 4. No person who obtains coverage pursuant to this section shall be covered for any pre-existing condition during the first six months of coverage under the state plan if the person was treated for that condition in the 90 days immediately preceding the application.

Subd. 5. Rates for state plan coverage issued by or through the writing carrier shall not be excessive, inadequate or unfairly discriminatory in relation to the benefits provided and the risks assumed. The premium level established shall be designed to make the state plan self-supporting. Separate scales of premium rates based on age may be established. Rates may be adjusted for area variations in provider costs. All rates charged by the writing carrier shall be approved by the association through an actuarial committee consisting of five persons who are members of the American Academy of Actuaries. Rates shall be filed with the commissioner and may be disapproved within 60 days from the filing thereof if excessive, inadequate, or unfairly discriminatory.

Sec. 14. [62E.14] [SOLICITATION OF ELIGIBLE PERSONS.] *Subdivision 1. The association shall disseminate appropriate information to the residents of this state regarding the existence of the comprehensive insurance plan and the means of enrollment. Means of communication may include use of the press, radio and television, as well as publication in appropriate state offices and publications.*

Subd. 2. The association shall devise and implement means of maintaining public awareness of the provisions of sections 1 to 16 of this article and shall administer these sections in a manner which facilitates public participation in the state plan.

Subd. 3. The association shall establish an equitable schedule of commissions to be paid to those who sell or market qualified state plans. Selling or marketing of qualified state plans shall not be limited to the writing carrier or its agents. The commissions shall be paid by the writing carrier from money received as premiums for the state plan.

Sec. 15. [62E.15] [CONVERSION PRIVILEGES.] *Every program of self insurance, policy of group accident and health insurance or contract of coverage by a health maintenance organization written or renewed in this state, shall include, in*

addition to the provisions required by Minnesota Statutes, Section 62A.17, the right to convert to an individual coverage qualified plan without the addition of underwriting restrictions regardless of the reason for leaving the group. The person leaving the group may exercise his right to conversion within 30 days of leaving the group. Plans of health coverage shall also include a provision which, upon the death of the individual in whose name the contract was issued, permits every other individual then covered under the contract to elect, within the period specified in the contract, to continue his coverage under the same or a different contract until such time as he would have ceased to have been entitled to coverage had the individual in whose name the contract was issued lived. The provisions of this section shall also apply to any group policy issued pursuant to section 13 of this article.

Sec. 16. [62E.20] [DUAL OPTION.] Subdivision 1. An employer who employs in this state, on the average during a calendar quarter, 100 employees or more, other than seasonal employees as defined in the 1974 edition of Minnesota Statutes, Section 268.07, Subdivision 5, and who offers a health benefits plan to employees, whether (i) purchased from an insurer or a health maintenance organization, or (ii) provided on a self insured basis, shall, upon the next renewal of the health benefits plan contract, offer his employees a dual option to obtain health benefits through either an accident and health insurance policy or a health maintenance organization contract if one is available.

Subd. 2. An employer may make the dual offers through an insurer, a health maintenance organization or on a self insured basis. If an offer is made on a self insured basis, the accident and health insurance type of coverage or health maintenance organization type of coverage shall meet the requirements of the laws of this state but need not be approved by the commissioner or the board of health.

Subd. 3. No insurer which is also certified as a health maintenance organization shall submit a bid to an employer for providing the dual option required by this section which combines the bids for the accident and health insurance policy and the health maintenance organization contract in one bid or a single price package.

Subd. 4. The board of health, in consultation with the commissioner, shall adopt rules to implement the provisions of this section.

Sec. 17. Minnesota Statutes 1974, Section 60A.15, Subdivision 1, is amended to read:

60A.15 [TAXATION OF INSURANCE COMPANIES.] Subdivision 1. [DOMESTIC AND FOREIGN COMPANIES OTHER THAN TOWN AND FARMERS' MUTUAL AND DO-

MESTIC MUTUALS OTHER THAN LIFE.] On or before April 15, June 15, September 15 and December 15 of each year following December 31, 1971, every domestic and foreign company, except town and farmers' mutual insurance companies and domestic mutual insurance companies other than life, shall pay to the state treasurer through the commissioner of insurance quarterly installments of the insurer's total estimated tax for the current year based on a sum equal to two percent of the gross premiums less return premiums on all direct business received by it in this state, or by its agents for it, in cash or otherwise, during such year, excepting premiums written for marine insurance as specified in subdivision 6. If unpaid by such dates penalties of ten percent shall accrue thereon, and thereafter such sum and penalties shall draw interest at the rate of one percent per month until paid. Failure of a company to make quarterly payments of at least one fourth of either (a) the total tax paid during the previous calendar year or (b) 80 percent of the actual tax for the current calendar year shall subject the company to the penalty and interest provided in this subdivision. *The provisions of this subdivision shall also apply to every self insurer as defined in subdivision 21 of section 2 of this article but shall not apply to any plan covering fewer than 25 employees. For a self insurer the tax shall be based on the total cost of accident and health benefits provided and administrative expenses of the program of self insurance.*

Sec. 18. [EFFECTIVE DATE.] *Except for sections 8 and 9, this article is effective January 1, 1977. Sections 8 and 9 shall be effective on July 1, 1976.*

ARTICLE II

Section 1. [62E.31] [CITATION.] *Sections 1 to 12 of this article may be cited as the Minnesota hospital and health insurance administration act of 1976.*

Sec. 2. [62E.32] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 12 of this article, the terms defined in this section have the meanings given them.*

Subd. 2. *"Board" means the state board of health.*

Subd. 3. *"Hospital" means any acute care institution which is required to be licensed pursuant to Minnesota Statutes, Sections 144.50 to 144.58, other than a health care institution conducted for those who rely primarily upon treatment by prayer or spiritual means in accordance with the creed or tenets of any church or denomination.*

Subd. 4. *"Commissioner" means the commissioner of insurance.*

Subd. 5. *"Insurer" means a person selling policies of accident and health insurance pursuant to Minnesota Statutes, Chap-*

ter 62A or nonprofit health service plan contracts pursuant to Minnesota Statutes, Chapter 62C.

Sec. 3. [62E.33] [POWER; DUTIES.] Subdivision 1. The board shall employ staff as necessary to fulfill the responsibilities and duties imposed on the board by sections 1 to 12 of this article. The board may by contract obtain services necessary to carry out its activities when necessary to promote economy, avoid duplication of effort, or make best use of available expertise.

Subd. 2. No contractor or consultant shall release, publish or otherwise use any information made available to him under his contractual responsibility, without written permission of the board.

Sec. 4. [62E.34] [COMMITTEES.] To further the purposes of sections 1 to 12 of this article the board may create committees from its membership, and may create ad hoc advisory committees.

Sec. 5. [62E.36] [REPORTING REQUIREMENTS.] Subdivision 1. Each hospital shall file annually with the board after the close of its fiscal year:

(a) A balance sheet detailing the assets, liabilities, and net worth of the hospital;

(b) A detailed statement of income and expenses;

(c) A copy of the annual cost report and all exhibits and schedules related to it which are required to be filed pursuant to Title XVIII of the United States Social Security Act; and

(d) Such other reports of the costs incurred in rendering services as the board by rule may require.

Subd. 2. If more than one licensed hospital is operated by a reporting organization, the information required by this section shall be reported separately for each hospital.

Subd. 3. The board shall require certification of financial reports by the hospital's certified public accountant, and may require responsible officials of the hospital to certify under oath that the reports have to the best of their knowledge and belief been prepared in accordance with the prescribed system of accounting and reporting.

Subd. 4. All reports, except privileged medical information which are filed pursuant to sections 1 to 12 of this article shall be open to public inspection.

Subd. 5. The board may inspect hospital books, audits, and records in a reasonable manner as necessary to verify hospital reports.

Sec. 6. [62E.37] [CONTINUING ANALYSIS.] *Subdivision 1. The board shall from time to time undertake analyses and studies relating to hospital health care costs and to the financial status of any hospital subject to the provisions of sections 1 to 12 of this article, and may publish and disseminate information as it deems desirable in the public interest.*

Subd. 2. The board shall prepare and file summaries and compilations or other supplementary reports based on the information filed with the board as appropriate to advance the purposes of sections 1 to 12 of this article.

Sec. 7. [62E.38] [ANNUAL REPORT.] *The board shall prepare and prior to each legislative session transmit to the governor and to members of the legislature an annual report of the board's operations and activities for the preceding fiscal year as they relate to the duties imposed on the board by sections 1 to 12 of this article. This report shall include a compilation of all summaries and reports required by sections 1 to 12 of this article together with such findings and recommendations as the board deems necessary.*

Sec. 8. [62E.39] [INVESTIGATIVE POWER.] *Subdivision 1. The board may initiate reviews or investigations as necessary to determine whether or not the total costs of a hospital are reasonably related to the total services offered, that the hospital's aggregate revenues as expressed by rates are reasonably related to the hospital's aggregate costs, and that rates are set equitably among all purchasers or classes of purchasers of services, without undue discrimination or preference.*

Subd. 2. In order to properly discharge these obligations, the board may review projected annual expenses and revenues of hospitals and comment on the reasonableness of the proposed schedule of expenses and revenues.

Subd. 3. In the interest of promoting the most efficient and effective use of hospital health care service, the board may promote alternative methods of rate determination and payment mechanisms of an experimental nature that may be in the public interest and consistent with the purposes of sections 1 to 12 of this article.

Subd. 4. Each hospital shall file with the board a current rate schedule and any subsequent amendments or modifications of that schedule. These schedules, amendments and modifications shall be filed with the board at least 60 days in advance of their effective date. The board may hold a public hearing on any in-

crease which it determines excessive and may publicly comment on any increase.

Sec. 9. [62E.40] [RATE DISCRIMINATION.] *No hospital shall discriminate among insurers in its rate schedules or charges.*

Sec. 10. [62E.41] [OTHER POWERS.] *In addition to the other powers granted to the board and the commissioner, the board and the commissioner may:*

(a) *Adopt, amend, or repeal rules governing the exercise of the powers conferred by sections 1 to 12 of this article;*

(b) *Hold public hearings, conduct investigations, and subpoena witnesses, papers, records, and documents in connection therewith; and administer oaths or affirmations in any hearing or investigation;*

(c) *Exercise all other powers which are reasonably necessary or essential to carry out the provisions of sections 1 to 12 of this article.*

Sec. 11. [62E.42] [APPEAL.] *Any person aggrieved by a final decision of the board or the commissioner as to any rule or other determination under the provisions of sections 1 to 12 of this article shall be entitled to an administrative hearing and judicial review in accordance with the provisions of Minnesota Statutes, Chapter 15.*

Sec. 12. Minnesota Statutes 1974, Section 144.653, Subdivision 1, is amended to read:

144.653 [REGULATIONS; INSPECTIONS.] Subdivision 1. [RULES.] *The state board of health is the exclusive state agency charged with the responsibility and duty of inspecting all facilities required to be licensed under the provisions of Minnesota Statutes (1971), Sections 144.50 to 144.58. The state board of health shall enforce such rules (, REGULATIONS) and standards subject only to the authority of the department of public safety respecting the enforcement of fire and safety standards in nursing homes and other licensed health care facilities and the responsibility of the commissioner of public welfare pursuant to Minnesota Statutes (1971), Sections 245.78; 252.28; and 257.081 to 257.123.*

The board shall coordinate regulation and inspection of hospitals by federal, state and local agencies to avoid, to the extent possible, conflicting rules and duplication of inspections.

Sec. 13. Minnesota Statutes 1974, Section 62A.02, Subdivision 1, is amended to read:

62A.02 [POLICY FORMS; RATES.] Subdivision 1. [FILING.] (ON AND AFTER APRIL 18, 1957,) No policy of accident and sickness insurance shall be issued or delivered to any person in this state, nor shall any application, rider, or endorsement be used in connection therewith, until a copy of the form thereof and of the classification of risks and the premium rates pertaining thereto have been filed with the commissioner. *No proposed increase in a premium rate shall become effective until filed with the commissioner. The filing for nongroup policies shall include a statement of actuarial reasons and data to support the need for the rate increase. The commissioner may hold a public hearing and publicly comment on any increase which he determines is excessive.*

Sec. 14. Minnesota Statutes 1974, Section 62A.02, Subdivision 3, is amended to read:

Subd. 3. [DISAPPROVAL.] The commissioner may, within 30 days after the filing of any such form, disapprove such form (1) if the benefits provided therein are unreasonable in relation to the premium charged, (OR) (2) if it contains a provision or provisions which are unjust, unfair, inequitable, misleading, deceptive or encourage misrepresentation of such policy, *or (3) if the proposed premium rate is excessive.* If the commissioner shall notify the insurer which has filed any such form that it does not comply with the provisions of this section or sections 62A.03 to 62A.05 and section 72A.20, subdivision 1, it shall be unlawful thereafter for such insurer to issue such form or use it in connection with any policy. In such notice the commissioner shall specify the reasons for his disapproval and state that a hearing, *pursuant to contested case procedure of chapter 15,* will be granted within 20 days after request in writing by the insurer.

Sec. 15. Minnesota Statutes 1974, Section 62C.15, Subdivision 2, is amended to read:

Subd. 2. No service plan corporation shall deliver, issue for delivery, extend, continue, or renew any form of nongroup subscriber's contract until schedules of charges applicable thereto, including any endorsement, rider, amendment or application which is a part thereof, have been filed with the commissioner; nor shall such corporation deliver, issue for delivery, extend, continue or renew any form of group subscribers contract until a schedule of the rating structures and formulae applicable thereto, including any endorsement, rider, amendment or application which is a part thereof, has been filed with the commissioner. If (AFTER DECEMBER 31, 1970,) the unencumbered reserve or surplus is less than the required minimum or more than the required maximum, the rating structures and formulae filed as above provided, and all charges for nongroup subscribers' contracts shall, upon review, be subject to the commissioner's disapproval, until such reserves or surplus are in amounts prescribed by (LAWS 1971, CHAPTER 568) *Minnesota Statutes,*

Chapter 62C. (IN ADDITION,) The commissioner (MAY, IN HIS DISCRETION,) shall require the charges developed for group and nongroup subscriber contracts to be filed, and (, IF SUCH CHARGES ARE REQUIRED TO BE SO FILED, THEY SHALL, UPON REVIEW, ALSO) they shall be subject to the commissioner's disapproval under the provisions of Minnesota Statutes, Section 62A.02, Subdivision 3. Any proposed increase in a premium rate shall be filed with the commissioner. The filing for nongroup subscriber contracts shall include a statement of actuarial reasons and data to support the need for the rate increase. The commissioner may hold a public hearing and may publicly comment on any increase which he determines is excessive.

Sec. 16. Minnesota Statutes 1974, Section 70A.02, Subdivision 2, is amended to read:

Subd. 2. [NONAPPLICATION OF CHAPTER.] This chapter shall not apply to:

(1) Insurance written by township or farmers' mutual insurance companies subject to the provisions of chapter 67A; insurance written by companies organized pursuant to section 66A.20, or to tornado, cyclone, or hurricane insurance, the consideration for which, except for policy, membership or survey fees, is paid entirely by assessments on policyholders;

(2) Reinsurance, other than joint reinsurance to the extent stated in section 70A.16;

(3) (ACCIDENT AND HEALTH INSURANCE;)

((4)) (4) Insurance against loss of or damage to aircraft, including their accessories and equipment, or against liability arising out of the ownership, maintenance, or use of aircraft;

((5)) (4) Insurance of vessels or craft, their cargoes, marine builders' risks, marine protection and indemnity, or other risks commonly insured under marine, as distinguished from inland marine, insurance policies;

((6)) WORKMEN'S) (5) Workers' compensation insurance;

((7)) (6) Insurance covering any of the liability of an employer exempted from insuring his liability for compensation as provided in section 176.181; and

((8)) (7) Disability and double indemnity insurance issued as part of a life insurance contract.

Sec. 17. [APPROPRIATIONS.] *The sum of \$160,000 is appropriated from the general fund to the state board of health for the purpose of implementing this article. The sum of \$150,000 is hereby appropriated from the general fund to the commissioner of insurance for the purpose of implementing articles I and II. These appropriations shall not cancel but shall be available for expenditure for the biennium ending June 30, 1977.*

Sec. 18. [EFFECTIVE DATE.] *This article is effective the day following the final enactment of this act.*

ARTICLE III

Section 1. [62E.51] [CITATION.] *Sections 1 to 5 of this article may be cited as the Minnesota catastrophic health expense protection act of 1976.*

Sec. 2. [62E.52] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 5 of this article, the terms defined in this section have the meanings given them.*

Subd. 2. "Eligible person" means any person who is a resident of Minnesota and who, while a resident of Minnesota, has been found by the commissioner to have incurred an obligation to pay qualified expenses for himself and any dependents in any 12 consecutive months exceeding \$5,000 or 50 percent of his household income, whichever is greater. The twelve month period shall not start before January 1, 1977.

Subd. 3. "Qualified expense" means any charge for a health service which is included in the list of covered services described in article I, section 6, subdivision 1, of this act, and for which no third party is liable.

Subd. 4. "Dependent" means a spouse or unmarried child under the age of 18 years, a child who is a student under the age of 25 and financially dependent upon the parent, or a child of any age who is disabled and dependent upon the parent.

Subd. 5. "Household income" means the gross income of an eligible person and all his dependents for the calendar year preceding the year in which an application is filed pursuant to section 3.

Subd. 6. "Gross income" means income as defined in Minnesota Statutes, Section 290A.03, Subdivision 3.

Subd. 7. "Commissioner" means the commissioner of public welfare.

Subd. 8. "Third party" means any person other than the eligible person or his dependents.

Sec. 3. [62E.53] [APPLICATION FOR ASSISTANCE.]

Subdivision 1. Any person who believes that they are or will become an eligible person may submit an application for state assistance to the commissioner.

Subd. 2. If the commissioner determines that an applicant is an eligible person, he shall pay all qualified expenses of the eligible person and his dependents in excess of 50 percent of household income or \$5,000 whichever is greater for the 12 month period in which the applicant became an eligible person. If the commissioner determines that the charge for a health service is excessive, he may limit his payment to the usual and customary charge for that service. If the commissioner determines that a health service provided to an eligible person was not medically necessary, he may refuse to pay for the service. To the extent feasible, the commissioner shall contract with a review organization as defined in Minnesota Statutes, Section 145.61, in making any determinations as to whether or not a charge is excessive. To the extent feasible, the commissioner shall contract with a review organization as defined in Minnesota Statutes, Section 145.61, in making any determination as to whether or not a service was medically necessary. If the commissioner in accordance with this section refuses to pay all or a part of the charge for a health service, the unpaid portion of the charge shall be deemed to be an unconscionable fee, against the public policy of this state, and unenforceable in any action brought for the recovery of moneys owed.

Sec. 4. [62E.54] [DUTIES OF COMMISSIONER.] *Subdivision 1. The commissioner shall:*

(a) Promulgate reasonable rules to implement sections 1 to 5 of this article;

(b) Establish application forms and procedures for the use of persons seeking to be declared an eligible person; and

(c) Investigate applications to determine whether or not the applicant is a qualified person and investigate claims from providers of health services to determine whether or not to pay them.

Subd. 2. The commissioner may:

(a) Enter into contracts with the United States or any state agency, instrumentality or political subdivision for the purpose of coordinating the program established by sections 1 to 5 of this article, with other programs which provide or pay for the delivery of health services;

(b) Enter into contracts with third parties to perform some or all of the duties imposed on the commissioner by sections 3 and 4 of this article.

Sec. 5. [62E.55] [APPEALS.] *The final decision of the commissioner denying an application for status as an eligible person or denying all or part of the charges for a health service may be appealed by any interested party pursuant to Minnesota Statutes, Chapter 15.*

Sec. 6. [APPROPRIATION.] *The sum of \$4,100,000 is hereby appropriated from the general fund to the commissioner of public welfare for the purposes of implementing sections 1 to 5 of this article. No more than \$100,000 shall be used for administrative purposes.*

Sec. 7. [EFFECTIVE DATE.] *This article is effective August 1, 1976."*

Further, amend the title by striking it in its entirety and inserting:

"A bill for an act relating to health care; providing for establishment and administration of certain plans of health insurance to make minimum health care benefits available to all persons in the state; creating a comprehensive health care association; requiring review of hospital and insurance premium rates; providing protection against catastrophic health care expenses; appropriating money; amending Minnesota Statutes 1974, Sections 60A.15, Subdivision 1; 62A.02, Subdivisions 1 and 3; 62C.15, Subdivision 2; 70A.02, Subdivision 2; and 144.653, Subdivision 1."

With the recommendation that when so amended the bill do pass.

The report was adopted.

Anderson, I., from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 2593, A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing limits on interest and amount of highway bonds; repealing Laws 1975, Chapter 203, Sections 25 and 26.

Reported the same back with the following amendments:

Strike everything after the enacting clause and insert:

"Section 1. An amendment to the Minnesota Constitution, Article XIV, Section 11, is proposed to the people. If the amendment is adopted, the section will read as follows:

Sec. 11. The legislature may provide by law for the sale of bonds to carry out the provisions of section 2. Bonds issued and unpaid shall not at any time exceed (\$150,000,000) \$300,000,000 par value. The proceeds shall be paid into the trunk highway fund. Any bonds shall mature serially over a term not exceeding 20 years, shall not be sold for less than par and accrued interest and shall not bear interest at a greater rate than (FIVE) *eight* percent per annum. If the trunk highway fund is not adequate to pay principal and interest of these bonds when due, the legislature may levy on all taxable property of the state in an amount sufficient to meet the deficiency or it may appropriate to the fund money in the state treasury not otherwise appropriated.

Sec. 2. The proposed amendment shall be submitted to the people at the 1976 general election. The question proposed shall be:

"Shall the Minnesota Constitution be amended to limit the interest rate on highway bonds to eight percent per annum and limit the amount of outstanding highway bonds to \$300,000,000?"

Yes

No"

Sec. 3. Laws 1975, Chapter 203, Section 25, is amended to read:

Sec. 25. The following amendment to the Minnesota Constitution, Article XIV, is proposed to the people of the state. If the amendment is adopted the article shall read:

ARTICLE XIV

PUBLIC HIGHWAY SYSTEM

Section 1. The state may construct, improve and maintain public highways, may assist political subdivisions in this work and by law may authorize any political subdivision to aid in highway work within its boundaries.

Sec. 2. There is hereby created a trunk highway system which shall be constructed, improved and maintained as public highways by the state. The highways shall extend as nearly as possible along the routes number 1 to 70 described in the constitutional amendment adopted November 2, 1920, and the routes described in any act of the legislature which has made or hereafter makes a route a part of the trunk highway system.

The legislature may add by law new routes to the trunk highway system. The trunk highway system may not exceed 12,200 miles in extent, except the legislature may add trunk highways

in excess of the mileage limitation as necessary or expedient to take advantage of any federal aid made available by the United States to the state of Minnesota.

Any route added by the legislature to the trunk highway system may be relocated or removed from the system as provided by law. The definite location of trunk highways numbered 1 to 70 may be relocated as provided by law but no relocation shall cause a deviation from the starting points or terminals nor cause any deviation from the various villages and cities through which the routes are to pass under the constitutional amendment adopted November 2, 1920. The location of routes may be determined by boards, officers or tribunals in the manner prescribed by law.

Sec. 3. A county state-aid highway system shall be constructed, improved and maintained by the counties as public highways in the manner provided by law. The system shall include streets in municipalities of less than 5,000 population where necessary to provide an integrated and coordinated highway system and may include similar streets in larger municipalities.

Sec. 4. A municipal state-aid street system shall be constructed, improved and maintained as public highways by municipalities having a population of 5,000 or more in the manner provided by law.

Sec. 5. There is hereby created a highway user tax distribution fund to be used solely for highway purposes as specified in this article. The fund consists of the proceeds of any taxes authorized by sections 9 and 10 of this article, *except as otherwise provided in section 10*. The net proceeds of the taxes shall be apportioned: 62 percent to the trunk highway fund; 29 percent to the county state-aid highway fund; nine percent to the municipal state-aid street fund. Five percent of the net proceeds of the highway user tax distribution fund may be set aside and apportioned by law to one or more of the three foregoing funds. The balance of the highway user tax distribution fund shall be transferred to the trunk highway fund, the county state-aid highway fund, and the municipal state-aid street fund in accordance with the percentages set forth in this section. No change in the apportionment of the five percent may be made within six years of the last previous change.

Sec. 6. There is hereby created a trunk highway fund which shall be used solely for the purposes specified in section 2 of this article and the payment of principal and interest of any bonds issued under the authority of section 11 of this article and any bonds issued for trunk highway purposes prior to July 1, 1957. All payments of principal and interest on bonds issued shall be a first charge on money coming into this fund during the year in which the principal or interest is payable.

Sec. 7. There is hereby created a county state-aid highway fund. The county state-aid highway fund shall be apportioned among the counties as provided by law. The funds apportioned shall be used by the counties as provided by law for aid in the construction, improvement and maintenance of county state-aid highways. The legislature may authorize the counties by law to use a part of the funds apportioned to them to aid in the construction, improvement and maintenance of other county highways, township roads, municipal streets and any other public highways, including but not limited to trunk highways and municipal state-aid streets within the respective counties.

Sec. 8. There is hereby created a municipal state-aid street fund to be apportioned as provided by law among municipalities having a population of 5,000 or more. The fund shall be used by municipalities as provided by law for the construction, improvement and maintenance of municipal state-aid streets. The legislature may authorize municipalities to use a part of the fund in the construction, improvement and maintenance of other municipal streets, trunk highways, and county state-aid highways within the counties in which the municipality is located.

Sec. 9. The legislature by law may tax motor vehicles using the public streets and highways on a more onerous basis than other personal property. Any such tax on motor vehicles shall be in lieu of all other taxes thereon, except wheelage taxes imposed by political subdivisions solely for highway purposes. The legislature may impose this tax on motor vehicles of companies paying taxes under the gross earnings system of taxation notwithstanding that earnings from the vehicles may be included in the earnings on which gross earnings taxes are computed. The proceeds of the tax shall be paid into the highway user tax distribution fund. The law may exempt from taxation any motor vehicle owned by a nonresident of the state properly licensed in another state and transiently or temporarily using the streets and highways of the state.

Sec. 10. The legislature may levy an excise tax on any means or substance used for propelling vehicles on the public highways of this state or on the business of selling it. The proceeds of the tax, *up to and including the unit tax rate thereon in effect on August 1, 1975* shall be paid into the highway user tax distribution fund. *Any unit tax rate levied in excess of the unit tax rate in effect on August 1, 1975, shall be paid into the general fund in the state treasury.*

Sec. 11. The legislature may provide by law for the sale of bonds to carry out the provisions of section 2. Bonds issued and unpaid shall not at any time exceed \$150,000,000 par value. The proceeds shall be paid into the trunk highway fund. Any bonds shall mature serially over a term not exceeding 20 years, shall not be sold for less than par and accrued interest and shall not bear interest at a greater rate than five percent per annum. If

the trunk highway fund is not adequate to pay principal and interest of these bonds when due, the legislature may levy on all taxable property of the state in an amount sufficient to meet the deficiency or it may appropriate to the fund money in the state treasury not otherwise appropriated.

Sec. 4. Laws 1975, Chapter 203, Section 26, is amended to read:

Sec. 26. The proposed amendment shall be submitted to the people at the 1976 general election. The question proposed shall read:

"Shall Article XIV of the Constitution of the State of Minnesota be amended to permit proceeds resulting from any increases in motor fuel taxes to be used for general purposes (, AND TO REMOVE CERTAIN RESTRICTIONS ON HIGHWAY BONDS)?

Yes

No"

Further, amend the title by striking it in its entirety and insert:

"A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; raising limits on interest and increasing the authorized amount of highway bonds; restoring certain language stricken in an earlier proposed constitutional amendment; amending Laws 1975, Chapter 203, Sections 25 and 26."

With the recommendation that when so amended the bill do pass.

The report was adopted.

Anderson, I., from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 975, 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 recommendation that the bill do pass.

The report was adopted.

Anderson, I., from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 2056, A bill for an act relating to the city of Duluth; authorizing residential property rehabilitation loans and grants.

Reported the same back with the recommendation that the bill do pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2112, 2144 and 2593 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 2177, 2277, 1800, 60, 975 and 2056 were read for the second time.

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:

H. F. No. 2263, A bill for an act relating to game and fish; clothing required during certain seasons; amending Minnesota Statutes 1974, Section 100.29, Subdivision 8; repealing Minnesota Statutes 1974, Section 98.52, Subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1751, A bill for an act relating to game and fish; firearms permissible for taking wild animals; authorizing use of muzzle loading muskets to take game; regulating the shining of wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

The Senate has repassed said bill, in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1199, A bill for an act relating to treatment for alcohol and drug abuse; providing for programs of intervention and treatment for employees, native Americans, and underserved groups; providing funding for detoxification programs, half-way houses and nonresidential programs; appropriating money; amending Minnesota Statutes 1974, Section 254A.02, Subdivision 1, and by adding subdivisions; and Chapter 254A, by adding sections.

The Senate has repassed said bill, in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of 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. 2518, A bill for an act relating to the city of Hastings; removing certain restrictions on the use of certain lands conveyed by the state to the city; amending Extra Session Laws 1967, Chapter 18, Section 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Sieben, H., moved that the House concur in the Senate amendments to H. F. No. 2518 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2518, A bill for an act relating to local government in Dakota county; removing certain restrictions on the use of certain lands conveyed by the state to the city of Hastings; election procedure for changes in certain optional forms of county government; providing for financing of the Dakota County League of Municipalities; amending Laws 1967, Chapter 112, Section 1; amending Extra Session Laws 1967, Chapter 18, Section 2.

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 1, as follows:

Those who voted in the affirmative were:

Abein	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	Fjoslien	Kostohryz	Patton	Stanton
Begich	Forsythe	Kroening	Pehler	Suss
Berg	Friedrich	Kvam	Peterson	Swanson
Berglin	Fudro	Laidig	Petrafaso	Tomlinson
Biersdorf	Fugina	Langseth	Philbrook	Ulland
Birnstihl	George	Lemke	Pleasant	Vento
Braun	Hanson	Lindstrom	Prahl	Volk
Brinkman	Heinitz	Luther	Reding	Voss
Byrne	Hokanson	Mangan	Rice	Wenstrom
Carlson, A.	Jacobs	Mann	St. Onge	Wenzel
Carlson, R.	Jaros	McCarron	Sarna	White
Cassery	Jensen	McCauley	Savelkoul	Wieser
Clark	Johnson, C.	McCollar	Schreiber	Wigley
Clawson	Johnson, D.	McEachern	Schulz	Williamson
Corbid	Jopp	Menning	Schumacher	Zubay
Dahl	Jude	Metzen	Searle	Speaker Sabo
Dean	Kahn	Moe	Setzepfandt	
Dieterich	Kaley	Munger	Sherwood	
Doty	Kalis	Neisen	Sieben, H.	

Those who voted in the negative were:

Faricy

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. 435, A bill for an act relating to the city of Two Harbors; providing for reimbursement of city officers for wages lost during time spent on official business.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Johnson, D., moved that the House concur in the Senate amendments to H. F. No. 435 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 435; A bill for an act relating to the city of Two Harbors in Lake county and the city of Eveleth in St. Louis coun-

ty; providing for reimbursement of officers of the city of Two Harbors for wages lost during time spent on official business; authorizing the city of Eveleth to sell certain lands dedicated to the public for park or recreation purposes.

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 131, and nays 1, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dean

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the return of Senate File No. 1957 for further consideration:

S. F. No. 1957, A bill for an act relating to medical assistance for the needy; prohibiting false claims for reimbursement; making certain vendors ineligible for reimbursement; providing access to certain medical records for verification of claims; pro-

viding for a penalty; amending Minnesota Statutes 1974, Sections 256B.064; 256B.27; Chapters 256B and 609, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 256B.12 and 609.52, Subdivision 2.

Senate File No. 1957 is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Swanson moved that the vote whereby S. F. No. 1957 was passed by the House as amended on March 18, 1976, be now reconsidered. The motion prevailed.

Swanson moved that the House reconsider the action whereby S. F. No. 1957 was read for the third time as amended on March 18, 1976. The motion prevailed.

S. F. No. 1957, as amended, was reported to the House.

Swanson moved to amend S. F. No. 1957, as follows:

In the Swanson amendment adopted by the House on March 18, 1976:

Page 1, line 21, strike "*department*" and insert "*commissioner*".

Page 2, line 4, strike "*he*" and insert "*the vendor*".

Page 2, line 8, strike "*2a*" and insert "*5a*".

The motion prevailed and the amendment was adopted.

S. F. No. 1957, A bill for an act relating to medical assistance for the needy; prohibiting false claims for reimbursement; making certain vendors ineligible for reimbursement; providing access to certain medical records for verification of claims; providing for a penalty; amending Minnesota Statutes 1974, Sections 256B.064; 256B.27; Chapters 256B and 609, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 256B.12 and 609.52, Subdivision 2.

The bill was read for the third time, as amended, and placed upon its repassage.

The question being taken on the repassage of the bill and the roll being called, there were yeas 132, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln
Adams, L.

Adams, S.
Albrecht

Anderson, G.
Anderson, I.

Arlandson
Beauchamp

Begich
Berg

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

The bill was repassed, as amended, and its title agreed to.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the Conference Committee on S. F. No. 840:

Casserly, McCarron and Stanton.

The Speaker announced the appointment of the following members of the House to the Conference Committee on H. F. No. 2159:

Knoll, Skoglund and Dean.

CONSIDERATION UNDER RULE 1.10

Pursuant to Rule 1.10, Norton requested immediate consideration of H. F. No. 2218.

H. F. No. 2218, A bill for an act relating to the department of public welfare; providing for funding for detoxification programs; amending Minnesota Statutes 1974, Section 254A.08, 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 128, and nays 1, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Corbid

The bill was passed and its title agreed to.

Pursuant to Rule 1.10, Kelly, W., requested immediate consideration of H. F. No. 2414.

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.

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 133, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Arlandson	Birnstihl	Carlson, R.	Dean
Adams, L.	Beauchamp	Braun	Casserly	DeGroat
Adams, S.	Begich	Brinkman	Clark	Dieterich
Albrecht	Berg	Byrne	Clawson	Doty
Anderson, G.	Berglin	Carlson, A.	Corbid	Eckstein
Anderson, I.	Biersdorf	Carlson, L.	Dahl	Eken

Enebo	Jopp	Mann	Philbrook	Smogard
Erickson	Jude	McCarron	Pleasant	Spanish
Esau	Kahn	McCauley	Prahl	Stanton
Evans	Kaley	McCollar	Reding	Suss
Ewald	Kalis	McEachern	Rice	Swanson
Faricy	Kelly, R.	Menning	St. Onge	Tomlinson
Fjoslien	Kelly, W.	Metzen	Samuelson	Ulland
Forsythe	Kempe, A.	Moe	Sarna	Vanasek
Friedrich	Kempe, R.	Munger	Savelkoul	Vento
Fudro	Ketola	Neisen	Schreiber	Volk
Fugina	Knickerbocker	Nelsen	Schulz	Voss
George	Knoll	Nelson	Schumacher	Wenstrom
Hanson	Kostohryz	Niehaus	Searle	Wenzel
Haugerud	Kroening	Norton	Setzepfandt	White
Heinitz	Kvam	Novak	Sherwood	Wieser
Hokanson	Laidig	Osthoff	Sieben, H.	Wigley
Jacobs	Langseth	Parish	Sieben, M.	Williamson
Jaros	Lemke	Patton	Sieloff	Zubay
Jensen	Lindstrom	Pehler	Simoneau	Speaker Sabo
Johnson, C.	Luther	Peterson	Skoglund	
Johnson, D.	Mangan	Petrafeso	Smith	

The bill was passed and its title agreed to.

Doty was excused for the remainder of today's session.

Pursuant to Rule 1.10, Norton requested immediate consideration of H. F. Nos. 1984 and 1985.

H. F. No. 1984 was reported to the House.

Johnson C., moved to amend H. F. No. 1984, as follows:

Page 6, line 22, after "law." delete the rest of the subdivision and insert the following:

"Subd. 5. [SALE OF DEFAULTED PROPERTY.] *In the event that title to the property is acquired by the state, upon conveyance of title to the state and expiration of the period of redemption, the commissioner shall, within 15 days of the expiration of such period, undertake to sell the property by publishing a notice of the impending sale at least once each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the county in which the property to be sold is situated. Such notice shall specify the time and place in the county at which the sale will commence, a description of the lots or tracts to be offered, and a general statement of the terms of sale. Except as further provided in this subdivision, the terms and method of sale shall be determined by the commissioner. The commissioner shall sell the property to the highest bidder as determined by taking sealed bids or by public auction, provided that in either event he shall select the successful bidder within 15 days of the date of the last published notice of sale. Bidders shall submit bid security in the form of a certified check or bid bond in the amount of ten percent of their bid price and the successful bidder shall remit the balance of the purchase price to the commissioner within 90 days of the date of sale. Upon*

remittance of such balance within 90 days of the date of sale, the commissioner shall transfer title to the property to the purchaser by quitclaim deed. In the event that the purchaser fails to remit any part of such balance within 90 days of the date of sale, the purchaser shall forfeit all rights to the property and any monies paid thereon and the state shall recommence the sale process as specified in this subdivision. Proceeds from the sale of a parcel of property obtained by the state pursuant to this section shall be paid into the special account authorized in section 15, subdivision 1, to the extent that funds from the special account were disbursed according to the terms of the family farm security loan guarantee. Proceeds in excess of the amount disbursed from the special fund shall be paid into the general fund."

Renumber subsequent subdivisions accordingly.

The motion prevailed and the amendment was adopted.

Friedrich moved to amend H. F. No. 1984, as amended, as follows:

Page 18, after line 9, add a new subdivision to read:

"Subd. 24. Ten percent of the income earned by a taxpayer from the rental of farm land as defined in section 2, subdivision 9, to a person who would meet the requirements for eligibility for a family farm security loan set forth in section 5, clauses (a), (b), and (c) and who rents the farm land from the taxpayer in order to use it for agricultural purposes."

Renumber the remaining section.

Further, amend the title as follows:

Page 1, line 6, delete "a".

Page 1, line 7, delete "subdivision" and insert "subdivisions".

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 33, and nays 81, as follows:

Those who voted in the affirmative were:

Adams, S.	Esau	Kaley	Nelsen	Setzepfandt
Albrecht	Evans	Kempe, A.	Niehaus	Sieloff
Biersdorf	Ewald	Knickerbocker	Patton	Ulland
Carlson, A.	Fjoslien	Kvam	Peterson	Wigley
Dean	Forsythe	Laidig	Savelkoul	Zubay
DeGroat	Friedrich	Lemke	Schreiber	
Erickson	Jopp	McCauley	Searle	

Those who voted in the negative were:

Abeln	Corbid	Kelly, W.	Osthoff	Spanish
Adams, L.	Dahl	Ketola	Pehler	Stanton
Anderson, G.	Dieterich	Knoll	Petrafeso	Suss
Anderson, I.	Eken	Kostohryz	Philbrook	Tomlinson
Arlandson	Faricy	Kroening	Prahl	Vanasek
Beauchamp	Fugina	Langseth	Reding	Vento
Berg	George	Lindstrom	Samuelson	Volk
Berglin	Hanson	Luther	Sarna	Voss
Birnstihl	Haugerud	Mann	Schulz	Wenstrom
Braun	Hokanson	McCollar	Schumacher	Wenzel
Brinkman	Jacobs	Menning	Sherwood	White
Byrne	Jaros	Metzen	Sieben, H.	Wieser
Carlson, L.	Jensen	Moe	Sieben, M.	Speaker Sabo
Carlson, R.	Johnson, C.	Neisen	Simoneau	
Casserly	Jude	Nelson	Skoglund	
Clark	Kahn	Norton	Smith	
Clawson	Kalis	Novak	Smogard	

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

Nelsen moved to amend H. F. No. 1984, as amended, as follows:

Page 5, line 4, delete the period and insert a semicolon.

Page 5, after line 4, insert a new clause to read:

"(f) that the applicant has financing or funds available for minimum operating costs on the farm land proposed to be purchased for the first year of farm operation. Evidence of financing or funds available may include a copy of an agreement from a lender to supply the required minimum operating costs or such other evidence as the commissioner deems sufficient."

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 122, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Brinkman	Eken	Heinitz	Ketola
Adams, L.	Byrne	Enebo	Hokanson	Knickerbocker
Adams, S.	Carlson, A.	Erickson	Jacobs	Knoll
Albrecht	Carlson, L.	Esau	Jaros	Kostohryz
Anderson, G.	Carlson, R.	Evans	Jensen	Kroening
Anderson, I.	Casserly	Ewald	Johnson, C.	Kvam
Arlandson	Clark	Faricy	Johnson, D.	Laidig
Beauchamp	Clawson	Fjoslien	Jopp	Langseth
Begich	Corbid	Forsythe	Jude	Lemke
Berg	Dahl	Friedrich	Kahn	Luther
Berglin	Dean	Fugina	Kaley	Mangan
Biersdorf	DeGroat	George	Kalis	Mann
Birnstihl	Dieterich	Hanson	Kempe, A.	McCauley
Braun	Eckstein	Haugerud	Kempe, R.	McCollar

McEachern	Patton	Savelkoul	Skoglund	Voss
Menning	Pehler	Schreiber	Smith	Wenstrom
Metzen	Peterson	Schulz	Smogard	Wenzel
Munger	Petrafeso	Schumacher	Spanish	White
Neisen	Philbrook	Searle	Stanton	Wieser
Nelsen	Pleasant	Setzepfandt	Suss	Wigley
Nelson	Prahl	Sherwood	Tomlinson	Zubay
Niehaus	Reding	Sieben, H.	Ulland	Speaker Sabo
Norton	St. Onge	Sieben, M.	Vanasek	
Novak	Samuelson	Sieloff	Vento	
Osthoff	Sarna	Simoneau	Volk	

The motion prevailed and the amendment was adopted.

Peterson moved to amend H. F. No. 1984, as amended, as follows:

Page 7, delete lines 8 to 10 and insert "*The commissioner shall provide for an appraisal of farm land by an accredited member of a professional farm appraisal organization using an income approach appraisal before guaranteeing a family farm security loan. No guarantee shall be made if the purchase price of the farm land exceeds the appraisal value as determined by this subdivision.*".

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 49, and nays 79, as follows:

Those who voted in the affirmative were:

Adams, S.	Ewald	Knickerbocker	Nelsen	Sieloff
Albrecht	Fjoslien	Kostohryz	Niehaus	Smith
Biersdorf	Forsythe	Kroening	Peterson	Spanish
Carlson, A.	Friedrich	Kvam	Pleasant	Tomlinson
Clawson	Heinitz	Laidig	Prahl	Ulland
Dean	Jopp	Langseth	Reding	White
DeGroat	Kaley	Luther	Savelkoul	Wieser
Erickson	Kelly, R.	Mangan	Schreiber	Wigley
Esau	Kempe, A.	McCauley	Searle	Zubay
Evans	Kempe, R.	Neisen	Setzepfandt	

Those who voted in the negative were:

Abeln	Carlson, R.	Hanson	Lemke	Patton
Adams, L.	Casserty	Haugerud	Lindstrom	Pehler
Anderson, G.	Clark	Hokanson	Mann	Petrafeso
Anderson, I.	Corbid	Jacobs	McCarron	Philbrook
Arlandson	Dahl	Jaros	McCollar	St. Onge
Beauchamp	Dieterich	Jensen	Menning	Sarna
Begich	Eckstein	Johnson, C.	Metzen	Schulz
Berg	Eken	Johnson, D.	Moe	Schumacher
Berglin	Enebo	Jude	Munger	Sherwood
Birnstihl	Faricy	Kahn	Nelson	Sieben, H.
Braun	Fudro	Kalis	Norton	Sieben, M.
Brinkman	Fugina	Kelly, W.	Novak	Simoneau
Byrne	George	Ketola	Osthoff	Skoglund
Carlson, L.	Graba	Knoll	Parish	Smogard

Stanton
SussVanasek
VentoVolk
VossWenstrom
Wenzel

Speaker Sabo

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

Jopp moved to amend H. F. No. 1984, as amended, as follows:

Page 19, after line 12, insert:

"Sec. 15. Minnesota Statutes 1974, Section 290.09, is amended by adding a subdivision to read:

Subd 30. [CONTRACT FOR DEED; INTEREST DEDUCTION.] Fifty percent of the interest received by a seller satisfying the eligibility criteria of Minnesota Statutes 273.111, subdivision 6, from a person who satisfies the eligibility criteria established by section 5 of this act to an applicant for a family farm security loan, if the interest is paid pursuant to a contract for deed for the sale of farm land by the seller to the person provided that the principal on the contract is paid within 20 years. A buyer under this subdivision must certify by sworn affidavit to the commissioner of the department of revenue that he meets the criteria established under section 5 of this act. No family farm security loan need be made for the deduction to be taken and the state shall incur no liability under this subdivision."

Renumber the remaining section.

Further, amend the title:

Page 1, line 6, strike "and".

Page 1, line 7, after ";;" insert "and 290.09, by adding a subdivision;"

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 34, and nays 91, as follows:

Those who voted in the affirmative were:

Albrecht	Evans	Kaley	Niehaus	Spanish
Biersdorf	Ewald	Kempe, R.	Peterson	Ulland
Carlson, A.	Fjoslien	Knickerbocker	Pleasant	White
Dean	Forsythe	Kvam	Prahl	Wieser
DeGroat	Friedrich	Laidig	Savelkoul	Wigley
Erickson	Heinitz	McCauley	Searle	Zubay
Esau	Jopp	Nelsen	Sieloff	

Those who voted in the negative were:

Abeln	Adams, L.	Anderson, G.	Anderson, I.	Arlandson
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Beauchamp	Enebo	Ketola	Norton	Skoglund
Begich	Faricy	Knoll	Novak	Smith
Berg	Fudro	Kostohryz	Osthoff	Smogard
Berglin	Fugina	Kroening	Parish	Stanton
Birnstihl	George	Langseth	Patton	Suss
Braun	Graba	Lemke	Pehler	Swanson
Brinkman	Hanson	Lindstrom	Petrafeso	Tomlinson
Byrne	Haugerud	Luther	Philbrook	Vanasek
Carlson, L.	Hokanson	Mangan	Reding	Vento
Carlson, R.	Jacobs	Mann	St. Onge	Volk
Casserly	Jaros	McCarron	Sarna	Voss
Clark	Jensen	McEachern	Schulz	Wenstrom
Clawson	Johnson, C.	Menning	Schumacher	Wenzel
Corbid	Johnson, D.	Metzen	Setzepfandt	Speaker Sabo
Dahl	Jude	Moe	Sherwood	
Dieterich	Kahn	Munger	Sieben, H.	
Eckstein	Kalis	Neisen	Sieben, M.	
Eken	Kelly, W.	Nelson	Simoneau	

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

Sarna was excused for the remainder of today's session.

Niehaus and Fjoslien moved to amend H. F. No. 1984, as amended, as follows:

Page 2, line 8, delete "*all*" and insert "*90 per cent of the*".

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 43, and nays 85, as follows:

Those who voted in the affirmative were:

Adams, S.	Evans	Kempe, R.	Peterson	Spanish
Albrecht	Ewald	Kvam	Pleasant	Ulland
Biersdorf	Fjoslien	Laidig	Prahl	Wenstrom
Carlson, A.	Forsythe	Lemke	Samuelson	Wieser
Dean	Friedrich	Luther	Savelkoul	Wigley
DeGroat	Heinitz	McCauley	Schreiber	Williamson
Eckstein	Johnson, C.	Neisen	Schumacher	Zubay
Erickson	Jopp	Nelsen	Searle	
Esau	Kaley	Niehaus	Sieloff	

Those who voted in the negative were:

Abeln	Carlson, L.	Graba	Ketola	Moe
Adams, L.	Carlson, R.	Hanson	Knoll	Munger
Anderson, G.	Casserly	Haugerud	Kostohryz	Nelson
Anderson, I.	Clark	Hokanson	Kroening	Norton
Arlandson	Clawson	Jacobs	Langseth	Novak
Beauchamp	Corbid	Jaros	Lindstrom	Osthoff
Begich	Dahl	Jensen	Mangan	Parish
Berg	Dieterich	Johnson, D.	Mann	Patton
Berglin	Eken	Jude	McCarron	Pehler
Birnstihl	Faricy	Kahn	McCollar	Petrafeso
Braun	Fudro	Kalis	McEachern	Reding
Brinkman	Fugina	Kelly, R.	Menning	Rice
Byrne	George	Kelly, W.	Metzen	St. Onge

Schulz	Sieben, M.	Smogard	Tomlinson	Voss
Setzepfandt	Simoneau	Stanton	Vanasek	Wenzel
Sherwood	Skoglund	Suss	Vento	White
Sieben, H.	Smith	Swanson	Volk	Speaker Sabo

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

Sieloff and Friedrich moved to amend H. F. No. 1984, as amended, as follows:

Page 10, line 1, after the period insert a new subdivision to read:

"Subd. 4. For purposes of determining gain on the sale or exchange of farmland under Chapter 290, there shall be added to its basis in the hands of the owner, an amount equal to 5% of the owner's original basis in such farmland for each calendar year after 1975 that the farmland is actively used for farming by the owner or his family as his primary occupation."

Renumber the remaining subdivision.

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 32, and nays 94, as follows:

Those who voted in the affirmative were:

Adams, S.	Erickson	Jopp	Nelsen	Sieloff
Albrecht	Esau	Kaley	Niehaus	Ulland
Biersdorf	Ewald	Kempe, R.	Peterson	Wigley
Carlson, A.	Fjoslien	Knickerbocker	Pleasant	Zubay
Dean	Forsythe	Kvam	Savelkoul	
DeGroat	Friedrich	Laidig	Schreiber	
Eckstein	Heinitz	McCauley	Searle	

Those who voted in the negative were:

Abeln	Clawson	Jensen	McCarron	Reding
Adams, L.	Corbid	Johnson, C.	McCollar	St. Onge
Anderson, G.	Dahl	Johnson, D.	McEachern	Samuelson
Anderson, I.	Dieterich	Jude	Menning	Schulz
Arlandson	Eken	Kahn	Metzen	Schumacher
Beauchamp	Enebo	Kalis	Moe	Setzepfandt
Begich	Evans	Kelly, W.	Munger	Sherwood
Berg	Faricy	Ketola	Neisen	Sieben, H.
Berglin	Fudro	Knoll	Norton	Sieben, M.
Birnstihl	Fugina	Kostohryz	Novak	Simoneau
Braun	George	Kroening	Osthoff	Skoglund
Brinkman	Graba	Langseth	Parish	Smith
Byrne	Hanson	Lemke	Patton	Smogard
Carlson, L.	Haugerud	Lindstrom	Pehler	Stanton
Carlson, R.	Hokanson	Luther	Petrafeso	Suss
Casserly	Jacobs	Mangan	Philbrook	Swanson
Clark	Jaros	Mann	Prahl	Tomlinson

Vanasek	Volk	Wenzel	Wieser	Speaker Sabo
Vento	Wenstrom	White	Williamson	

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

Fjoslien moved to amend H. F. No. 1984, as amended, as follows:

Page 3, line 20, after the period insert:

"The rules and regulations as promulgated by the Advisory Council shall not be put into effect until after being reviewed by a joint committee of legislative members who are owners and operators of farms and have expertise in agri-business. This joint legislative committee shall consist of 3 senators appointed by the president of the senate and 3 representatives appointed by the speaker of the house. The Advisory Council shall be subject to annual review by this legislative committee."

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 31, and nays 95, as follows:

Those who voted in the affirmative were:

Adams, S.	Evans	Kaley	Peterson	Wieser
Albrecht	Ewald	Knickerbocker	Pleasant	Wigley
Carlson, A.	Fjoslien	Kvam	Savelkoul	Zubay
Dean	Forsythe	Laidig	Schreiber	
DeGroat	Friedrich	McCauley	Searle	
Erickson	Heinitz	Neisen	Spanish	
Esau	Jopp	Niehaus	Ulland	

Those who voted in the negative were:

Abeln	Dahl	Kalis	Munger	Sieben, H.
Adams, L.	Dieterich	Kelly, R.	Neisen	Sieben, M.
Anderson, G.	Eckstein	Kelly, W.	Norton	Simoneau
Anderson, I.	Eken	Ketola	Novak	Skoglund
Arlandson	Enebo	Knoll	Osthoff	Smith
Beauchamp	Faricy	Kostohryz	Parish	Smogard
Begich	Fugina	Kroening	Patten	Stanton
Berg	George	Langseth	Pehler	Suss
Berglin	Graba	Lemke	Petraleso	Swanson
Birnstihl	Hanson	Lindstrom	Philbrook	Tomlinson
Braun	Haugerud	Luther	Prahl	Vanasek
Brinkman	Hokanson	Mangan	Reding	Vento
Byrne	Jacobs	Mann	Rice	Volk
Carlson, L.	Jaros	McCarron	St. Onge	Voss
Carlson, R.	Jensen	McCollar	Samuelson	Wenstrom
Casserly	Johnson, C.	McEachern	Schulz	Wenzel
Clark	Johnson, D.	Menning	Schumacher	White
Clawson	Jude	Metzen	Setzepfandt	Williamson
Corbid	Kahn	Moe	Sherwood	Speaker Sabo

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

Savelkoul moved to amend H. F. No. 1984, as amended, as follows:

Page 19, after line 30, add a new section as follows:

"Sec. 16. *This act shall terminate January 1, 1980 unless extended by law.*"

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 36, and nays 90, as follows:

Those who voted in the affirmative were:

Adams, S.	Evans	Kempe, R.	Peterson	Ulland
Albrecht	Ewald	Knickerbocker	Pleasant	Wieser
Biersdorf	Fjoslien	Kostohryz	Savelkoul	Wigley
Carlson, A.	Forsythe	Kvam	Schreiber	Zubay
Dean	Friedrich	Laidig	Searle	
DeGroat	Jopp	McCauley	Setzepfandt	
Erickson	Kaley	Nelsen	Sherwood	
Esau	Kempe, A.	Niehaus	Sieloff	

Those who voted in the negative were:

Abeln	Corbid	Jude	Metzen	Schumacher
Adams, L.	Dahl	Kahn	Moe	Sieben, H.
Anderson, G.	Dieterich	Kalis	Munger	Sieben, M.
Anderson, I.	Eckstein	Kelly, R.	Neisen	Simoneau
Arlandson	Eken	Kelly, W.	Nelson	Skoglund
Beauchamp	Enebo	Ketola	Norton	Smith
Begich	Faricy	Knoll	Novak	Smogard
Berg	Fugina	Kroening	Parish	Stanton
Berglin	George	Langseth	Patton	Suss
Birnstihl	Graba	Lemke	Pehler	Tomlinson
Braun	Hanson	Lindstrom	Petrafaso	Vanasek
Brinkman	Haugerud	Luther	Philbrook	Vento
Byrne	Hokanson	Mangan	Prahl	Volk
Carlson, L.	Jacobs	Mann	Reding	Voss
Carlson, R.	Jaros	McCarron	Rice	Wenstrom
Casserly	Jensen	McCollar	St. Onge	Wenzel
Clark	Johnson, C.	McEachern	Samuelson	White
Clawson	Johnson, D.	Menning	Schulz	Speaker Sabo

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

Carlson, A., moved to amend H. F. No. 1984, as amended, as follows:

Page 4, line 25, after "*Minnesota*" insert a semicolon and delete the remainder of clause (a).

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 124, and nays 3, as follows:

Those who voted in the affirmative were:

Abeln	Dieterich	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	Kroening	Pehler	Stanton
Berg	Fjoslien	Kvam	Peterson	Suss
Berglin	Forsythe	Laidig	Petrafeso	Tomlinson
Biersdorf	Friedrich	Langseth	Philbrook	Ulland
Birnstihl	Fugina	Lemke	Pleasant	Vanasek
Braun	George	Lindstrom	Prahl	Vento
Brinkman	Graba	Luther	Reding	Volk
Byrne	Hanson	Mangan	Rice	Voss
Carlson, A.	Haugerud	Mann	St. Onge	Wenstrom
Carlson, L.	Heinitz	McCarron	Samuelson	Wenzel
Carlson, R.	Hokanson	McCauley	Savelkoul	White
Casserly	Jacobs	McCollar	Schreiber	Wieser
Clark	Jensen	McEachern	Schulz	Wigley
Clawson	Johnson, C.	Menning	Schumacher	Williamson
Corbid	Jopp	Metzen	Searle	Zubay
Dean	Jude	Munger	Setzepfandt	Speaker Sabo
DeGroat	Kahn	Neisen	Sherwood	

Those who voted in the negative were:

Johnson, D. Kalis Kostohryz

The motion prevailed and the amendment was adopted.

Carlson, A. moved to amend H. F. No. 1984, as amended, as follows:

Page 3, line 24, after the word "*governor*" add the following: "*and with the advice and consent of the Senate*".

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there were yeas 31, and nays 96, as follows:

Those who voted in the affirmative were:

Adams, S.	DeGroat	Ewald	Heinitz	Knickerbocker
Albrecht	Erickson	Fjoslien	Jopp	Kvam
Carlson, A.	Esau	Forsythe	Kaley	Laidig
Dean	Evans	Friedrich	Kempe, R.	McCauley

Nelsen
Niehaus
Peterson

Pleasant
Savelkoul
Schreiber

Searle
Sieloff
Ulland

Wigley

Zubay

Those who voted in the negative were:

Abeln	Dahl	Kelly, W.	Nelson	Skoglund
Adams, L.	Dieterich	Kempe, A.	Norton	Smith
Anderson, G.	Eckstein	Ketola	Novak	Smogard
Anderson, I.	Eken	Knoll	Osthoff	Stanton
Arlandson	Enebo	Kostohryz	Parish	Suss
Beauchamp	Faricy	Kroening	Pehler	Tomlinson
Begich	Fudro	Langseth	Petraleso	Vanasek
Berg	Fugina	Lemke	Philbrook	Vento
Berglin	George	Lindstrom	Prahl	Volk
Biersdorf	Graba	Luther	Reding	Voss
Birnstihl	Hanson	Mangan	Rice	Wenstrom
Braun	Haugerud	Mann	St. Onge	Wenzel
Brinkman	Jacobs	McCarron	Samuelson	White
Byrne	Jensen	McCollar	Schulz	Wieser
Carlson, L.	Johnson, C.	McEachern	Schumacher	Williamson
Carlson, R.	Johnson, D.	Menning	Setzepfandt	Speaker Sabo
Casserly	Jude	Metzen	Sherwood	
Clark	Kahn	Moe	Sieben, H.	
Clawson	Kalis	Munger	Sieben, M.	
Corbid	Kelly, R.	Neisen	Simoneau	

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

Albrecht moved to amend H. F. No. 1984, as amended, as follows:

Page 5, line 13, after "commissioner" insert "*after approval of the council*".

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

CALL OF THE HOUSE

On the motion of Anderson, I., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeln	Brinkman	Eken	Hanson	Kelly, W.
Adams, L.	Byrne	Enebo	Haugerud	Kempe, A.
Adams, S.	Carlson, A.	Erickson	Heinitz	Kempe, R.
Albrecht	Carlson, L.	Esau	Hokanson	Ketola
Anderson, G.	Carlson, R.	Evans	Jacobs	Knickerbocker
Anderson, I.	Casserly	Ewald	Jaros	Knoll
Arlandson	Clark	Faricy	Jensen	Kostohryz
Beauchamp	Clawson	Fjoslien	Johnson, C.	Kroening
Begich	Corbid	Forsythe	Johnson, D.	Kvam
Berg	Dahl	Friedrich	Jopp	Laidig
Berglin	Dean	Fudro	Jude	Langseth
Biersdorf	DeGroat	Fugina	Kahn	Lemke
Birnstihl	Dieterich	George	Kaley	Lindstrom
Braun	Eckstein	Graba	Kalis	Luther

Mangan	Nelson	Prahl	Sieben, M.	Vento
Mann	Niehaus	Reding	Sieloff	Volk
McCarron	Norton	Rice	Simoneau	Voss
McCauley	Novak	St. Onge	Skoglund	Wenstrom
McCollar	Osthoff	Savelkoul	Smith	Wenzel
McEachern	Parish	Schreiber	Smogard	White
Menning	Patton	Schulz	Spanish	Wieser
Metzen	Pehler	Schumacher	Stanton	Wigley
Moe	Peterson	Searle	Suss	Zubay
Munger	Petrafeso	Setzepfandt	Tomlinson	Speaker Sabo
Neisen	Philbrook	Sherwood	Ulland	
Nelsen	Pleasant	Sieben, H.	Vanasek	

Anderson, I., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

H. F. No. 1984, A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money; amending Minnesota Statutes 1974, Sections 48.24, Subdivision 5; and 290.08, by adding a subdivision; Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20; and 290.09, Subdivision 4.

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 109, and nays 23, as follows:

Those who voted in the affirmative were:

Abeln	Dean	Kahn	Munger	Sieben, M.
Adams, L.	DeGroat	Kalis	Neisen	Simoneau
Anderson, G.	Dieterich	Kelly, R.	Nelsen	Skoglund
Anderson, I.	Eckstein	Kelly, W.	Nelson	Smith
Arlandson	Eken	Kempe, R.	Niehaus	Smogard
Beauchamp	Enebo	Ketola	Norton	Spanish
Begich	Esau	Knoll	Novak	Stanton
Berg	Ewald	Kostohryz	Osthoff	Suss
Berglin	Fjoslien	Kroening	Parish	Swanson
Biersdorf	Fudro	Laidig	Patton	Tomlinson
Birnstihl	Fugina	Langseth	Pehler	Ulland
Braun	George	Lemke	Petrafeso	Vanasek
Brinkman	Graba	Lindstrom	Philbrook	Vento
Byrne	Hanson	Luther	Reding	Volk
Carlson, A.	Haugerud	Mangan	Rice	Voss
Carlson, L.	Hokanson	Mann	St. Onge	Wenstrom
Carlson, R.	Jacobs	McCarron	Samuelson	Wenzel
Cassery	Jaros	McCollar	Schulz	White
Clark	Jensen	McEachern	Schumacher	Wieser
Clawson	Johnson, C.	Menning	Setzepfandt	Williamson
Corbid	Johnson, D.	Metzen	Sherwood	Speaker Sabo
Dahl	Jude	Moe	Sieben, H.	

Those who voted in the negative were:

Adams, S.	Erickson	Faricy	Friedrich	Jopp
Albrecht	Evans	Forsythe	Heinitz	Kaley

Kempe, A.	McCauley	Prahl	Searle	Zubay
Knickerbocker	Peterson	Savelkoul	Sieloff	
Kvam	Pleasant	Schreiber	Wigley	

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

H. F. No. 1985, A bill for an act relating to appropriations; appropriating funds for seminars for local governmental officials.

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 126, and nays 2, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Albrecht Kvam

The bill was passed and its title agreed to.

SPECIAL ORDERS

S. F. No. 2033 was reported to the House.

McEachern moved to amend S. F. No. 2033, as follows:

Page 2, after line 10, insert:

"Sec. 2. Laws 1976, Chapter 44, Section 19, is amended to read:

[410.015] [DEFINITIONS RELATING TO CITIES.] The term "statutory city" means any city which has not adopted a home rule charter pursuant to the constitution and laws; the words "home rule charter city" mean any city which has adopted such a charter. In any law adopted after July 1, (1975) 1976, the word "city" when used without further description extending the application of the term to home rule charter cities means statutory cities only."

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 2, strike "temporary investment" and insert "clarifying the application of certain laws to certain municipalities; authorizing certain investments".

Page 1, line 3, strike "of surplus funds".

Page 1, line 4, after "471.561" by inserting "and Laws 1976, Chapter 44, Section 19".

The motion prevailed and the amendment was adopted.

Skoglund moved to amend S. F. No. 2033, as amended, as follows:

Page 2, after line 10, insert a new section to read:

"Sec. 2. Minnesota Statutes 1974, Section 471.616, Subdivision 1, is amended to read:

471.616 [GROUP INSURANCE; GOVERNMENTAL UNITS.] Subdivision 1. [BIDDING REQUIRED.] No governmental subdivision, political subdivision, or any other body corporate and politic authorized by law to purchase group insurance for its employees and providing or intending to provide such group insurance protections and benefits for 25 or more of its employees shall enter into a contract for or renew any such group insurance policy or contract without calling for bids and awarding the contract to the lowest responsible bidder by way of competitive bidding procedure similar to those for the provision of services and supplies under Minnesota Statutes 1971, Section 16.07. The aggregate value of benefits provided by a contract entered into after July 1, 1973 shall not be less than those provided by the preexisting contract.

Provided, however, that no such contract need be awarded or submitted or resubmitted to bid more frequently than once every (60) 48 months, unless

((A) PURSUANT TO A CHANGE IN BENEFITS OR PROTECTIONS UNDER THE POLICY, CONTRACT OR PRO-

GRAM, A 10 TO 20 PERCENT CHANGE IN THE ORIGINAL PREMIUM UNDER THE POLICY CONTRACT IS PROVIDED, REQUIRED OR INDICATED, OR)

((B)) for any reason whatsoever, a (20) 50 percent or greater change in the original premium under the policy contract is provided, required or indicated.

When an insurer proposes an increase in rates (OF 20 PERCENT OR MORE), it shall accompany its proposal with (A) *an aggregate claims (LISTING) record* for the appropriate period that explains the proposed increase. When a contract is resubmitted for bids (BECAUSE OF A PROPOSED INCREASE IN RATES OF 20 PERCENT OR MORE) the *aggregate claims (LISTING) record* shall accompany the specifications for the contract."

Renumber Sections in sequence.

Amend the title in line 3 after "funds;" by inserting "bidding for certain government insurance contracts;" and after "amending" by inserting "Minnesota Statutes 1974, Section 471.616, Subdivision 1;".

Vento moved to amend the Skoglund amendment to S. F. No. 2033, as follows:

Line 17, strike "60" and insert "48".

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

The question recurred on the Skoglund amendment as amended. The motion prevailed and the Skoglund amendment, as amended, was adopted.

S. F. No. 2033, A bill for an act relating to municipalities; temporary investment of surplus funds; amending Minnesota Statutes, 1975 Supplement, Section 471.561.

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 126; and nays 2, as follows:

Those who voted in the affirmative were:

Abeln	Anderson, I.	Berg	Braun	Carlson, L.
Adams, L.	Arlandson	Berglin	Brinkman	Carlson, R.
Adams, S.	Beauchamp	Biersdorf	Byrne	Casserly
Anderson, G.	Begich	Birnstihl	Carlson, A.	Clark

Clawson	Hokanson	Lemke	Peterson	Spanish
Corbid	Jacobs	Lindstrom	Petraleso	Stanton
Dahl	Jaros	Luther	Philbrook	Suss
Dean	Jensen	Mangan	Pleasant	Swanson
DeGroat	Johnson, C.	Mann	Prahl	Tomlinson
Eckstein	Johnson, D.	McCarron	Reding	Ulland
Eken	Jopp	McCauley	St. Onge	Vanasek
Enebo	Jude	McCollar	Samuelson	Vento
Esau	Kahn	McEachern	Savelkoul	Volk
Evans	Kaley	Menning	Schreiber	Voss
Ewald	Kalis	Metzen	Schulz	Wenstrom
Faricy	Kelly, R.	Moe	Schumacher	Wenzel
Fjoslien	Kelly, W.	Munger	Searle	White
Forsythe	Kempe, A.	Neisen	Setzepfandt	Wieser
Friedrich	Kempe, R.	Nelsen	Sherwood	Wigley
Fudro	Ketola	Nelson	Sieben, H.	Williamson
Fugina	Knickerbocker	Niehaus	Sieben, M.	Zubay
George	Knoll	Norton	Sieloff	Speaker Sabo
Graba	Kostohryz	Novak	Simoneau	
Hanson	Kroening	Parish	Skoglund	
Haugerud	Kvam	Patton	Smith	
Heinitz	Laidig	Pehler	Smogard	

Those who voted in the negative were:

Dieterich Rice

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

S. F. No. 1920, A bill for an act relating to juvenile courts; requiring written findings of fact for all dispositions of delinquent, dependent, and neglected children; amending Minnesota Statutes 1974, Sections 260.185, Subdivision 1; and 260.191, 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 125, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Clark	George	Kempe, R.	Munger
Adams, L.	Clawson	Graba	Ketola	Neisen
Adams, S.	Corbid	Hanson	Knickerbocker	Nelsen
Albrecht	Dahl	Haugerud	Knoll	Nelson
Anderson, G.	Dean	Heinitz	Kostohryz	Niehaus
Anderson, I.	DeGroat	Hokanson	Kroening	Norton
Arlandson	Dieterich	Jacobs	Kvam	Novak
Beauchamp	Eckstein	Jaros	Laidig	Osthoff
Begich	Eken	Jensen	Lemke	Parish
Berg	Enebo	Johnson, C.	Luther	Patton
Berglin	Esau	Johnson, D.	Mangan	Pehler
Birnstihl	Evans	Jopp	Mann	Peterson
Braun	Ewald	Jude	McCarron	Petraleso
Brinkman	Faricy	Kahn	McCauley	Philbrook
Byrne	Fjoslien	Kaley	McCollar	Pleasant
Carlson, A.	Forsythe	Kalis	McEachern	Prahl
Carlson, L.	Friedrich	Kelly, R.	Menning	Reding
Carlson, R.	Fudro	Kelly, W.	Metzen	Rice
Casserly	Fugina	Kempe, A.	Moe	St. Onge

Samuelson	Sieben, H.	Smogard	Vanasek	White
Schulz	Sieben, M.	Spanish	Vento	Wieser
Schumacher	Sieloff	Stanton	Volk	Wigley
Searle	Simoneau	Swanson	Voss	Williamson
Setzepfandt	Skoglund	Tomlinson	Wenstrom	Zubay
Sherwood	Smith	Ulland	Wenzel	Speaker Sabo

The bill was passed and its title agreed to.

CALL OF THE HOUSE LIFTED

Carlson, A., moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

S. F. No. 357 was reported to the House.

Beauchamp moved to amend S. F. No. 357, the unofficial engrossment, as follows:

Page 1, line 22, delete "*In electing regents pursuant to this*".

Page 1, delete line 23.

Page 2, delete lines 1 to 3.

The motion prevailed and the amendment was adopted.

S. F. No. 357, A bill for an act relating to the university of Minnesota board of regents; providing for student or recent graduate members; amending Minnesota Statutes 1974, Chapter 137, by adding a section.

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 81, and nays 47, as follows:

Those who voted in the affirmative were:

Abeln	Clawson	Johnson, D.	McCauley	Savelkoul
Adams, L.	Dahl	Jude	McCollar	Schulz
Anderson, I.	Dieterich	Kahn	Metzen	Schumacher
Arlandson	Enebo	Kalis	Moe	Sieben, H.
Beauchamp	Evans	Kelly, R.	Munger	Sieben, M.
Begich	Faricy	Kelly, W.	Neisen	Simoneau
Berglin	Forsythe	Kempe, A.	Nelson	Skoglund
Biersdorf	Fudro	Kempe, R.	Norton	Smogard
Braun	Fugina	Knoll	Novak	Suss
Byrne	George	Kostohryz	Parish	Stanton
Carlson, A.	Graba	Kroening	Pehler	Suss
Carlson, L.	Hanson	Laidig	Philbrook	Tomlinson
Carlson, R.	Jacobs	Luther	Prahl	Ulland
Casserly	Jaros	Mangan	Reding	Vanasek
Clark	Jensen	McCarron	Rice	Vento

Voss Wenzel White Williamson Speaker Sabo
Wenstrom

Those who voted in the negative were:

Adams, S.	Eken	Jopp	Menning	Setzepfandt
Albrecht	Erickson	Kaley	Nelsen	Sieloff
Anderson, G.	Esau	Ketola	Niehaus	Smith
Berg	Ewald	Knickerbocker	Osthoff	Swanson
Birnstihl	Fjoslien	Kvam	Peterson	Wieser
Brinkman	Friedrich	Langseth	Petrafeso	Wigley
Corbid	Haugerud	Lemke	Pleasant	Zubay
Dean	Heinitz	Lindstrom	St. Onge	
DeGroat	Hokanson	Mann	Samuelson	
Eckstein	Johnson, C.	McEachern	Searle	

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

S. F. No. 1874, A bill for an act relating to mortgages; legalizing certain foreclosure sales heretofore made and the records of the mortgage foreclosure proceedings.

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 130, and nays 0, as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 2318, A bill for an act relating to highways; providing for the construction and maintenance of acoustical barriers along the perimeter of certain trunk highways; amending Minnesota Statutes, 1975 Supplement, Section 161.125.

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 77, and nays 50, as follows:

Those who voted in the affirmative were:

Abeln	Eckstein	Ketola	Norton	Simoneau
Adams, L.	Enebo	Knickerbocker	Novak	Skoglund
Anderson, I.	Fjoslien	Knoll	Parish	Smith
Arlandson	Forsythe	Kroening	Patton	Spanish
Beauchamp	Fudro	Lemke	Pehler	Stanton
Berg	Fugina	Mangan	Petrafeso	Tomlinson
Berglin	Graba	Mann	Philbrook	Vento
Birnstihl	Haugerud	McCarron	Pleasant	Voss
Brinkman	Hokanson	McCollar	Prahl	Wenstrom
Byrne	Jacobs	McEachern	Reding	Wenzel
Carlson, L.	Jaros	Metzen	St. Onge	White
Carlson, R.	Jensen	Moe	Schreiber	Williamson
Casserly	Johnson, D.	Munger	Schumacher	Speaker Sabo
Clark	Jude	Neisen	Sherwood	
Clawson	Kahn	Nelsen	Sieben, H.	
Dahl	Kelly, W.	Nelson	Sieben, M.	

Those who voted in the negative were:

Adams, S.	Dieterich	Heinitz	Laidig	Setzepfandt
Albrecht	Eken	Johnson, C.	Langseth	Sieloff
Anderson, G.	Erickson	Jopp	Luther	Smogard
Begich	Esau	Kaley	McCauley	Suss
Biersdorf	Evans	Kalis	Menning	Swanson
Braun	Ewald	Kelly, R.	Niehaus	Ulland
Carlson, A.	Fariacy	Kempe, A.	Osthoff	Vanasek
Corbid	Friedrich	Kempe, R.	Peterson	Wieser
Dean	George	Kostohryz	Savelkoul	Wigley
DeGroat	Hanson	Kvam	Searle	Zubay

The bill was passed and its title agreed to.

Tomlinson was excused for the remainder of today's session.

S. F. No. 1296 was reported to the House.

Vento moved to amend S. F. No. 1296, the unofficial engrossment, as follows:

Page 1, line 23, after "a" insert "*Minnesota*" and after "*resident*" delete "*of*" and insert "*employed within*".

Page 3, line 11, delete "*optional group*" and insert "*post termination*".

Page 3, line 12, after "policy" insert "or group subscriber contract".

Page 3, line 15, after "insurance" and before "providing" insert "or an individual subscriber contract" and after "providing" delete "insurance".

Page 3, line 16, before "which" delete "protection" and insert "coverage" and after "is" delete "substantially the same as" and insert "similar to or greater than" and after "the" and before "protection" insert "hospital or medical expense".

Page 3, line 18, after "policy" and before the period insert "or contract".

Page 3, after line 20, insert the following:

"The individual policy shall be guaranteed renewable to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual policy shall apply to the covered person's original age at entry, and shall apply equally to all similar policies issued by the insurer."

The motion prevailed and the amendment was adopted.

Anderson, G., moved to amend S. F. No. 1296, the unofficial engrossment, as amended, as follows:

Page 3, line 10, after "employee" insert "or surviving spouse or dependent".

Page 3, line 13, after "employee's" insert ", spouse's or dependent's".

Page 3, line 17, after "employee" insert ", the spouse".

Page 3, line 19, after "employee" insert ", the spouse or a dependent".

The motion prevailed and the amendment was adopted.

S. F. No. 1296, A bill for an act relating to insurance; making more certain which group insurance policies and subscriber contracts are required to provide insurance coverage to employees after termination of employment; extending the period for certain notices to terminated employees; requiring certain group insurance policies to provide for optional conversion to an individual policy after group coverage terminates; amending Minnesota Statutes 1974, Sections 62A.16; and 62A.17, Subdivisions 2 and 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 123, and nays 0, as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1792, A bill for an act relating to the registration of title to real estate; fees of the registrar; providing that certain fees be credited to the assurance fund; eliminating the fees for filing the certified copy of the application for registration; amending Minnesota Statutes 1974, Sections 508.75 and 508.82.

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 126, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Berglin	Clark	Erickson	George
Adams, L.	Biersdorf	Clawson	Esau	Hanson
Adams, S.	Birnstihl	Corbid	Evans	Haugerud
Albrecht	Braun	Dahl	Ewald	Heinitz
Anderson, G.	Brinkman	Dean	Faricy	Hokanson
Anderson, I.	Byrne	DeGroat	Fjoslien	Jacobs
Arlandson	Carlson, A.	Dieterich	Forsythe	Jaros
Beauchamp	Carlson, L.	Eckstein	Friedrich	Jensen
Begich	Carlson, R.	Eken	Fudro	Johnson, D.
Berg	Casserly	Enebo	Fugina	Jopp

Jude	Lindstrom	Norton	Schreiber	Ulland
Kahn	Luther	Novak	Schulz	Vanasek
Kaley	Mangan	Osthoff	Schumacher	Vento
Kalis	Mann	Parish	Searle	Voss
Kelly, R.	McCarron	Patton	Setzepfandt	Wenstrom
Kelly, W.	McCauley	Pehler	Sherwood	Wenzel
Kempe, A.	McCollar	Peterson	Sieben, H.	White
Kempe, R.	McEachern	Petrafeso	Sieben, M.	Wieser
Ketola	Menning	Philbrook	Sieloff	Wigley
Knickerbocker	Metzen	Pleasant	Simoneau	Williamson
Knoll	Moe	Prahl	Skoglund	Zubay
Kostohryz	Munger	Reding	Smogard	Speaker Sabo
Kroening	Neisen	Rice	Spanish	
Kvam	Nelsen	St. Onge	Stanton	
Laidig	Nelson	Samuelson	Suss	
Lemke	Niehaus	Savelkoul	Swanson	

The bill was passed and its title agreed to.

S. F. No. 1740, A bill for an act relating to counties; authorizing county boards to establish personnel departments; providing for county personnel administration on an integrated, merit basis.

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 126, and nays 0, as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 454, A bill for an act relating to intoxicating liquor; licensing of bottle clubs; amending Minnesota Statutes 1974, Section 340.119, 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 122, and nays 1, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Corbid

The bill was passed and its title agreed to.

S. F. No. 1976 was reported to the House.

Luther moved to amend S. F. No. 1976, as amended by the Committee on Governmental Operations and adopted March 17, 1976, which was unofficially engrossed and reprinted for the house, as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1974, Section 176.061, Subdivision 3, is amended to read:

Subd. 3. [ELECTION TO RECEIVE COMPENSATION FROM EMPLOYER; SUBROGATION.] If the employee or his dependents elect to receive compensation from the employer, such employer is subrogated to the right of the employee or his dependents to recover damages against the other party. The employer may bring legal proceedings against such party and recover the aggregate amount of compensation payable by him to the employee or his dependents, together with the costs, disbursements, and reasonable attorney's fees of the action.

If an action as provided in chapter 176 prosecuted by the employee, the employer, or both jointly against the third person, results in judgment against the third person, or settlement by the third person, the employer shall have no liability to reimburse or hold the third person harmless on the judgment or settlement in absence of a written agreement to do so executed prior to the injury."

Renumber the remaining section.

Page 2, after line 12, insert:

"Sec. 3. Minnesota Statutes 1974, Section 176.061, Subdivision 10, is repealed.

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

Further, amend the title as follows:

Page 1, line 3, after "of" insert "liability and".

Page 1, line 6, delete "Subdivision" and insert "Subdivisions 3 and" and after "6" insert "; repealing Minnesota Statutes 1974, Section 176.061, Subdivision 10".

The motion prevailed and the amendment was adopted.

S. F. No. 1976, A bill for an act relating to workmen's compensation; providing for third party liability; amending Minnesota Statutes 1974, Section 176.061, Subdivision 3; repealing Minnesota Statutes 1974, Section 176.061, Subdivision 10.

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 128, and nays 0, as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1051 was reported to the House.

Haugerud moved to amend S. F. No. 1051, as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1974, Section 481.11, is amended to read:

481.11 [CHANGE OF ATTORNEY.] The attorney in an action or proceeding may be changed at any time (UPON HIS CONSENT, OR, BY ORDER OF THE COURT, UPON THE APPLICATION OF THE CLIENT FOR CAUSE, BUT NO CHANGE CAN BE MADE ON APPLICATION OF THE CLIENT UNLESS THE CHARGES OF THE ATTORNEY BE PAID). When such change is made, written notice of the substitution of a new attorney shall be given to adverse parties; until such notice, they shall recognize the former attorney."

Renumber the remaining section.

Amend the title in line 4, after "Section" insert "481.11; and Section".

POINT OF ORDER

Sieloff raised a point of order pursuant to Rule 3.9 that the Haugerud amendment was out of order. The Speaker ruled the point of order not well taken and the amendment in order.

The question recurred on the Haugerud amendment. The motion prevailed and the amendment was adopted.

S. F. No. 1051, A bill for an act relating to attorneys; providing for investigation of accusations against attorneys; amending Minnesota Statutes 1974, Section 481.15, 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 126, and nays 0, as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1973, A bill for an act relating to courts; time limitations on actions when party is outside the state; amending Minnesota Statutes 1974, Section 541.13.

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

The bill was passed and its title agreed to.

S. F. No. 1039 was reported to the House.

Voss moved to amend S. F. No. 1039, as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 389, is amended by adding a section to read:

[389.08] [APPROVAL OF PLATS AND SURVEYS IN CERTAIN COUNTIES.] *In any county in which there is a county surveyor and the surveyor maintains an office on a full time basis in a building maintained by the county for county purposes, the county board may by ordinance adopted in accordance with section 375.51 require that each subdivision plat or registered land survey plat shall be approved by the county surveyor before recording. The proprietor of the plat shall be charged a fee for the service in accordance with a schedule established by the board of commissioners of the county."*

Further, amend the title as follows:

Delete lines 2 to 4 and insert "relating to certain counties; providing for the approval of plats and surveys by the county sur-

veyor; providing for a fee; amending Minnesota Statutes 1974, Chapter 389, by adding a section."

The motion prevailed and the amendment was adopted.

S. F. No. 1039, A bill for an act relating to plats and surveys in Olmsted county; providing for approval by the county surveyor and providing for a fee.

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 126, and nays 0, as follows:

Those who voted in the affirmative were:

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

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

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Norton from the Committee on Appropriations to which was referred:

H. F. No. 2262, A bill for an act relating to education; reading program; appropriating money.

Reported the same back with the following amendments:

Page 1, delete lines 14 to 22.

Page 2, delete lines 1 to 4.

With the recommendation that when so amended the bill do pass.

The report was adopted.

Norton from the Committee on Appropriations to which was referred:

H. F. No. 2547, A bill for an act relating to outdoor recreation; creating the citizen's advisory sportsmen's council on Minnesota's outdoor recreational resources; prescribing its powers and duties; providing for a surcharge on fish and game licenses to fund the council.

Reported the same back with the following amendments:

Page 1, line 17, after "members" insert "who are members in good standing of local, community based sportsmen conservationist organizations in Minnesota".

Page 1, line 24, after "member" insert "in good standing".

Page 2, line 4, before the period add "all of whose terms shall commence on September 1 in the year of appointment".

Page 2, delete lines 9 to 14.

Page 2, line 22, after the period insert "He shall maintain a directory of all sportsmen conservationist organizations in Minnesota."

Page 2, line 32, delete "made available to the council to pay its".

Page 3, delete line 1 and insert "deposited to the game and fish fund. From this fund an appropriation of \$60,000 shall be made for the operations of this council. This appropriation shall be available until June 30, 1977."

Further amend the title.

Line 7, before the period add "; appropriating money".

With the recommendation that when so amended the bill do pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2262 and 2547 were read for the second time.

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. 2678, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature; authorizing issuance of state building bonds; appropriating money; amending Minnesota Statutes 1974, Sections 16.16, Subdivision 2; 16A.28; 137.02, Subdivision 3; repealing Laws 1973, Chapter 778, Section 20.

PATRICK E. FLAHAVEN, Secretary of the Senate

Norton moved that the House refuse to concur in the Senate amendments to H. F. No. 2678, that the Speaker appoint a Conference Committee of 5 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. 2677, A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings; appropriating money.

PATRICK E. FLAHAVEN, Secretary of the Senate

Norton moved that the House refuse to concur in the Senate amendments to H. F. No. 2677, that the Speaker appoint a Conference Committee of 5 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.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the Conference Committee on H. F. No. 2677:

Norton, Smith, Haugerud, Samuelson and Searle.

The Speaker announced the appointment of the following members of the House to the Conference Committee on H. F. No. 2678:

Norton, Smith, Haugerud, Samuelson and Searle.

GENERAL ORDERS

There being no objection, the bills on General Orders for today were continued on General Orders until Tuesday, March 23, 1976.

MOTIONS AND RESOLUTIONS

Anderson, I., moved that the following bills be unofficially engrossed and printed for the House to include committee amendments.

S. F. Nos. 2078 and 60.

The motion prevailed.

Menning moved that H. F. No. 1057 be recalled from the Senate for further consideration by the House. The motion prevailed.

Savelkoul moved that S. F. No. 2241, be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Appropriations.

The motion prevailed.

Dahl moved that S. F. No. 1956 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Appropriations.

The motion prevailed.

Savelkoul moved that H. F. No. 2672 be recalled from the Committee on General Legislation and Veterans Affairs and be re-referred to the Committee on Rules and Legislative Administration.

The motion prevailed.

ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 11:00 a.m., Tuesday, March 23, 1976. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed and the Speaker declared the House adjourned until 11:00 a.m., Tuesday, March 23, 1976.

EDWARD A. BURDICK, Chief Clerk, House of Representatives