

STATE OF MINNESOTA

SIXTY-NINTH SESSION - 1976

ONE HUNDRED-FIFTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, APRIL 3, 1976

The House convened at 10:00 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	Dieterich	Jopp	Munger	Setzepfandt
Adams, L.	Doty	Jude	Neisen	Sieben, H.
Adams, S.	Eckstein	Kahn	Nelsen	Sieben, M.
Albrecht	Eken	Kaley	Nelson	Sieloff
Anderson, G.	Enebo	Kalis	Niehaus	Smith
Anderson, I.	Erickson	Kelly, R.	Norton	Smogard
Arlandson	Esau	Kelly, W.	Novak	Spanish
Beauchamp	Evans	Kempe, A.	Osthoff	Stanton
Begich	Ewald	Kempe, R.	Parish	Suss
Berg	Faricy	Ketola	Patton	Swanson
Berglin	Fjoslien	Knickerbocker	Pehler	Tomlinson
Biersdorf	Forsythe	Kostohryz	Peterson	Ulland
Birnstihl	Friedrich	Kvam	Petraseso	Vanasek
Braun	Fudro	Laidig	Philbrook	Vento
Brinkman	Fugina	Langseth	Pleasant	Voss
Byrne	George	Lemke	Prahl	Wenstrom
Carlson, A.	Graba	Lindstrom	Reding	Wenzel
Carlson, L.	Hanson	Luther	Rice	White
Carlson, R.	Haugerud	Mangan	St. Onge	Wieser
Cassery	Heinitz	Mann	Samuelson	Wigley
Clark	Hokanson	McCauley	Sarna	Williamson
Clawson	Jacobs	McCollar	Savelkoul	Zubay
Corbid	Jaros	McEachern	Schreiber	Speaker Sabo
Dahl	Jensen	Menning	Schulz	
Dean	Johnson, C.	Metzen	Schumacher	
DeGroat	Johnson, D.	Moe	Searle	

A quorum was present.

Kroening, McCarron, Sherwood, Simoneau and Volk were excused. Knoll and Skoglund were excused until 11:50 a.m.

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

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. No. 633 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

April 2, 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. 290, An act relating to sex discrimination; abolishing discrimination on the basis of sex in certain insurance laws.

H. F. No. 435, An act relating to the city of Two Harbors in Lake county and the city of Eveleth in St. Louis county; 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.

H. F. No. 718, An act relating to forcible entry and unlawful detainer; providing for stay of writ of restitution.

H. F. No. 910, An act relating to crimes; specifying the acts constituting arson and the possession of certain explosives; correcting an error in the definition of certain criminal sexual conduct; providing penalties.

H. F. No. 1199, An act relating to treatment for alcohol and drug abuse; providing for programs of intervention and treatment for employees, native Americans, and underserved groups.

H. F. No. 1372, An act relating to waters and drainage; drainage systems; authorizing reconsideration of engineers' and viewers' reports in certain instances; allowing consideration of changed circumstances due to inflation.

H. F. No. 1530, An act relating to land planning in the metropolitan area; requiring local adoption of minimum plans and controls.

H. F. No. 1751, An act relating to game and fish; authorizing use of muzzle loading muskets to take game; regulating the shining of wild animals.

H. F. No. 1870, An act relating to public employees; administrative expenses of salary deductions for annuity contracts.

H. F. No. 2155, An act relating to retirement; proportionate annuities for members of various funds; classification and allowances of Minneapolis city employees.

H. F. No. 2157, An act relating to public welfare; providing for administrative and judicial review of certain actions and decisions of local welfare agencies.

H. F. No. 2201, An act relating to the state planning agency; providing additional responsibilities for the state demographer.

H. F. No. 2263, An act relating to game and fish; clothing required during certain seasons.

Sincerely,

WENDELL R. ANDERSON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 2, 1976

The Honorable Martin O. Sabo
Speaker of the House of Representatives
The Honorable Alec G. Olson
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1976	Date Filed 1976
	595	95	March 31	April 1

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1976</i>	<i>Date Filed 1976</i>
	1957	96	April 1	April 1
	1963	97	March 31	April 1
	1966	98	March 31	April 1
	2010	99	March 31	April 1
	2090	100	March 31	April 1
	2216	101	March 31	April 1
	2244	102	March 31	April 1
	2326	103	March 31	April 1
	2463	104	March 31	April 1
749		105	March 31	April 1
916		106	March 31	April 1
932		107	April 1	April 1
1273		108	April 1	April 1
1624		109	April 1	April 1
1627		110	April 1	April 1
1636		111	April 1	April 1
1825		112	March 31	April 1
1868		113	April 1	April 1
2030		114	April 1	April 1
2155		115	April 1	April 1
2161		116	March 31	April 1
2173		117	April 1	April 1
2174		118	March 31	April 1

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1976	Date Filed 1976
2284		119	April 1	April 1

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 109

A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall serve at the pleasure of the governor; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 16.01; 16A.01, Subdivision 2; 17.01; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 161.03, Subdivision 1; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivision 1; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1.

March 29, 1976

The Honorable Martin O. Sabo
Speaker of the House of Representatives
The Honorable Alec G. Olson
President of the Senate

We, the undersigned conferees for H. F. No. 109 report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 109, be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 15.06, is amended to read:

15.06 [APPOINTMENT OF DEPARTMENT HEADS; TERMS, DEPUTIES.] *Subdivision 1. [APPLICABILITY.] This section applies to the following departments or agencies: the departments of administration, aeronautics, agriculture, corrections, economic development, education, employment services, finance, health, highways, human rights, labor and industry, natural resources, personnel, public safety, public welfare, revenue, and veterans affairs; the banking, insurance and securities divi-*

sions and the consumer services section of the department of commerce; the energy, housing finance and pollution control agencies; the office of director of the department of public service; the office of commissioner of iron range resources and rehabilitation; and the bureau of mediation services. The heads of the foregoing departments or agencies are referred to in this section as "commissioners".

Subd. 2. [ASSUMPTION OF OFFICE.] *The appointing authority shall submit to the president of the senate the name of an appointee as commissioner within 90 days after the end of the term of a commissioner as defined in subdivision 3 and within 90 days after the occurrence of a vacancy. The commissioner shall take office when the senate notifies the appointing authority that it has advised and consented to the appointment. Prior to the advice and consent of the senate, the appointing authority may designate the appointee as "acting commissioner", and upon this designation the appointee shall immediately have all the powers and emoluments and perform all the duties of the office. No person shall serve as acting commissioner after the senate has voted to refuse to advise and consent to his appointment.*

Subd. 3. [TERM.] *The term of a commissioner shall end with the term of the governor. Other than the commissioner of personnel a commissioner shall serve at the pleasure of the appointing authority.*

Subd. 4. [END OF TERM; VACANCY; ACTING COMMISSIONER.] *At the end of the term of a commissioner, the incumbent commissioner may at the discretion of the appointing authority serve as acting commissioner until his successor is appointed and qualifies. If at the end of a term of a commissioner the incumbent commissioner is not designated as acting commissioner, or if a vacancy occurs in the office of a commissioner, the deputy commissioner as defined in subdivision 6 shall immediately become temporary commissioner without further official action. If there is more than one deputy commissioner, the appointing authority of the commissioner shall designate which of the deputies shall be temporary commissioner. If there is no deputy commissioner, the appointing authority of the commissioner shall designate an acting commissioner. Upon the appointment of a commissioner and the designation of the appointee as acting commissioner, the appointee shall immediately take the place of any other acting or temporary commissioner. Notice of the designation of an acting commissioner or assumption of office by a temporary commissioner shall be filed with the president of the senate with a copy delivered to the secretary of state.*

Subd. 5. [GENERAL POWERS OF COMMISSIONERS.] *Except as otherwise expressly provided by law, (THE) a commissioner (OR HEAD OF ANY STATE DEPARTMENT OR AGENCY) shall have the following powers:*

((I) TO DESIGNATE A DIVISION DIRECTOR OR OTHER SUBORDINATE AS HIS DEPUTY TO SERVE AS SUCH AT HIS PLEASURE, WITH FULL AUTHORITY TO ACT FOR

HIM, BUT SUBJECT TO HIS CONTROL; AND IN CASE OF A VACANCY IN THE OFFICE OF SUCH COMMISSIONER OR HEAD, SUCH DEPUTY SHALL DISCHARGE THE NECESSARY DUTIES OF THE OFFICE UNTIL THE VACANCY BE FILLED;)

((2)) (1) To delegate to any of his subordinate (OFFICERS OR) employees the exercise (OF SUCH) of his *specified statutory* powers or duties as he may deem advisable, subject to his control; provided, that every (SUCH) delegation shall be made by written order, filed with the secretary of state; *and further provided that only a deputy commissioner may have all the powers or duties of the commissioner;*

((3)) (2) To appoint all subordinate (OFFICERS AND) employees (IN HIS DEPARTMENT OR AGENCY) and to prescribe their duties (AND FIX THEIR COMPENSATION); provided, that all departments and agencies (HEREUNDER) shall be subject to the provisions of (ANY CIVIL SERVICE LAW NOW OR HEREAFTER ENACTED, SO FAR AS APPLICABLE) *chapter 43;*

((4)) (3) With the approval of the commissioner of administration, to (ESTABLISH WITHIN) *organize* his department or agency (SUCH BUREAUS OR SUBDIVISIONS) as he may deem advisable in the interest of economy and efficiency; and

((5)) (4) To prescribe (RULES AND REGULATIONS, NOT INCONSISTENT WITH LAW,) *procedures* for the (CONDUCT) *internal management* of his department or agency (AND OTHER MATTERS WITHIN THE SCOPE OF THE FUNCTIONS THEREOF, INCLUDING THE CUSTODY AND PRESERVATION OF BOOKS, RECORDS, PAPERS, DOCUMENTS, AND OTHER PROPERTY, AND THE CERTIFICATION OF COPIES OF PAPERS AND DOCUMENTS; PROVIDED, THAT EVERY RULE OR REGULATION AFFECTING ANY PERSON OR AGENCY, OTHER THAN A MEMBER OF THE DEPARTMENT OR AGENCY CONCERNED, SHALL BE FILED WITH THE SECRETARY OF STATE) *to the extent that the procedures do not directly affect the rights of or procedure available to the public.*

Subd. 6. [DEPUTY COMMISSIONER.] *For purposes of this section, a "deputy commissioner" shall also include a "deputy director" when the department head bears the title "director". A deputy commissioner of a department or agency specified in subdivision 1 shall be in the unclassified civil service and shall be immediately subordinate to the commissioner. He shall have all the powers and authority of the commissioner unless the commissioner directs otherwise, and he shall speak for the commissioner within and without the department or agency. The primary duty of a deputy shall be to assist the commissioner in the general management of the entire department or agency or of major parts thereof, and shall not consist of operating single functional areas. A deputy commissioner serves at the pleasure of the commissioner.*

Subd. 7. [NUMBER OF DEPUTY COMMISSIONERS.] *Unless specifically prescribed by statute, or unless a deputy commissioner position has been authorized and approved pursuant to section 43.09, subdivision 2a, prior to the effective date of this act, no department or agency specified in subdivision 1 shall have more than one deputy commissioner. Notwithstanding any other law to the contrary, none of the departments or agencies shall have more than two deputy commissioners.*

Subd. 8. [PRIVATE EMPLOYMENT.] *No commissioner or deputy commissioner shall, within one year after leaving his position as commissioner or deputy commissioner, accept private employment in a matter in which he had substantial responsibility during his preceding two years as a state employee.*

Sec. 2. [4.035] [EXECUTIVE ORDERS.] **Subdivision 1. [APPLICABILITY.]** *A written statement or order executed by the governor pursuant to his constitutional or statutory authority and denominated by him as an executive order, or a statement or order of the governor required by law to be in the form of an executive order, shall be uniform in format, shall be numbered consecutively, and shall be effective and expire as provided in this section. Executive orders creating agencies shall be consistent with the provisions of this section and section 5.*

Subd. 2. [EFFECTIVE DATE.] *An executive order issued pursuant to sections 12.31 to 12.32 or any other emergency executive order issued to protect a person from an imminent threat to his health and safety shall be effective immediately and shall be filed with the secretary of state and published in the state register as soon as possible after its issuance. Emergency executive orders shall be identified as such in the order. Any other executive order shall be effective, and shall be filed with the secretary of state, 15 days after its publication in the state register. The governor shall submit a copy of the executive order to the commissioner of administration to facilitate publication in the state register.*

Subd. 3. [EXPIRATION DATE.] *Unless an earlier date is specified by statute or by executive order, an executive order shall expire 30 days after the date that the governor who issued the order vacates his office.*

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 15.051, Subdivision 1, is amended to read:

15.051 [STATE REGISTER.] **Subdivision 1. [PURPOSE.]** *The commissioner of administration shall publish a state register containing all notices for hearings concerning rules, giving time, place and purpose of the hearing and the full text of the action being proposed. Further, the register shall contain all rules, amendments, suspensions, or repeals thereof, pursuant to the provisions of this chapter. The commissioner shall further pub-*

lish any executive order issued by the governor which shall be come effective (UPON SUCH) *15 days after publication except as provided in section 2, subdivision 2.* The commissioner shall further publish any official notices in the register which a state agency requests him to publish. Such notices shall include, but shall not be limited to, the date on which a new agency becomes operational, the assumption of a new function by an existing state agency, or the appointment of commissioners. The commissioner may prescribe the form and manner in which agencies submit any material for publication in the state register, and he may withhold publication of any material not submitted according to the form or procedures he has prescribed.

The commissioner of administration may organize and distribute the contents of the register according to such categories as will provide economic publication and distribution and will offer easy access to information by any interested party.

Sec. 4. Minnesota Statutes 1974, Section 15.051, Subdivision 3, is amended to read:

Subd. 3. [SUBMISSION OF ITEMS FOR PUBLICATION.] Any state agency which desires to publish a notice of hearing, rule or regulation or change thereof (, OR AN EXECUTIVE ORDER,) shall submit a copy of the entire document, including dates when adopted, and filed with the secretary of state, to the commissioner of administration in addition to any other copies which may be required to be filed with the commissioner by other law.

Sec. 5. [15.0593] [AGENCIES CREATED BY EXECUTIVE ORDER.] *The governor may by executive order create in his office advisory task forces, councils and committees to advise or assist him on matters relating to the laws of this state. A task force, council or committee so created shall have no more than 15 members, and vacancies may be filled by the governor. Members of a task force, council or committee shall receive no per diem but may be paid expenses in the same manner as state employees. A task force, council or committee shall expire two years after the date of order unless otherwise specified consistent with section 2, subdivision 3. The task force, council or committee shall be named beginning with the prefix "Governor's Task Force on", "Governor's Council on" or "Governor's Committee on". The governor shall not create a board, commission, authority or other similar multi-member agency except as provided in this section. A multi-member agency previously created by executive order shall be renamed and shall be consistent with the provisions of this section. Nothing in this section shall apply, to the extent inconsistent with statute or federal law, to any multi-member agency specifically authorized by statute or specifically authorized by federal law as a condition precedent to the receipt of federal moneys.*

Sec. 6. Minnesota Statutes 1974, Section 16.01, is amended to read:

16.01 [COMMISSIONER OF ADMINISTRATION.] The department of administration shall be under the supervision and control of a commissioner of administration, in (SECTIONS 16.01 TO 16.23) *chapter 16* also referred to as the commissioner (, WHO SHALL BE EX OFFICIO THE STATE BUDGET DIRECTOR AND STATE PURCHASING AGENT).

The commissioner (OF ADMINISTRATION, WHO SHALL BE IN UNCLASSIFIED SERVICE,) shall be appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL) *under the provisions of section 1.*

Sec. 7. Minnesota Statutes 1974, Section 16A.01, Subdivision 2, is amended to read:

Subd. 2. The commissioner of finance is appointed by the governor (BY AND WITH THE ADVICE AND CONSENT OF THE SENATE) *under the provisions of section 1.* The commissioner (SO APPOINTED) shall have broad experience as an executive financial manager. (THE COMMISSIONER SHALL SERVE AT THE PLEASURE OF THE GOVERNOR. A VACANCY IN THE OFFICE OF THE COMMISSIONER SHALL BE FILLED BY THE GOVERNOR, WITH THE ADVICE AND CONSENT OF THE SENATE.)

Sec. 8. Minnesota Statutes 1974, Section 16A.01, Subdivision 3, is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners, and a confidential secretary, each of whom shall serve at the pleasure of the commissioner in the unclassified service. (EXCEPT AS MAY BE OTHERWISE PROVIDED FOR BY LAW, THE COMMISSIONER SHALL FIX THE COMPENSATION OF EACH DEPUTY. A DEPUTY MAY PERFORM AND EXERCISE A POWER, DUTY, OR RESPONSIBILITY IMPOSED BY LAW ON THE COMMISSIONER WHEN AUTHORIZED SO TO DO BY THE COMMISSIONER.)

Sec. 9. Minnesota Statutes 1974, Section 16.125, is amended to read:

16.125 [TRANSFER OF POWERS OR DUTIES.] *Subdivision 1.* The (AUTHORITY OF THE) commissioner of administration (UNDER SECTIONS 16.13 AND 16.135, INCLUDES THE AUTHORITY TO TRANSFER FUNCTIONS), in order to improve efficiency or avoid duplication, may transfer powers or duties, and personnel necessary to perform the powers or duties, of a department (TO ANOTHER WITH THE APPROVAL OF THE GOVERNOR) or agency to another department or agency that has been in existence for at least one year prior to the date of transfer. A transfer must have received the prior approval of the governor.

Subd. 2. [FORM OF TRANSFER; EFFECTIVE DATE.] A transfer made pursuant to subdivision 1 shall be in the form of a reorganization order. A reorganization order shall be filed with the secretary of state, shall be uniform in format and shall be numbered consecutively. An order shall be effective upon filing with the secretary of state and shall remain in effect until amended or superseded. Copies of the filed order shall be delivered promptly by the commissioner to the secretary of the senate and the chief clerk of the house. A reorganization order which transfers all or substantially all of the powers or duties or personnel of a department, the energy agency, the housing finance or the pollution control agency shall not be effective until ratified by concurrent resolution or enacted into law.

Subd. 3. (IN CASE OF TRANSFER OF FUNCTION) The commissioner of finance shall determine the fractional part of the appropriation to the department or agency from which the (FUNCTION) power or duty is transferred (FOR THE FUNCTION) represented by that transferred power or duty, and that part of the appropriation is hereby reappropriated to the transferee department (ASSIGNED THE FUNCTION. THE COMMISSIONER SHALL FORTHWITH REPORT THE TRANSFERS TO THE COMMITTEE ON FINANCE IN THE SENATE AND THE COMMITTEE ON APPROPRIATIONS IN THE HOUSE OF REPRESENTATIVES) or agency.

Sec. 10. Minnesota Statutes 1974, Section 17.01, is amended to read:

17.01 [CREATION OF DEPARTMENT; COMMISSIONER; DEPUTY.] There is (HEREBY) created a department of agriculture, which shall be in the charge of a commissioner (, WHO SHALL BE IN UNCLASSIFIED SERVICE, TO BE KNOWN AS THE COMMISSIONER) of agriculture, in chapter 17 called the commissioner (, WHO). He shall be appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. ON JANUARY 4, 1971, THE TERM OF THE IN-

CURRENT COMMISSIONER OF AGRICULTURE SHALL EXPIRE. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL) *under the provisions of section 1.* Before entering upon the duties of his office, he shall take (AND SUBSCRIBE) the oath required of state officials (AND GIVE HIS BOND TO THE STATE OF MINNESOTA, TO BE APPROVED BY, AND FILED WITH, THE SECRETARY OF STATE, FOR THE SUM OF \$5,000, CONDITIONED FOR THE FAITHFUL PERFORMANCE OF HIS DUTIES). He may appoint a deputy (WHO SHALL BE IN THE UNCLASSIFIED SERVICE,) *commissioner* (AND SUCH OTHER ASSISTANTS, CLERKS, AND EMPLOYEES AS OCCASION MAY REQUIRE).

Sec. 11. Minnesota Statutes 1974, Section 43.001, Subdivision 2, is amended to read:

Subd. 2. The commissioner of personnel is appointed by the governor (BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A TERM WHICH COINCIDES WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND QUALIFIES) *under the provisions of section 1.* He shall have broad experience in a managerial position including about five years as an executive personnel manager in one or more organizations essentially similar in complexity to state government. The governor may remove the commissioner only for cause, and after a public hearing. (A VACANCY IN THE OFFICE OF THE COMMISSIONER SHALL BE FILLED BY THE APPOINTING AUTHORITY FOR THE UNEXPIRED TERM.)

Sec. 12. Minnesota Statutes 1974, Section 43.001, Subdivision 3 is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners and a confidential secretary, each of whom shall serve at the pleasure of the commissioner in the unclassified service. (EXCEPT AS MAY BE OTHERWISE PROVIDED FOR BY LAW, THE COMMISSIONER SHALL FIX THE COMPENSATION OF EACH DEPUTY COMMISSIONER. A DEPUTY COMMISSIONER MAY PERFORM AND EXERCISE A POWER, DUTY, OR RESPONSIBILITY IMPOSED BY LAW ON THE COMMISSIONER WHEN AUTHORIZED SO TO DO BY THE COMMISSIONER.)

Sec. 13. Minnesota Statutes 1974, Section 45.02, is amended to read:

45.02 [COMMISSIONERS; APPOINTMENT, TERMS, VACANCIES.] The governor(, BY AND WITH THE ADVICE

AND CONSENT OF THE SENATE,) shall appoint the members of the commission *under the provisions of section 1.* (THE TERM OF EACH MEMBER SHALL BE SIX YEARS. IN CASE OF A VACANCY IT SHALL BE FILLED FOR THE UNEXPIRED PORTION OF THE TERM.) Each member of the commission, before entering upon the discharge of his duties, shall take(, SUBSCRIBE,) and file with the secretary of state(,) the oath of office prescribed by the constitution (, AND SHALL GIVE BOND TO THE STATE, THE COMMISSIONER OF BANKS IN THE AMOUNT OF \$50,000, THE COMMISSIONER OF INSURANCE IN THE AMOUNT OF \$25,000, AND THE COMMISSIONER OF SECURITIES IN THE AMOUNT OF \$10,000, CONDITIONED FOR THE FAITHFUL DISCHARGE OF HIS DUTIES DURING HIS CONTINUANCE IN OFFICE AND FOR THE PAYMENT WITHOUT DELAY TO THE OFFICER OR PERSON ENTITLED BY LAW THERETO OF ALL MONEYS WHICH SHALL COME INTO HIS HANDS BY VIRTUE THEREOF).

A majority of the commission shall constitute a quorum.

(EACH COMMISSONER SHALL RECEIVE A SALARY IN AN AMOUNT SET BY THE LEGISLATURE PAYABLE SEMI-MONTHLY, AND EACH SHALL DEVOTE HIS ENTIRE TIME TO THE DUTIES OF HIS OFFICE.)

Sec. 14. Minnesota Statutes 1974, Section 45.15, is amended to read:

45.15 [ESTABLISHMENT OF CONSUMER SERVICES SECTION.] A section of consumer services is established in the department of commerce under the supervision and control of a director of consumer services. The director of consumer services is appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE, FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL A SUCCESSOR IS DULY APPOINTED AND QUALIFIES. A VACANCY IN THE OFFICE OF DIRECTOR SHALL BE FILLED FOR THE UNEXPIRED TERM) *under the provisions of section 1.*

Sec. 15. Minnesota Statutes 1974, Section 84.01, Subdivision 2, is amended to read:

Subd. 2. The commissioner of natural resources is appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND QUALIFIES. A VACANCY IN THE OFFICE OF THE COMMISSIONER SHALL BE FILLED FOR THE UNEXPIRED PORTION OF THE TERM) *under the provisions of section 1.* The commissioner may appoint a deputy (WHO SHALL SERVE

AT THE PLEASURE OF THE COMMISSIONER IN THE UNCLASSIFIED SERVICE. THE SALARY OF SUCH DEPUTY IS FIXED BY THE COMMISSIONER EXCEPT WHEN OTHERWISE EXPRESSLY PROVIDED FOR BY LAW. THE DEPUTY MAY PERFORM AND EXERCISE EVERY POWER, DUTY, AND RESPONSIBILITY IMPOSED BY LAW UPON THE COMMISSIONER WHEN AUTHORIZED SO TO DO BY THE COMMISSIONER) *commissioner*.

Sec. 16. Minnesota Statutes 1974, Section 116.03, Subdivision 1, is amended to read:

116.03 [DIRECTOR.] Subdivision 1. (a) The office of director of the pollution control agency is created and is under the supervision and control of the director, who is appointed by the governor (BY AND WITH THE CONSENT OF THE SENATE FOR A FOUR YEAR TERM, WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR, AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND QUALIFIES. THE GOVERNOR MAY REMOVE THE DIRECTOR AT ANY TIME AT HIS PLEASURE. A VACANCY IN THE OFFICE OF DIRECTOR SHALL BE FILLED BY THE GOVERNOR BY AND WITH THE CONSENT OF THE SENATE, FOR THE UNEXPIRED PORTION OF THE TERM) *under the provisions of section 1.*

((B)) IN ORDER TO EXPEDITE THE ESTABLISHING AND FUNCTIONING OF THE POLLUTION CONTROL AGENCY, THE GOVERNOR SHALL FORTHWITH APPOINT AN ACTING DIRECTOR, WHO SHALL HAVE ALL THE POWERS AND DUTIES OF THE DIRECTOR AS PROVIDED IN SECTIONS 116.01 TO 116.08. THE ACTING DIRECTOR MAY BE A PERSON IN THE SERVICE OF THE STATE AT THE TIME OF HIS APPOINTMENT, AND WHO WHILE SERVING AS ACTING DIRECTOR IS ON LEAVE OF ABSENCE FROM HIS REGULAR OFFICE OR POSITION IN THE STATE SERVICE. THE ACTING DIRECTOR SHALL SERVE AS SUCH UNTIL THE DIRECTOR IS APPOINTED AND QUALIFIES AS SUCH DIRECTOR. PENDING THE ABOLISHMENT OF THE WATER POLLUTION CONTROL COMMISSION AS SPECIFIED IN SECTION 116.02, SUBDIVISION 5, THE DIRECTOR OR ACTING DIRECTOR, AS THE CASE MAY BE, IS THE SECRETARY OF SUCH COMMISSION IN LIEU OF THE SECRETARY AND EXECUTIVE OFFICER OF THE STATE BOARD OF HEALTH.)

((C)) (b) The director may appoint a deputy director and an assistant director who shall be in the unclassified service. (THE DIRECTOR MAY DESIGNATE THE DEPUTY DIRECTOR TO THE AGENCY TO ACT IN HIS STEAD AS A MEMBER, WITH ALL HIS RIGHTS AND PRIVILEGES THEREIN, OF ANY AGENCY, BOARD, COMMITTEE, OR COMMISSION THAT THE DIRECTOR IS MADE A MEMBER OF BY LAW. THE DESIGNATION SHALL BE FILED WITH SEC-

RETARY OF STATE. THE SALARY OF THE DEPUTY DIRECTOR AND OF THE ASSISTANT DIRECTOR SHALL BE PROVIDED BY LAW.)

Sec. 17. Minnesota Statutes 1974, Section 116H.03, Subdivision 2, is amended to read:

Subd. 2. The agency shall be under the supervision of the director who shall organize the agency (AND EMPLOY SUCH OTHER OFFICERS, AGENTS AND EMPLOYEES AS ARE NECESSARY TO CARRY OUT THE FUNCTIONS OF THE AGENCY. DUTIES OF SUCH OFFICERS, AGENTS AND EMPLOYEES SHALL BE AS SPECIFIED BY THE DIRECTOR).

Sec. 18. Minnesota Statutes 1974, Section 116H.03, Subdivision 3, is amended to read:

Subd. 3. The director shall be appointed by the governor (WITH THE ADVICE AND CONSENT OF THE SENATE, TO A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND QUALIFIED) *under the provisions of section 1.* In appointing the director the governor should give due consideration to the listing of names submitted by the commission pursuant to section 116H.04. (THE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE GOVERNOR.)

(A VACANCY IN THE OFFICE OF DIRECTOR SHALL BE FILLED BY THE GOVERNOR AND THE NEW APPOINTEE SHALL IMMEDIATELY TAKE OFFICE AND CARRY OUT ALL DUTIES UNTIL THE NEXT SESSION OF THE LEGISLATURE WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR CONFIRMATION.)

The director may appoint a deputy (WHO SHALL SERVE AT HIS PLEASURE). The salaries of the director and the deputy shall be fixed by the governor until otherwise expressly provided for by law. (THE DEPUTY MAY BE AUTHORIZED BY THE DIRECTOR TO PERFORM EVERY DUTY, POWER AND RESPONSIBILITY IMPOSED ON THE DIRECTOR UNLESS EXPRESSLY FORBIDDEN BY LAW.) The director and his deputy shall serve in the unclassified service and shall be members of the Minnesota state retirement system.

Sec. 19. Minnesota Statutes 1974, Section 161.03, Subdivision 1, is amended to read:

161.03 [COMMISSONER OF HIGHWAYS.] Subdivision 1. [OFFICE CREATED.] The office of commissioner of highways is created. He shall be appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SEN-

ATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND QUALIFIES. THE GOVERNOR MAY REMOVE ANY COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL. THE COMMISSIONER SHALL BE IN UNCLASSIFIED SERVICE. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER OF HIGHWAYS SHALL EXPIRE) *under the provisions of of section 1.*

Sec. 20. Minnesota Statutes 1974, Section 161.03, Subdivision 4, is amended to read:

Subd. 4. [DEPUTY COMMISSIONER.] The commissioner may appoint a deputy (WHO SHALL SERVE IN THE CLASSIFIED SERVICE OF THE STATE) *commissioner.* (THE DEPUTY MAY PERFORM AND EXERCISE EVERY POWER, DUTY, AND RESPONSIBILITY IMPOSED BY LAW UPON THE COMMISSIONER WHEN SO AUTHORIZED BY THE COMMISSIONER.)

Sec. 21. Minnesota Statutes 1974, Section 175.001, Subdivision 1, is amended to read:

175.001 [DEPARTMENT OF LABOR AND INDUSTRY.] Subdivision 1. [CREATION AND ORGANIZATION.] The department of labor and industry is created under the supervision and control of the commissioner of labor and industry which office is hereby established. The commissioner of labor and industry (, WHO SHALL BE IN UNCLASSIFIED SERVICE,) shall be appointed by the governor (BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER SHALL EXPIRE) *under the provisions of section 1.*

Sec. 22. Minnesota Statutes 1974, Section 179.02, is amended to read:

179.02 [BUREAU OF MEDIATION SERVICES.] *Subdivision 1.* There is (HEREBY) established (IN THE DEPARTMENT OF LABOR AND INDUSTRY) a bureau of mediation services (, BUT NOT IN ANY WAY SUBJECT TO THE CONTROL OF THE DEPARTMENT. THIS BUREAU SHALL BE) under the supervision and control of a director. (THE OFFICE OF DIRECTOR SHALL, AS OF THE EFFECTIVE DATE OF THIS ACT, BE FILLED BY THE PERSON THEN HOLDING THE OFFICE OF LABOR CONCILIATOR AND HIS TERM SHALL EXPIRE AS OF THE DATE HIS TERM AS LABOR CONCILIATOR WOULD HAVE EXPIRED. THEREAFTER) The director shall be appointed by the governor (WITH THE ADVICE AND CONSENT OF THE SENATE. HE SHALL HOLD OFFICE FOR A TERM OF FOUR YEARS) *under the provisions of section 1.*

Subd. 2. The governor may, from time to time, appoint special mediators to aid in the settlement of particular labor disputes or controversies who shall have the same power and authority as the director with respect to such dispute and such appointment shall be for the duration only of the particular dispute. Such special mediators shall be paid a per diem of \$75 per day while so engaged and their necessary expenses. The director shall prepare a roster of persons qualified to act as such special mediators and keep the same revised at all times and available to the governor and the public.

(THE DIRECTOR MAY EMPLOY AND DISCHARGE MEDIATORS, CLERKS AND OTHER EMPLOYEES AS NEEDED, FIX THEIR COMPENSATION, AND ASSIGN THEM THEIR DUTIES. AS OF THE EFFECTIVE DATE OF THIS ACT THE DIVISION OF CONCILIATION, HERETOFORE ESTABLISHED, SHALL BE ABOLISHED, AND ALL OF ITS POWERS AND DUTIES TRANSFERRED TO THE BUREAU OF MEDIATION SERVICES. ANY MATTERS PENDING IN OR BY THE DIVISION OF CONCILIATION AS OF SUCH DATE SHALL THEN AND THEREAFTER BE CARRIED ON IN THE NAME OF THE BUREAU OF MEDIATION SERVICES.)

Sec. 23. Minnesota Statutes 1974, Section 196.02, Subdivision 1, is amended to read:

196.02 [COMMISSIONER OF VETERANS AFFAIRS.] *Subdivision 1.* [APPOINTMENT; QUALIFICATIONS.] The department shall be under the supervision and control of a commissioner of Veterans' Affairs who shall be appointed by the governor (BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE

AND HEARING. THE COMMISSIONER SHALL BE IN UNCLASSIFIED SERVICE) *under the provisions of section 1.* No person shall be eligible to receive appointment as commissioner unless he has the following qualifications:

(1) Residence in the state of Minnesota for at least five years prior to his appointment;

(2) Citizenship in the United States;

(3) Veteran of the armed forces of the United States as defined in section 197.447. (IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER SHALL EXPIRE.)

Sec. 24. Minnesota Statutes 1974, Section 216A.06, Subdivision 1, is amended to read:

216A.06 [DIRECTOR.] Subdivision 1. [ESTABLISHMENT OF OFFICE, APPOINTMENT; TERM.] The office of director (OF THE ADMINISTRATIVE DIVISION) of the department of public service is hereby established. He shall be appointed by the governor (WITH THE ADVICE AND CONSENT OF THE SENATE, FOR A FOUR YEAR TERM AND THE INITIAL TERM TO EXPIRE ON THE FIRST MONDAY IN JANUARY, 1971) *under the provisions of section 1.*

Sec. 25. Minnesota Statutes 1974, Section 241.01, Subdivision 1, is amended to read:

241.01 [CREATION OF DEPARTMENT.] Subdivision 1. [COMMISSIONER.] The department of corrections is (HEREBY) created under the control and supervision of the commissioner of corrections which office is (HEREBY) established. The commissioner of corrections (, WHO SHALL BE IN UNCLASSIFIED SERVICE,) shall be selected without regard to political affiliation and shall have wide and successful administrative experience in correctional programs embodying rehabilitative concepts. The commissioner shall be appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DU-

TIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER SHALL EXPIRE) *under the provisions of section 1.*

Sec. 26. Minnesota Statutes 1974, Section 241.01, Subdivision 2, is amended to read:

Subd. 2. [DIVISIONS; DEPUTIES.] The commissioner of corrections may appoint and employ no more than (FOUR) *two* deputy commissioners (WHO SHALL SERVE AT THE PLEASURE OF THE COMMISSIONER IN THE UNCLASSIFIED SERVICE OF THE STATE CIVIL SERVICE). (EACH DEPUTY MAY PERFORM AND EXERCISE EVERY DUTY, POWER AND RESPONSIBILITY IMPOSED BY LAW UPON THE COMMISSIONER WHEN AUTHORIZED TO SO DO BY THE COMMISSIONER. APPOINTMENTS TO EXERCISE DELEGATED POWER SHALL BE BY WRITTEN ORDER FILED WITH THE SECRETARY OF STATE. EACH DEPUTY MAY PERFORM AND EXERCISE EVERY DUTY, POWER, AND RESPONSIBILITY IMPOSED BY LAW UPON THE COMMISSIONER WHEN AUTHORIZED SO TO DO BY THE COMMISSIONER.) The commissioner may also appoint a personal secretary, who shall serve at his pleasure in the unclassified *civil* service (OF THE STATE, AND FIX THE SALARY OF SAID SECRETARY COMMENSURATE WITH SALARIES FOR SIMILAR SERVICES IN THE CLASSIFIED SERVICE).

Sec. 27. Minnesota Statutes 1974, Section 245.03, is amended to read:

245.03 [DEPARTMENT OF PUBLIC WELFARE ESTABLISHED; COMMISSIONER.] There is (HEREBY) created (AND ESTABLISHED) a department of public welfare. A commissioner of public welfare shall be appointed by the governor (WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL) *under the provisions of section 1.* The commissioner (, WHO SHALL BE IN UNCLASSIFIED SERVICE,) shall be selected on the basis of ability and experience in welfare and without regard

to political affiliations. (SUBJECT TO THE PROVISIONS OF SECTIONS 245.03 TO 245.12 AND OTHER APPLICABLE LAWS, NOW OR HEREINAFTER ENACTED,) The commissioner shall (HAVE THE POWER TO ORGANIZE HIS DEPARTMENT IN SUCH MANNER AS HE MAY DEEM NECESSARY, AND TO) appoint a deputy commissioner (IN UNCLASSIFIED SERVICE). (HE SHALL ALSO APPOINT SUCH OTHER SUBORDINATE OFFICERS, EMPLOYEES AND AGENTS AS HE MAY DEEM NECESSARY TO DISCHARGE THE FUNCTIONS OF THE DEPARTMENT; AND DEFINE THE DUTIES OF SUCH OFFICERS, EMPLOYEES AND AGENTS AND TO DELEGATE TO THEM ANY OF HIS POWERS OR DUTIES SUBJECT TO HIS CONTROL AND UNDER SUCH CONDITIONS AS HE MAY PRESCRIBE. APPOINTMENTS TO EXERCISE DELEGATED POWERS SHALL BE WRITTEN ORDERS FILED WITH THE SECRETARY OF STATE. THE COMMISSIONER SHALL GIVE BOND IN THE SUM OF \$10,000. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER SHALL EXPIRE.)

Sec. 28. Minnesota Statutes 1974, Section 268.12, Subdivision 1, is amended to read:

268.12 [CREATION.] Subdivision 1. [DEPARTMENT OF EMPLOYMENT SERVICES; COMMISSIONER.] ((1)) There is (HEREBY) created (AND ESTABLISHED) a department of employment (SECURITY WHICH SHALL BE THE SUCCESSOR TO THE DIVISION OF EMPLOYMENT AND SECURITY, WHICH SAID DIVISION IS HEREBY ABOLISHED AS A DIVISION OF THE DEPARTMENT OF SOCIAL SECURITY AS ESTABLISHED BY LAWS 1939, ARTICLE VII, SECTION 1.) *services under the control of* ((2)) a commissioner (OF EMPLOYMENT SECURITY) *who* shall be appointed by the governor (WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED, TO ADMINISTER THIS CHAPTER AS THE SAME MAY HEREAFTER FROM TIME TO TIME BE AMENDED. THE COMMISSIONER, WHO SHALL BE IN UNCLASSIFIED SERVICE, MAY BE REMOVED BY THE GOVERNOR AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING *under the provisions of section 1.* The commissioner shall be selected on the basis of ability and experience and without regard to political affiliations. (IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER SHALL EXPIRE. SUBJECT TO THE PROVISIONS OF SECTIONS

268.03 TO 268.24 AND OTHER APPLICABLE LAWS NOW OR HEREAFTER ENACTED, THE COMMISSIONER SHALL HAVE THE POWER TO ORGANIZE HIS DEPARTMENT IN SUCH MANNER AS HE MAY DEEM NECESSARY. APPOINTMENTS TO EXERCISE DELEGATED POWERS SHALL BE WRITTEN ORDERS FILED WITH THE SECRETARY OF STATE. THE SALARY OF THE COMMISSIONER SHALL BE PRESCRIBED BY THE LEGISLATURE AND HE SHALL GIVE BOND IN THE SUM OF \$10,000.)

((3) ALL PROCEEDINGS, COURT ACTIONS, PROSECUTIONS OR OTHER BUSINESS UNDERTAKEN OR COMMENCED PRIOR TO APRIL 21, 1953, BY THE DIVISION OF EMPLOYMENT AND SECURITY AND ANY OTHER MATTERS OF THE DIVISION OF EMPLOYMENT AND SECURITY PENDING AT THE TIME OF THE PASSAGE OF THIS ACT MAY BE CONDUCTED AND COMPLETED BY THE NEW DEPARTMENT OF EMPLOYMENT SECURITY IN THE SAME MANNER AND UNDER THE SAME TERMS AND CONDITIONS AND WITH THE SAME EFFECT AS THOUGH IT WERE UNDERTAKEN, COMMENCED OR CONDUCTED OR COMPLETED BY SAID DIVISION OF EMPLOYMENT AND SECURITY PRIOR TO SUCH CHANGE. ALL FUNCTIONS, POWERS AND DUTIES OF SUCH DIVISION OF EMPLOYMENT AND SECURITY ARE BY THIS ACT ASSIGNED AND TRANSFERRED TO THE DEPARTMENT OF EMPLOYMENT SECURITY.)

((4) ALL THE POWERS AND DUTIES NOW VESTED IN OR IMPOSED UPON THE DIRECTOR OF THE DIVISION OF EMPLOYMENT AND SECURITY AS A DIVISION OF THE DEPARTMENT OF SOCIAL SECURITY ARE HEREBY VESTED IN AND IMPOSED UPON THE COMMISSIONER OF EMPLOYMENT SECURITY.)

(ALL OF THE EMPLOYEES OF SAID DIVISION OF EMPLOYMENT AND SECURITY ARE HEREBY TRANSFERRED TO THE DEPARTMENT OF EMPLOYMENT SECURITY CREATED BY THIS SECTION, AND SAID COMMISSIONER SHALL TAKE CHARGE OF SAID EMPLOYEES AND SHALL EMPLOY THEM IN THE EXERCISE OF THE RESPECTIVE FUNCTIONS, POWERS AND DUTIES TRANSFERRED AS AFORESAID WITHOUT REDUCTION OF COMPENSATION OR CIVIL SERVICE STATUS ENJOYED BY SAID EMPLOYEES AT THE TIME OF SUCH TRANSFER, SUBJECT, HOWEVER, TO CHANGE OR TERMINATION OF EMPLOYMENT, COMPENSATION OR CIVIL SERVICE STATUS AS MAY BE OTHERWISE PROVIDED BY LAW.)

((5) ALL OTHER ACTS OR PARTS OF ACTS NOW IN EFFECT INCONSISTENT WITH THE PROVISIONS OF THIS SECTION ARE HEREBY REPEALED, SUPERSEDED, MODIFIED OR AMENDED SO FAR AS NECESSARY TO

CONFORM TO AND GIVE FULL FORCE AND EFFECT TO THE PROVISIONS OF THIS SECTION.)

((6) LAWS 1953, CHAPTER 603, SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS PASSAGE, PROVIDED, THAT NO TRANSFER OF FUNCTIONS, RIGHTS, POWERS, DUTIES, OR FUNDS MADE THEREBY SHALL TAKE EFFECT UNTIL THE COMMISSIONER OF THE DEPARTMENT TO WHOM THE SAME ARE TRANSFERRED SHALL HAVE BEEN APPOINTED; TAKEN HIS OATH OF OFFICE AND FILED OATH AND BOND IN THE OFFICE OF THE SECRETARY OF STATE; AND UNTIL THEN THE FORMER DIVISION OR AGENCY VESTED THEREWITH SHALL CONTINUE TO EXERCISE AND PERFORM SUCH FUNCTIONS, RIGHTS, POWERS, AND DUTIES, AND TO HAVE CHARGE OF SUCH FUNDS.

Sec. 29. Minnesota Statutes 1974, Section 270.02, Subdivision 2, is amended to read:

Subd. 2. [TERM.] The commissioner of revenue shall be appointed by the governor (BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR UNTIL HIS SUCCESSOR IS DULY APPOINTED AND QUALIFIED) *under the provisions of section 1.* The commissioner (, WHO SHALL BE IN UNCLASSIFIED SERVICE,) shall be selected on the basis of ability and experience in the field of (TAXATION AND) tax administration and without regard to political affiliations. (THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE, AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL TAKE OFFICE IMMEDIATELY AND SHALL CARRY ON THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT IS SUBMITTED TO THE SENATE FOR APPROVAL. THE COMMISSIONER SHALL GIVE BOND TO THE STATE IN THE SUM OF \$200,000. THE PERSON OCCUPYING THE POSITION OF COMMISSIONER OF TAXATION ON JULY 1, 1973, SHALL BE DESIGNATED AS COMMISSIONER OF REVENUE, AND HIS TERM OF OFFICE SHALL COINCIDE WITH THE TERM OF THE OFFICE OF GOVERNOR.)

Sec. 30. Minnesota Statutes 1974, Section 298.22, Subdivision 1, is amended to read:

298.22 [IRON RANGE RESOURCES AND REHABILITATION.] Subdivision 1. (ON AND AFTER JULY 1, 1969,) (1) There is (HEREBY) appropriated from the general fund for the purposes hereinafter set forth, five percent of all amounts

paid and credited to said fund from the proceeds of taxes paid under the provisions of sections 298.01 to 298.21.

(2) The office of commissioner of iron range resources and rehabilitation is (HEREBY) created. The commissioner shall be appointed by the governor (, WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL TAKE OFFICE IMMEDIATELY AND SHALL CARRY ON THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL) *under the provisions of section 1.*

(3) The salary of the commissioner (, WHO SHALL BE IN UNCLASSIFIED SERVICE,) shall be paid from the amounts appropriated by this section; provided, that such salary shall be reduced by such amount as he may receive from other funds, and the commissioner may hold such other positions or appointments as are not incompatible with his duties as commissioner of iron range resources and rehabilitation. The commissioner may appoint a deputy commissioner (WHO SHALL SERVE IN THE UNCLASSIFIED SERVICE AT THE PLEASURE OF THE COMMISSIONER). All expenses of the commissioner, including the payment of such assistance as may be necessary, shall be paid out of the amounts appropriated by this section.

(4) When the commissioner shall determine that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use thereof in the future and the decrease in employment resulting therefrom, now or hereafter, he may use such amounts of the appropriation made to him in this section as he may determine to be necessary and proper in the development of the remaining resources of said county and in the vocational training and rehabilitation of its residents. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

Sec. 31. Minnesota Statutes 1974, Section 299A.01, Subdivision 1, is amended to read:

299A.01 [DEPARTMENT OF PUBLIC SAFETY; CREATION AND ORGANIZATION.] Subdivision 1. (IN ORDER THAT THE FUNCTIONS AND SERVICES OF THE STATE OF MINNESOTA RELATING TO THE SAFETY AND CONVENIENCE OF ITS CITIZENS MIGHT BE COORDINATED AND DIRECTED IN AN ACCESSIBLE, IDENTIFIABLE MANNER; AND TO PROMOTE AND INSURE THE EXIST-

ING PUBLIC SAFETY OPERATIONS OF THAT GOVERNMENT,) The department of public safety is created under the supervision and control of the commissioner of public safety, which office is established. The commissioner of public safety is appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR FOUR YEAR TERM. THE GOVERNOR MAY REMOVE THE COMMISSIONER ONLY FOR CAUSE, AFTER A PUBLIC HEARING. A VACANCY IN THE OFFICE OF THE COMMISSIONER SHALL BE FILLED FOR THE UNEXPIRED PORTION OF THE TERM) *under the provisions of section 1.* The commissioner may appoint a deputy *commissioner* (WHO SHALL SERVE AT THE PLEASURE OF THE COMMISSIONER IN THE UNCLASSIFIED SERVICE). (THE SALARY OF SUCH DEPUTY IS FIXED BY THE COMMISSIONER EXCEPT WHEN OTHERWISE EXPRESSLY PROVIDED FOR BY LAW. THE DEPUTY MAY PERFORM AND EXERCISE EVERY POWER, DUTY, AND RESPONSIBILITY IMPOSED BY LAW UPON THE COMMISSIONER WHEN AUTHORIZED SO TO DO BY THE COMMISSIONER.)

Sec. 32. Minnesota Statutes 1974, Section 299A.01, Subdivision 2, is amended to read:

Subd. 2. The duties of the (DEPUTY) *commissioner* shall include (, IN ADDITION TO SUCH OTHER FUNCTIONS AND RESPONSIBILITIES AS MAY BE DELEGATED OR ASSIGNED BY THE COMMISSIONER OR IMPOSED BY LAW,) the following: (a) The coordination, development and maintenance of services contracts with existing state departments and agencies assuring the efficient and economic use of advanced business machinery including computers;

(b) The execution of contracts and agreements with existing state departments for the maintenance and servicing of vehicles and communications equipment, and the use of related buildings and grounds;

(c) The development of integrated fiscal services for all divisions, and the preparation of an integrated budget for the department;

(d) The establishment of a planning bureau within the department, which bureau shall consult and coordinate its activities with the state planning director.

Sec. 33. Minnesota Statutes 1974, Section 360.014, Subdivision 2, is amended to read:

Subd. 2. There is (HEREBY) created the office of commissioner of aeronautics (, THE INCUMBENT OF WHICH SHALL HAVE THE POWERS AND DUTIES AND PRIVI-

LEGES HEREIN SET FORTH). The governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE,) shall appoint (A SUITABLE PERSON, TO SERVE IN UNCLASSIFIED SERVICE,) a *commissioner* having (A) knowledge of aeronautics (TO SAID OFFICE, TO SERVE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER OF AERONAUTICS SHALL EXPIRE) *under the provisions of section 1.*

Sec. 34. Minnesota Statutes 1974, Section 362.09, Subdivision 1, is amended to read:

362.09 [COMMISSIONER; ADVISORY COMMISSION.] Subdivision 1. The department shall be under the supervision and control of a commissioner of economic development, (IN UNCLASSIFIED SERVICE,) who shall be appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A TERM OF FOUR YEARS TO COINCIDE WITH THAT OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING) *under the provisions of section 1.* He shall be chosen with regard to his knowledge, training, experience, and ability in administering the functions of the department. (IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER WHO SHALL THEREUPON IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL. THE COMMISSIONER SHALL RECEIVE A SALARY AS PROVIDED BY LAW. HE SHALL GIVE A BOND TO THE STATE IN THE SUM OF \$10,000. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER SHALL EXPIRE.)

The commissioner shall appoint a deputy (, FIX HIS SALARY UNLESS OTHERWISE PRESCRIBED BY LAW AND DEFINE HIS DUTIES. THE DEPUTY SHALL ENJOY A CONFIDENTIAL RELATIONSHIP WITH THE COMMISSIONER AND IS IN THE UNCLASSIFIED SERVICE OF THE STATE) *commissioner.*

Sec. 35. Minnesota Statutes 1974, Section 363.04, Subdivision 1, is amended to read:

363.04 [DEPARTMENT OF HUMAN RIGHTS.] Subdivision 1. [CREATION; COMMISSIONER.] There is (HEREBY) established (AT THE SEAT OF GOVERNMENT AN EXECUTIVE) a department (TO BE KNOWN AS THE DEPARTMENT) of human rights (. THERE SHALL BE AT THE HEAD OF THE DEPARTMENT) *under the direction and supervision of* a commissioner (OF HUMAN RIGHTS,) who shall be appointed by the governor (, BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR A FOUR YEAR TERM WHICH SHALL COINCIDE WITH THE TERM OF THE GOVERNOR AND UNTIL HIS SUCCESSOR IS DULY APPOINTED AND HAS QUALIFIED. THE GOVERNOR MAY REMOVE THE COMMISSIONER AT ANY TIME FOR CAUSE AFTER NOTICE AND HEARING. IN CASE OF A VACANCY, THE GOVERNOR MAY APPOINT A COMMISSIONER, WHO SHALL IMMEDIATELY TAKE OFFICE AND SHALL CARRY ON ALL OF THE DUTIES OF THE OFFICE UNTIL THE NEXT SESSION OF THE LEGISLATURE, WHEN HIS APPOINTMENT SHALL BE SUBMITTED TO THE SENATE FOR APPROVAL. ON JANUARY 4, 1971, THE TERM OF THE INCUMBENT COMMISSIONER SHALL EXPIRE. THE DEPARTMENT SHALL BE ADMINISTERED UNDER THE SUPERVISION AND DIRECTION OF THE COMMISSIONER, WHO SHALL BE IN UNCLASSIFIED SERVICE, AND SHALL RECEIVE COMPENSATION AT THE RATE PRESCRIBED BY LAW) *under the provisions of section 1.*

Sec. 36. Minnesota Statutes, 1975 Supplement, Section 144.02, is amended to read:

144.02 [MEETINGS; OFFICERS; QUORUM.] The (STATE) board of health shall (HOLD AN ANNUAL MEETING DURING THE FIRST QUARTER OF EVERY YEAR AT A TIME AND PLACE DESIGNATED BY THE BOARD AT WHICH TIME IT SHALL) *annually* elect from its members a president. (REGULAR MEETINGS, ONE OF WHICH SHALL INCLUDE THE ANNUAL MEETING, SHALL BE HELD NOT LESS THAN FOUR TIMES A YEAR. AT LEAST ONE SUCH REGULAR MEETING SHALL BE HELD EACH QUARTER.) The time and place of (ALL SUCH) *regular* meetings shall be determined by the board, and all board members shall be notified thereof by mail seven days in advance. Special meetings may be held (AT SUCH TIMES AND PLACES AS) *on the request of* the (SECRETARY) *commissioner* or any two members of the board (SHALL APPOINT) upon three days' notice to the members by mail. (THE BOARD SHALL ELECT A SECRETARY, WITH THE ADVICE AND CONSENT OF THE SENATE, TO SERVE DURING ITS PLEASURE, WHO

MAY OR MAY NOT BE ONE OF ITS MEMBERS.) A majority shall be a quorum and any meeting may be adjourned from time to time.

Sec. 37. Minnesota Statutes 1974, Chapter 144, is amended by adding a section to read:

[144.031] [COMMISSIONER.] *Subdivision 1. [APPOINTMENT.] The department of health shall be under the administrative control of the commissioner of health which office is established. He shall be appointed by the governor under the provisions of section 1. The commissioner so appointed shall have experience in public health administration. The board of health, and any professional health organization through the board of health, may recommend to the governor names of possible appointees.*

Subd. 2. [DUTIES.] The commissioner shall be the chief administrative officer of the department and shall be responsible for the enforcement of all appropriate laws, the rules of the board, and for the management of the department. He shall appoint employees as he deems necessary to perform the functions mandated by law or rule of the board. He shall serve ex-officio without vote as secretary of the board.

Sec. 38. Minnesota Statutes 1974, Section 144.04, is amended to read:

144.04 [EXPENSES.] The members of the board shall receive compensation of (THE SUM OF) \$35 per day for attendance at board meetings and (ORDINARY AND NECESSARY) expenses in the same amount and manner as state employees. (SUBJECT TO THE PROVISIONS OF LAWS 1939, CHAPTER 441, THE BOARD MAY EMPLOY, AND AT PLEASURE DISMISS, SUCH AGENTS, EXPERTS, AND OTHER ASSISTANTS AS IT MAY DEEM NECESSARY AND FIX THEIR COMPENSATION, PRESCRIBE THEIR DUTIES, AND ALLOW THEIR NECESSARY EXPENSES. ALL SUCH SALARIES, COMPENSATION, AND EXPENSES SHALL BE PAID BY THE STATE UPON VOUCHERS; BUT THE TOTAL FOR ANY YEAR SHALL NOT EXCEED THE APPROPRIATION OF THE YEAR THEREFOR.)

Sec. 39. Minnesota Statutes 1974, Section 121.09, is amended to read:

121.09 [ADMINISTRATION; EXCEPTIONS.] The (STATE BOARD) commissioner shall administer all laws and rules promulgated by the board relating to (THE COMMISSIONER,) libraries (,) and other public educational institutions, except such laws as may relate to the (STATE) university of Minnesota and to the state universities and community colleges.

Sec. 40. Minnesota Statutes 1974, Section 121.16, is amended to read:

121.16 [COMMISSIONER OF EDUCATION.] (SUBDIVISION 1. THE STATE BOARD SHALL ELECT A) *The department shall be under the administrative control of the commissioner (WHO) of education which office is established. The commissioner shall be the (EXECUTIVE OFFICER AND) secretary of the (STATE) board (AND WHOSE TERM OF OFFICE SHALL BE FOUR YEARS). He shall be appointed by the board with the approval of the governor under the provisions of section 1. For purposes of section 1, the board of education shall be the appointing authority.*

(HE) *The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. The commissioner shall (HAVE AUTHORITY TO NOMINATE, FOR APPROVAL BY THE STATE BOARD, SUCH OFFICIALS AND) appoint employees as may be necessary (TO PERFECT AND TO MAINTAIN) for the organization of the department (AS RECOMMENDED BY HIM AND AS ADOPTED BY THE STATE BOARD). He shall perform such duties as the law and the rules of the (STATE) board may provide and be held responsible for the efficient administration and discipline of (THE VARIOUS OFFICES AND DIVISION IN) the (ORGANIZATION OF THE) department. He shall (BE REQUIRED TO) make recommendations to the (STATE) board (WHICH SHALL FACILITATE ALL OF THE WORK OF THE STATE BOARD), and he shall be charged with the execution of powers and duties which the (STATE) board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the (STATE) board to carry out (THE PROVISIONS OF THIS CODE) its duties.*

(SUBD. 2. THIS SECTION SHALL APPLY TO THE APPOINTMENT OF THE COMMISSIONER OF EDUCATION ON THE EXPIRATION OF THE TERM OF THE COMMISSIONER OCCUPYING THE OFFICE ON THE EFFECTIVE DATE OF THIS ARTICLE.)

Sec. 41. Minnesota Statutes 1974, Section 462A.04, Subdivision 8, is amended to read:

Subd. 8. The agency shall (EMPLOY AN EXECUTIVE DIRECTOR, LEGAL AND TECHNICAL EXPERTS AND SUCH OTHER OFFICERS, AGENTS AND EMPLOYEES, PERMANENT AND TEMPORARY, AS IT MAY REQUIRE, AND SHALL DETERMINE THEIR QUALIFICATIONS, DUTIES AND COMPENSATION) *be under the administrative control of an executive director which office is established. He*

shall be appointed by the governor under the provisions of section 1.

The executive director may appoint a deputy director. The executive director may further appoint such permanent and temporary employees as he deems necessary subject to the approval of the commissioner of personnel. (THE AGENCY MAY DELEGATE TO ONE OR MORE OF ITS AGENTS OR EMPLOYEES SUCH POWERS OR DUTIES AS IT MIGHT DEEM PROPER.) All permanent employees of the agency, except the executive director, and deputy director are in the classified civil service (OF THE STATE).

Sec. 42. [TEMPORARY PROVISIONS.] The term of any department head or commissioner dealt with in this act shall expire the first Monday in January 1979, unless Minnesota Statutes provide for an earlier expiration date. In this event, the new appointment shall be made so as to expire the first Monday of January 1979. Notwithstanding the foregoing, the term of the commissioner of health shall expire on the day following the effective date of this act.

Any department head or commissioner dealt with in this act and serving on the effective date of this act is deemed to have been appointed in compliance with the provisions of this act.

If any position which currently bears the title of deputy loses this title pursuant to section 1, subdivision 6, or any other provision of this act, the commissioner of personnel shall assign a new title under the provisions of Minnesota Statutes, Section 15A.071. If the position is currently in the unclassified civil service, it shall remain in the unclassified civil service. In the event that authorized, unclassified deputy positions are not filled, the department head or commissioner may fill these positions but only as permitted by applicable personnel complement limitations.

Sec. 43. [APPLICATION; INSTRUCTION TO REVISOR.] If by any other law a department is created to be the successor to the department of highways and the department of aeronautics the commissioner of that successor department shall, notwithstanding any other law to the contrary, serve at the pleasure of the governor. In the law creating such a successor department any subdivision pertaining to the appointment of the commissioner of the successor department shall be of no effect and shall not be printed in the next edition of the statutes. In place of the subdivision the revisor shall insert the following: The department shall be supervised and controlled by the commissioner of transportation, who shall be appointed by the governor and serve under the provisions of section 1.

If a law is enacted in the same year as this act that creates such a successor department the revisor shall delete from section 1,

subdivision 1, of this act the words "aeronautics" and "highway" and insert after "revenue" the word "transportation". In any conflict between the provisions of this act and the repealer section of any act creating such a successor department, the provisions of the repealer section of the act creating the successor department shall govern.

Sec. 44. [INSTRUCTION TO REVISOR.] *The revisor of statutes shall eliminate from the statutes any reference to the "secretary" or "executive officer" of the board of health or any similar title with this meaning, and shall substitute "commissioner" or "commissioner of health" as appropriate.*

Sec. 45. [REPEALER.] *Minnesota Statutes 1974, Sections 16.13, 121.07, 121.08, 121.10, 175.003, Subdivision 4, 216A.06, Subdivision 2, and 144.03, are repealed.*

Sec. 46. [EFFECTIVE DATE.] *This act shall be effective the day following its final enactment."*

Further strike the title and insert:

"A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 15.051, Subdivision 3; 15.06; 16.01; 16.125; 16A.01, Subdivisions 2 and 3; 17.01; 43.001, Subdivisions 2 and 3; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 116H.03, Subdivisions 2 and 3; 121.09; 121.16; 144.04; 161.03, Subdivisions 1 and 4; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06, Subdivision 1; 241.01, Subdivisions 1 and 2; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivisions 1 and 2; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 15.051, Subdivision 1; and 144.02; repealing Minnesota Statutes 1974, Sections 16.13; 121.07; 121.08; 121.10; 175.003, Subdivision 4; 216A.06, Subdivision 2; and 144.03."

We request adoption of this report and repassage of the bill.

House Conferees: HARRY A. SIEBEN, JR., TAD JUDE and AL PATTON.

Senate Conferees: DAVID D. SCHAAF and EUGENE E. STOKOWSKI.

Sieben, H., moved that the report of the Conference Committee on H. F. No. 109 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 109, A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall serve at the pleasure of the governor; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 16.01; 16A.01, Subdivision 2; 17.01; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 161.03, Subdivision 1; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivision 1; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1.

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

The question being taken on the repassage of the bill and the roll being called, there were yeas 111, and nays 2, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Adams, S. Kaley

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 500

A bill for an act relating to energy; energy commission, public members; providing for compensation and reimbursement of traveling and other expenses; amending Minnesota Statutes 1974, Section 116H.04, Subdivision 2.

April 2, 1976

The Honorable Martin O. Sabo
Speaker of the House of Representatives
The Honorable Alec G. Olson
President of the Senate

We, the undersigned conferees for H. F. No. 500 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and H. F. No. 500 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 116H.02, is amended by adding a subdivision to read:

Subd. 10. "Decorative gas lamp" means a device installed for the purpose of producing illumination by burning natural, mixed, or LP gas and utilizing either a mantle or an open flame, but does not include portable camp lanterns or gas lamps.

Sec. 2. Minnesota Statutes 1974, Section 116H.02, is amended by adding a subdivision to read:

Subd. 11. "Solar energy system" means a set of devices whose primary purpose is to collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy-using processes, or to produce generated power by means of any combination of collecting, transferring, or converting solar-generated energy.

Sec. 3. Minnesota Statutes 1974, Section 116H.03, Subdivision 3, is amended to read:

Subd. 3. The director shall be appointed by the governor with the advice and consent of the senate, to a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and qualified. In appointing the director the governor should give due consideration to the listing of names submitted by the commission pursuant to section 116H.04. The director shall serve at the pleasure of the governor.

A vacancy in the office of director shall be filled by the governor and the new appointee shall immediately take office and carry out all duties until the next session of the legislature when his appointment shall be submitted to the senate for confirmation.

The director may appoint a deputy (WHO SHALL) *director and a personal secretary* to serve at his pleasure. The salaries of the director and the deputy shall be fixed by the governor until otherwise expressly provided for by law. The deputy may be authorized by the director to perform every duty, power and responsibility imposed on the director unless expressly forbidden by law. The director and his deputy *and his personal secretary* shall serve in the unclassified service and shall be members of the Minnesota state retirement system.

Sec. 4. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.085] [ENERGY CONSERVATION INFORMATION CENTER.] *The director shall establish an energy conservation information center in the agency's offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to, availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings, including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and the alternative sources of energy.*

Sec. 5. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

Subd. 3a. Beginning 12 months after the effective date of this act, no person shall use a decorative gas lamp in Minnesota except as provided in section 6 of this act. All natural gas utilities and LP gas distributors doing business in Minnesota shall notify each of their customers of this prohibition, in writing, at least 120 days prior to the deadline including such information as the agency may require. The agency shall notify all natural gas utilities and LP gas distributors of this requirement and of the entire form and contents of such notice within 30 days of the effective date of this act, including the necessary technological information to adapt gas lights to electricity.

Sec. 6. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

Subd. 3b. The director may grant a variance where conversion is not possible with reasonable cost.

Sec. 7. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

Subd. 10. The director shall report to the legislature not later than March 1, 1977, on the economic and technological feasibility of implementing a program of energy conservation in Minnesota with respect to room air conditioners and standing pilot light equipment. The study shall include consideration of:

(1) The economic feasibility of the program and the impact on consumers, agriculture, business and interstate commerce;

(2) The technological feasibility of implementing the program including safety considerations;

(3) The potential reduction in energy consumed in Minnesota which would result from implementing the program;

(4) Substantial state need for the program in relation to the progress of similar energy conservation programs undertaken by the federal energy agency under the mandate of the federal energy policy and conservation act of 1975.

For the purposes of this subdivision "economic feasibility" means that the benefits from reduced energy consumption and the savings in operating costs throughout the estimated average life of the product outweigh:

(a) Any increase to purchasers in initial charges for, or, maintenance expenses of, the product which is likely to result from implementing the program;

(b) Any lessening of the utility, safety, dependability or performance of the product; and

(c) Any negative effects on competition.

Sec. 8. Minnesota 1974, Chapter 116H, is amended by adding a section to read:

[116H.121] [ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.] *Before February 1, 1977, the commissioner of administration in consultation with the director, shall amend the rules concerning heat loss, illumination, and climate control standards promulgated pursuant to Minnesota Statutes, 1975 Supplement, Section 116H.12, Subdivision 4, to include standards for all existing buildings heated by oil, coal, gas, or electric units which are owned by the state, the university of Minnesota, any city, any county, or any school district. Compliance with standards adopted pursuant to this section shall not be mandatory for buildings owned by any city, county or school district.*

Sec. 9. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.122] [ENERGY CONSERVATION IN STATE OWNED BUILDINGS.] *Before January 1, 1980, the commissioner of administration, in cooperation with the director, shall survey all buildings which are heated by oil, coal, gas, or electric units and which are owned by the state of Minnesota, including buildings and associated facilities of the state university system, the state fairgrounds as defined in section 37.01, the Minnesota historical society building, and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, or transportation, to determine the energy savings that can be accomplished through insulation, climate control or illumination modifications. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. The survey shall include an estimate, based upon a formula specified by the director, of the annual potential savings in fuel procurement costs for existing heating and cooling systems which would be realized for each state-owned building if it were improved to comply with the energy conservation standards. Buildings heated by oil or interruptable gas shall be surveyed first. If the commissioner determines that a modification is economically feasible, in that savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building he shall recommend implementation of the modification to the legislature. The commissioner shall submit to the legislature an interim progress report by January 1, 1977 and a final report by January 1, 1980.*

Sec. 10. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.123] [ENERGY CONSERVATION IN UNIVERSITY BUILDINGS.] *Before January 1, 1980, the university of Minnesota, after consultation with the director, shall survey all buildings and associated facilities of the university of Minnesota which are heated by oil, coal, electric, or gas units to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. The survey shall include an estimate, based upon a formula specified by the director, of the annual potential savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each university-owned building if it were improved to comply with the energy conservation standards. Buildings heated by oil or interruptable gas shall be surveyed first. If the university determines, based*

upon a formula specified by the director, that a modification is economically feasible, in that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. The university shall submit to the legislature an interim progress report before January 1, 1977 and a final report before January 1, 1980, indicating the number and percentage of university-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications based upon the continuing survey.

Sec. 11. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.124] [LOCAL GOVERNMENTAL SURVEYS AND FUEL COST ESTIMATES.] *Before January 1, 1980, the governing body of each city and county shall complete a survey of all existing city-owned or county-owned buildings within their respective jurisdictions which buildings are heated by oil, coal, electric, or gas units. Buildings heated by oil or interruptable gas shall be surveyed first. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. The governing body of a city or county may contract with any municipal building official appointed pursuant to section 16.861, or with the state building inspector to perform the energy conservation survey. Each governing body shall estimate, based upon a formula specified by the director, the annual potential savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each building within its jurisdiction if that building were improved to comply with the energy conservation standards. Each governing body shall file the energy conservation survey and estimated fuel procurement data for the buildings within its jurisdiction with the director before December 31, 1978, for his review and comment.*

Sec. 12. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.125] [ENERGY CONSERVATION IN PUBLIC SCHOOLS; LEGISLATIVE REPORT.] *Before February 1, 1977, the commissioner of education after consultation with the director shall analyze the reports required under section 120.78, and report to the legislature on the energy efficiency of public school buildings including the recommendations of the commissioner of education and the director.*

Sec. 13. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.126] [PUBLIC SCHOOL SURVEYS.] *Before January 1, 1980, each school district shall complete a survey of all existing public school buildings which it owns or operates and which are heated by oil, gas, coal, or electric units in order to determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. Buildings heated by oil or interruptable gas shall be surveyed first. The results of the energy conservation survey shall be recorded on a form furnished by the director. A school district may contract with any municipal building official appointed pursuant to section 16.861 or with the state building inspector to perform the energy conservation survey. Each school district shall estimate, based upon a formula specified by the director, the annual savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each public school building within the district if it were improved to comply with the energy conservation standards.*

Each school district shall file the energy conservation survey and estimated fuel procurement data for each public school building within the district with the director before December 31, 1978, for his review and comment.

Sec. 14. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.127] [SOLAR ENERGY SYSTEM STANDARDS OF PERFORMANCE.] *The building code division of the department of administration in consultation with the agency shall promulgate rules by December 31, 1976, concerning quality and performance standards which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975, to insure that within the existing state of development, solar energy systems as defined in section 2 of this act, which are sold or installed within this state, are effective and represent a high standard of quality of material, workmanship, design, and performance. The department of administration in consultation with the energy agency shall modify existing standards and promulgate new standards subsequent to December 31, 1976, as new technology and materials become available, or as standards are revised by the federal government.*

Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.

Sec. 15. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.128] [REVIEW OF ENERGY RESEARCH AND DEMONSTRATION PROJECTS.] *The director shall continuously identify, monitor, and evaluate in terms of potential direct benefit to, and possible implementation in Minnesota, research studies and demonstration projects of alternative energy systems and methodologies currently performed in Minnesota and other states and countries including:*

- (a) *Solar energy systems for heating and cooling;*
- (b) *Energy systems using wind, agricultural wastes, forestry products, peat, and other nonconventional energy resources;*
- (c) *Devices and technologies increasing the energy efficiency of energy consuming appliances, equipment, and systems;*
- (d) *Hydroelectric power; and*
- (e) *Such other projects as the director deems appropriate and of direct benefit to Minnesota and other states of the upper midwest.*

Sec. 16. *Persons who served as public members of the legislative commission on energy, created pursuant to Laws 1974, Chapter 307, Section 4, shall be compensated the sum of \$25 per day for each day spent in the performance of their duties subsequent to April 1, 1974. They shall also be reimbursed for expenses incurred during that period in the same manner and amounts as provided for state employees during that period.*

Sec. 17. [APPROPRIATIONS.] Subdivision 1. *There is appropriated and added to the general contingent account for fiscal year 1977 the sum of \$200,000. This appropriation shall be available for making grants for demonstration projects of alternative energy systems and methodology particularly appropriate to Minnesota.*

Subd. 2. *The sum of \$195,400 is appropriated from the general fund to the commissioner of administration for the purposes of sections 8, 9 and 14. The sum of \$150,000 is appropriated from the general fund to the director of the Minnesota energy agency for purposes of sections 4, 7 and 15. The sum of \$50,000 is appropriated from the general fund to the director of the Minnesota energy agency to contract for infrared aerial photographs, at least 50 percent of which shall be conducted outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2. Notwithstanding Minnesota Statutes, Section 16A.28, the appropriations made by this subdivision shall not lapse but shall be available for the biennium ending June 30, 1977.*

Sec. 18. [EFFECTIVE DATE.] *This act takes effect on the day following its final enactment.*"

Further amend the title as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to energy; authorizing the director of the Minnesota energy agency to appoint certain employees; establishing an energy conservation information center; prohibiting the use of certain gas lamps; requiring certain reports to the legislature; requiring promulgation of energy conservation rules; requiring surveys of certain public buildings; providing for solar energy performance standards; providing for monitoring of energy research; providing compensation and expense reimbursement for public members of the energy commission; appropriating money; amending Minnesota Statutes 1974, Sections 116H.02, by adding subdivisions; 116H.03, Subdivision 3; 116H.12, by adding subdivisions; and Chapter 116H, by adding sections."

We request adoption of this report and repassage of the bill.

House Conferees: WILLARD M. MUNGER, GORDON O. VOSS, WALTER R. HANSON, BILL LUTHER and JOHN S. BIERSDORF.

Senate Conferees: HUBERT H. HUMPHREY III, BILL MCCUTCHEON, WINSTON W. BORDEN, JOHN BERNHAGEN and ROGER HANSON.

Munger moved that the report of the Conference Committee on H. F. No. 500 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 500, A bill for an act relating to energy; energy commission, public members; providing for compensation and reimbursement of traveling and other expenses; amending Minnesota Statutes 1974, Section 116H.04, Subdivision 2.

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

The question being taken on the repassage of the bill and the roll being called, there were yeas 121, and nays 0, as follows:

Those who voted in the affirmative were:

Abeln	Begich	Carlson, L.	DeGroat	Evans
Adams, L.	Berg	Carlson, R.	Dieterich	Ewald
Adams, S.	Berglin	Casserly	Doty	Faricy
Albrecht	Biersdorf	Clark	Eckstein	Fjoslien
Anderson, G.	Birnstihl	Clawson	Eken	Forsythe
Anderson, I.	Braun	Corbid	Enebo	Friedrich
Arlandson	Byrne	Dahl	Erickson	Fudro
Beauchamp	Carlson, A.	Dean	Esau	Fugina

George	Kempe, R.	Moe	Rice	Suss
Graba	Ketola	Munger	St. Onge	Swanson
Hanson	Knickerbocker	Neisen	Samuelson	Tomlinson
Heinitz	Kostohryz	Nelsen	Sarna	Ulland
Hokanson	Kvam	Nelson	Savelkoul	Vanasek
Jacobs	Laidig	Niehaus	Schreiber	Vento
Jaros	Langseth	Novak	Schulz	Voss
Jensen	Lemke	Osthoff	Schumacher	Wenstrom
Johnson, C.	Lindstrom	Parish	Searle	Wenzel
Johnson, D.	Luther	Patton	Setzepfandt	White
Jude	Mangan	Pehler	Sieben, H.	Wieser
Kahn	Mann	Peterson	Sieben, M.	Zubay
Kaley	McCauley	Petrafeso	Sieloff	Speaker Sabo
Kalis	McCollar	Philbrook	Smith	
Kelly, R.	McEachern	Pleasant	Smogard	
Kelly, W.	Menning	Prahl	Spanish	
Kempe, A.	Metzen	Reding	Stanton	

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

MESSAGES FROM THE SENATE

The following messages were received from 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. 1137, A bill for an act relating to commerce; rates of interest on money; increasing availability of housing; increasing range of eligibility for assistance from housing finance agency; limiting assistance for areas with certain zoning code restrictions; providing for revolving loan funds; appropriating money; amending Minnesota Statutes 1974, Sections 334.01, Subdivision 2, and by adding a subdivision; 462A.03, Subdivision 13; 462A.05, Subdivisions 2, 14 and 15; 462A.07, Subdivision 13, and by adding subdivisions; 462A.21, by adding subdivisions; 462A.22, Subdivision 9; and Chapter 462A, by adding a section; repealing Laws 1974, Chapter 238, Section 2.

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. 1865, A bill for an act relating to crimes and corrections; sentencing and post conviction disposition of criminal

offenders; transferring the powers and duties of the Minnesota corrections authority to the commissioner of corrections; abolishing the Minnesota corrections authority; providing for determinate sentencing; providing for a mutual agreement program; amending Minnesota Statutes 1974, Sections 152.15; 401.13; 609.03; 609.10; 609.135, Subdivision 1; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.225; 609.235; 609.24; 609.245; 609.25, Subdivision 2; 609.255; 609.26; 609.27, Subdivision 2; 609.31; 609.32; 609.355, Subdivision 2; 609.365; 609.375, Subdivision 2; 609.39; 609.395; 609.405, Subdivision 2; 609.42, Subdivision 1; 609.425; 609.445; 609.455; 609.465; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.52, Subdivision 3; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.56; 609.565; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.61; 609.615; 609.62, Subdivision 2; 609.625; 609.63; 609.635; 609.64; 609.645; 609.65; 609.67, Subdivision 2; 609.71; 609.713; 609.785; 609.82; 609.825, Subdivision 2; 609.83; Minnesota Statutes, 1975 Supplement, Sections 609.185; 609.342; 609.343; 609.344; 609.345; 609.52, Subdivision 2; 609.521; and 609.551, Subdivision 1; repealing Minnesota Statutes 1974, Sections 241.045, as amended; 242.24; 243.06; 243.14; 243.18; 246.43; 609.11, as amended; 609.13, Subdivision 1; 609.155; 609.16; and 609.293, Subdivisions 2, 3, and 4.

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. 348, A bill for an act relating to insurance; establishing a temporary joint underwriting association for medical malpractice insurance; requiring membership; setting standards; providing for appeals; recovery of contributions and reporting of financial conditions; extending the required inclusion of chiropractic services under group accident and health policies and subscriber contracts; amending Minnesota Statutes 1974, Section 62A.15, by adding a subdivision.

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. 354, A bill for an act relating to public welfare; providing for the licensing of facilities and services for the handicapped and children; prescribing penalties; amending Minnesota Statutes 1974, Section 252.28; repealing Minnesota Statutes 1974, Sections 245.78; 245.79; 245.80; 245.81; 245.82; 257.081; 257.082; 257.091; 257.101; 257.102; 257.111; 257.123; and 257.124.

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. 471, A bill for an act relating to condominiums; regulating the association of apartment owners; requiring certain disclosure before initial sale of apartments; amending Minnesota Statutes 1974, Section 515.19, and Chapter 515 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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1333, A bill for an act relating to coroners; providing for fees and traveling expenses; prohibiting interference with a dead body or the scene of death; prescribing penalties; amending Minnesota Statutes 1974, Section 357.11; and Chapter 609, by adding a section.

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. 1767, A bill for an act relating to bingo; providing penalties; amending Minnesota Statutes 1974, Section 609.75, Subdivision 3; repealing Minnesota Statutes 1974, Chapter 349.

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 accedes to the request of the House for the appointment of a Conference Committee, consisting of 3 members of the Senate, on the amendments adopted by the Senate to the following House File:

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 Senate has appointed as such committee Messrs. Conzemius; Olson, A. G. and Ueland.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee, consisting of 3 members of the Senate, on the amendments adopted by the Senate to the following House File:

H. F. No. 2374, A bill for an act relating to highway traffic regulation; requiring courts to report to the commissioner of public safety a stay of imposition of sentence granted under provisions of law relating to driving while under the influence of drugs or alcoholic beverages; amending Minnesota Statutes 1974, Sections 169.121, Subdivision 6; and 609.135, Subdivision 3.

The Senate has appointed as such committee Messrs. Olson, A. G.; Jensen and Schaaf.

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. 955, A bill for an act relating to mobile homes; providing certain procedures for repossession of mobile homes; amending Minnesota Statutes 1974, Section 336.9-104.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Langseth moved that the House concur in the Senate amendments to H. F. No. 955 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 955, A bill for an act relating to mobile homes; providing certain procedures for repossession of mobile homes; amending Minnesota Statutes 1974, Section 336.9-104.

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 122, and nays 0, as follows:

Those who voted in the affirmative were:

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

Smith	Swanson	Vento	White	Speaker Sabo
Spanish	Tomlinson	Voss	Wieser	
Stanton	Ulland	Wenstrom	Wigley	
Suss	Vanasek	Wenzel	Zubay	

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

Mr. Speaker:

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

S. F. No. 60, A bill for an act relating to insurance; providing for the establishment and administration of plans of health insurance to provide certain minimum benefits to all persons in the state; creating a comprehensive health care association; providing a dual option for health care for certain employees; regulating health maintenance organizations' coverage of dental services and conversion privileges; appropriating money; amending Minnesota Statutes 1974, Section 62D.12, by adding a subdivision.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 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.

April 1, 1976

The Honorable Alec G. Olson
President of the Senate
The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 60 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and S. F. No. 60 be amended as follows:

Strike everything after the enacting clause and insert:

"ARTICLE I

Section 1. [62E.01] [CITATION.] Sections 1 to 17 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 17 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 ten 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 19 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 Minnesota resident 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 accident and health insurance policies, group accident and health insurance policies, coverage under a non-profit 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 or 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, (4) sold by fraternal and provides payments on a per diem, daily indemnity or non-expense incurred basis, or (5) credit accident and health insurance issued pursuant to Minnesota Statutes, Chapter 62B.

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

Subd. 13. "Eligible person" means an individual who is a resident of Minnesota and meets the enrollment requirements of section 14 of this article.

Subd. 14. "Minnesota comprehensive health association" or "association" means the association created by section 10 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 premium determined pursuant to section 8 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 beneficiary association" or "fraternal" means a corporation, society, order, or voluntary association without capital stock which sells health and accident insurance in accordance with Minnesota Statutes, Chapter 64A.

Subd. 20. "Comprehensive health insurance plan" or "state plan" means policies of insurance and contracts of health maintenance.

nance organization coverage offered by the association through the writing carrier.

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 insurer" does not include an employer engaged in the business of providing health care services to the public who provides health care services directly to his employees at no charge to them.

Subd. 22. "Self insurance" means a plan of health coverage offered by a self insurer.

Sec. 3. [62E.03] [DUTIES OF THE EMPLOYER.] Subdivision 1. Each employer who provides or makes available to his employees a plan of health coverage shall make available to his employees employed in this state a plan or combination of plans which have been certified by the commissioner as a number two qualified plan. If the plan of health coverage does not meet the requirements of section 6 of this article for a number two 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 number two coverage plan. The plan or combinations of plans 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, health maintenance contracts, group policies or individual policies or any combination thereof.

Subd. 2. In the event that an employer fails to make available at least a number two qualified plan of health benefits to his employees employed in this state, none of the employer's cost for health benefits shall qualify as an income tax deduction pursuant to Minnesota Statutes, Section 290.09, Subdivision 2, Clause (a)(1). In the case of an employer who meets the requirements of Minnesota Statutes, Section 297A.25, Subdivision 1, Clause (p) if the employer fails to make available at least a number two qualified plan to his employees, the employer shall lose his status as an exempt organization under Minnesota Statutes, Section 297A.25, Subdivision 1, Clause (p).

Sec. 4. [62E.04] [DUTIES OF INSURERS.] Subdivision 1. [INDIVIDUAL POLICIES.] For each type of qualified plan described in section 6 of this article, an insurer or fraternal issuing individual policies of accident and health insurance in this state, other than group conversion policies, 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 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. [MAJOR MEDICAL COVERAGE.] Each insurer and fraternal shall include coverage of major medical costs in every unqualified policy of accident and health insurance, unless the applicant for a new or renewal policy declines the coverage in writing. The coverage shall provide that when a covered individual incurs out-of-pocket expenses of \$5,000 or more within a calendar year for services covered in section 6, subdivision 1, benefits shall be payable, subject to any copayment authorized by the commissioner, up to a maximum life-time limit of \$250,000.

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

Subd. 6. [REINSURANCE ALLOWED.] An insurer or fraternal may fulfill its obligations under this section by issuing the required coverages in their own name and reinsuring the risk and administration of the coverages with the association in accordance with section 10, subdivision 7, clauses (e) and (f) of this article.

Subd. 7. [UNDERWRITING STANDARDS MAY APPLY.] Nothing in this section shall require an insurer or fraternal to offer or issue a policy to any person who does not meet the underwriting or membership requirements of the insurer or fraternal.

Sec. 5. [62E.05] [CERTIFICATION OF QUALIFIED PLANS.] *Upon application by an insurer, fraternal, or employer for certification of a plan of health coverage as a qualified plan or a qualified medicare supplement plan for the purposes*

of sections 1 to 17 of this article, the commissioner shall make a determination within 90 days as to whether the plan is qualified. All plans of health coverage shall be labelled as "qualified" or "non-qualified" on the front of the policy or evidence of insurance. All qualified plans shall indicate whether they are number one, two, or three coverage plans.

Sec. 6. [62E.06] [MINIMUM BENEFITS OF QUALIFIED PLAN.] Subdivision 1. [NUMBER THREE PLAN.] A plan of health coverage shall be certified as a number three qualified plan if it otherwise meets the requirements established by Minnesota Statutes, Chapter 62A and Chapter 62C, and the other laws of this state, whether or not the policy is issued in Minnesota, 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 \$150 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 injuries, illnesses, or conditions, other than outpatient mental or dental, which are rendered by a physician or at his direction;
- (3) Drugs requiring a physician's prescription;
- (4) Services of a nursing home for not more than 120 days in a year if the services commence within 14 days following confinement of at least three days in a hospital for the same condition;
- (5) Service of a home health agency up to a maximum of 180 visits per year;
- (6) Use of radium or other radioactive materials;
- (7) Oxygen;
- (8) Anesthetics;
- (9) Prostheses;

(10) *Rental or purchase, as appropriate, of durable medical equipment;*

(11) *Diagnostic X-rays and laboratory tests;*

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

(13) *Services of a physical therapist.*

(b) *Covered expenses for the services and articles specified in this subdivision do not include the following:*

(1) *Any charge for any care for any injury or disease either (i) arising out of an injury in the course of employment and subject to a workmen'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, or (iii) for which benefits are payable under another policy of accident and health insurance or medicare;*

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

(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 it is in excess of the institution's charge for its most common semi-private room, 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; and*

(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.*

(c) *Effective January 1, 1980, the minimum benefits for a qualified plan shall include, in addition to those benefits specified in clause (a), benefits for the following services subject to applicable deductibles, coinsurance provisions, and maximum lifetime benefit limitations:*

(1) *Well baby care;*

(2) *Physicians' services for routine check-ups and annual physicals when prescribed by a physician; and*

(3) *Multiphasic screening and other diagnostic testing. The commissioner by rule shall prescribe reasonable limits on the reimbursement required for services listed in this clause.*

Subd. 2. [NUMBER TWO PLAN.] A plan of health coverage shall be certified as a number two qualified plan if it meets the requirements established by the laws of this state and provides for payment of 80 percent of the covered expenses required by this section in excess of a deductible which does not exceed \$500 per person.

Subd. 3. [NUMBER ONE PLAN.] A plan of health coverage shall be certified as a number one qualified plan if it meets the requirements established by the laws of this state and provides for payment of 80 percent of the covered expenses required by this section in excess of a deductible which does not exceed \$1,000 per person.

Subd. 4. [HEALTH MAINTENANCE PLANS.] A health maintenance organization which provides the services required by Minnesota Statutes, Chapter 62D shall be deemed to be providing a number three 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 and co-payment required under medicare and 80 percent of the charges for covered services described in section 6, subdivision 1, which charges are not paid by medicare. The coverage shall include a limitation of \$1,000 per person on total annual out-of-pocket expenses for the covered services. The coverage may be subject to a maximum lifetime benefit of not less than \$100,000.*

Sec. 8. [62E.08] [STATE PLAN PREMIUM.] *Subdivision 1. For the first year of operation of the comprehensive health insurance plan the association shall establish the following premiums to be charged for membership in the comprehensive health insurance plan:*

(a) The premium for the number one qualified plan shall be the average of rates charged by the five insurers with the largest number of individuals in a number one individual qualified plan of insurance in force in Minnesota;

(b) The premium for the number two qualified plan shall be the average of rates charged by the five insurers with the largest number of individuals in a number two individual qualified plan of insurance in force in Minnesota;

(c) *The premium for a qualified medicare supplement plan shall be the average of rates charged by the five insurers with the largest number of individuals enrolled in a qualified medicare supplement plan; and*

(d) *The charge for health maintenance organization coverage shall be based on generally accepted actuarial principles.*

Subd. 2. For the second and subsequent years the schedule of premiums for membership in the comprehensive health insurance plan shall be designed to be self-supporting and based on generally accepted actuarial principles.

Sec. 9. [62E.09] [DUTIES OF COMMISSIONER.] *The commissioner may:*

(a) *Formulate general policies to advance the purposes of sections 1 to 17 of this article; the commissioner may also adopt, promulgate, repeal, and amend rules pursuant to the rule making provisions of Minnesota Statutes, Chapter 15, to carry out the provisions of sections 1 to 17 of this article;*

(b) *Supervise the creation of the Minnesota comprehensive health association within the limits described in section 10 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;*

(g) *Undertake directly or through contracts with other persons studies or demonstration programs to develop awareness of the benefits of sections 1 to 17 of this article, so that the residents of this state may best avail themselves of the health care benefits provided by these sections; and*

(h) *Contract with insurers and others for administrative services.*

Sec. 10. [62E.10] [COMPREHENSIVE HEALTH ASSOCIATION.] *Subdivision 1. [CREATION.] There is estab-*

lished 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. [BOARD OF DIRECTORS; ORGANIZATION.] 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, accident and health insurance premium, subscriber contract charges, or health maintenance contract payment derived from or on behalf of Minnesota residents 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 shall 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. The costs of conducting meetings of the association and its board of directors shall be borne by members of the association.

Subd. 3. [MANDATORY MEMBERSHIP.] All members shall maintain their membership in the association as a condition of doing business in this state. The association shall submit by-laws and operating rules to the commissioner for approval.

Subd. 4. [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.

Subd. 5. [CONTRACT OF REINSURANCE.] All members shall enter into a contract with the association according to terms specified in section 11. 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. 6. [ANTITRUST EXEMPTION.] In the performance of their duties as members of the association, the members shall be exempt from the provisions of Minnesota Statutes, Sections 325.8011 to 325.8028.

Subd. 7. [GENERAL POWERS.] *The association may:*

(a) *Exercise the powers granted to insurers under the laws of this state;*

(b) *Sue or be sued;*

(c) *Enter into contracts with insurers, similar associations in other states or with other persons for the performance of administrative functions including the functions provided for in clauses (e) and (f);*

(d) *Establish administrative and accounting procedures for the operation of the association;*

(e) *Provide for the reinsuring of risks incurred as a result of issuing the coverages required by sections 4 and 16 of this article by members of the association. Each member which elects to reinsure its required risks shall determine the categories of coverage it elects to reinsure in the association. The categories of coverage are:*

(1) *Individual qualified plans, excluding group conversions;*

(2) *Group conversions;*

(3) *Group qualified plans with fewer than 50 employees or members; and*

(4) *Major medical coverage.*

A separate election may be made for each category of coverage. If a member elects to reinsure the risks of a category of coverage, it must reinsure the risk of the coverage of every life covered under every policy issued in that category. Members electing to administer the risks which are reinsured in the association shall comply with the benefit determination guidelines and accounting procedures established by the association. The fee charged by the association for the reinsurance of risks shall not be less than 110 percent of the total anticipated expenses incurred by the association for the reinsurance; and

(f) *Provide for the administration by the association of policies which are reinsured pursuant to clause (e) of this subdivision. Each member electing to reinsure one or more categories of coverage in the association may elect to have the association administer the categories of coverage on the member's behalf. If a member elects to have the association administer the categories of coverage, it must do so for every life covered under every policy issued in that category. The fee for the administra-*

tion shall not be less than 110 percent of the total anticipated expenses incurred by the association for the administration.

Sec. 11. [62E.11] [OPERATION OF COMPREHENSIVE PLAN.] Subdivision 1. Upon certification as an eligible person in the manner provided by section 14 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. 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.

Subd. 3. Not less than 87-1/2 percent of the state plan premium paid to the writing carrier shall be used to pay claims, and not more than 12-1/2 percent shall be used for the payment of agent referral fees as authorized in section 15, subdivision 3 of this article and for payment of the writing carrier's direct and indirect expenses, as specified in section 13, subdivision 7 of this article.

Subd. 4. Any income in excess of the costs incurred by the association in providing reinsurance or administrative services pursuant to section 7, clauses (e) and (f) of this article shall be held at interest and used by the association to offset losses due to claims expenses of the state plan or allocated to reduce state plan premiums.

Subd. 5. Each member of the association shall share the losses due to claims expenses of the comprehensive health insurance plan pursuant to the terms of the individual reinsurance contracts executed by the association with each member in accordance with section 10, subdivision 5 of this article. Deviations in the claim experience of the state plan from the premium payments allocated to the payment of benefits 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, accident and health insurance premium, subscriber contract charges, or health maintenance organization contract charges received from or on behalf of Minnesota residents as divided into the total cost of self insurance, accident and health insurance premium, subscriber contract charges, and health maintenance organization contract charges received by all association members from or on behalf of Minnesota residents, as determined by the commissioner. The reinsurance contract shall provide for a retroactive determination of each member's liability and 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 payment within 30 days of notification by the association shall be grounds for termination of the member's membership.

Net gains, if any, from the operation of the state plan shall be held at interest and used by the association to offset future losses due to claims expenses of the state plan or allocated to reduce state plan premiums.

Sec. 12. [62E.12] [MINIMUM BENEFITS OF COMPREHENSIVE HEALTH INSURANCE PLAN.] *The association through its comprehensive health insurance plan shall offer policies which provide the benefits of a number one qualified plan, a number two 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 agreed to make the coverage available and has been selected as a writing carrier.*

Sec. 13. [62E.13] [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 and contracts submitted pursuant to Minnesota Statutes, Section 62A.10, the association shall select policies and contracts 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 accident and 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 two types of qualified 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 in 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 all eligible persons enrolled in the plan an individual certificate, setting forth a statement as to the insurance protection to which he is entitled,*

with whom claims are to be filed and to whom benefits are payable. The certificate shall indicate that coverage was obtained through the association.

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 claims shall be paid by the writing carrier pursuant to the provisions of sections 1 to 17 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 state plan premiums received for its direct and indirect expenses. Direct and indirect expenses shall include, but need not be limited to, a pro rata reimbursement for that 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 17 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.

Sec. 14. [62E.14] [ENROLLMENT BY AN ELIGIBLE PERSON.] Subdivision. 1. The comprehensive health insurance plan shall be open for enrollment by eligible persons. An eligible person may enroll 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) *Evidence of rejection, or a requirement of restrictive riders, or a pre-existing conditions limitation on a qualified plan, the effect of which is to substantially reduce coverage from that received by a person considered a standard risk, by at least two association members within six months of the date of the certificate; and*

(d) *A designation of the coverage desired.*

An eligible person may not purchase more than one policy from the state plan.

Subd. 2. [WRITING CARRIER'S RESPONSE.] Within 30 days of receipt of the certificate described in subdivision 1, the writing carrier shall either reject the application for failing to comply with the requirements in subdivision 1 or forward the eligible person a notice of acceptance and billing information. Insurance shall be effective immediately upon receipt of the first month's state plan premium, and shall be retroactive to the date of the application, if the applicant otherwise complies with the requirements of sections 1 to 17 of this article.

Subd. 3. 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 diagnosed or treated for that condition during the 90 days immediately preceding the filing of an application.

Sec. 15. [62E.15] [SOLICITATION OF ELIGIBLE PERSONS.] *Subdivision 1. The association pursuant to a plan approved by the commissioner shall disseminate appropriate information to the residents of this state regarding the existence of the comprehensive health 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 17 of this article and shall administer these sections in a manner which facilitates public participation in the state plan.

Subd. 3. The writing carrier shall pay an agent's referral fee of \$25 to each insurance agent who refers an applicant to the state plan, if the application is accepted. Selling or marketing of qualified state plans shall not be limited to the writing carrier or its agents. The referral fees shall be paid by the writing carrier from money received as premiums for the state plan.

Subd. 4. Every insurer which rejects or applies underwriting restrictions to an applicant for accident and health insurance shall notify the applicant of the existence of the state plan, the requirements for being accepted in it, and the procedure for applying to it.

Sec. 16. [62E.16] [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 without the addition of underwriting restrictions until he would have ceased to have been entitled to coverage had the individual in whose name the contract was issued lived. An individual conversion contract issued by a health maintenance organization shall not be deemed to be an individual enrollment contract for the purposes of Minnesota Statutes, Section 62D.10.*

Sec. 17. [62E.17] [DUAL OPTION.] *Subdivision 1. An employer who employs in this state, on the average during a calendar quarter, 100 employees or more, other than employees engaged in seasonal employment as defined in 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. An option need not be provided if less than 25 employees select that option.*

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 as to the services covered or benefits provided, but need not otherwise be approved by the commissioner or the board of health.

Subd. 3. No insurer shall make acceptance of its offer to provide insurance coverage contingent on acceptance by the employer of health maintenance organization coverage by a particular health maintenance organization. No health maintenance organization shall make acceptance of its offer to provide health maintenance organization coverage contingent on acceptance by the employer of insurance coverage by a particular insurer. No offer to provide the accident and health insurance policy and

the health maintenance organization contract shall combine the two in 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. 18. Minnesota Statutes 1974, Section 62D.12, is amended by adding a subdivision to read:

Subd. 11. Any health maintenance organization which includes coverage of comprehensive dental services in its comprehensive health maintenance services shall not include the charge for the dental services in the same rate as the charge for other comprehensive health maintenance services. The rates for dental services shall be computed, stated and bid separately. No employer shall be required to purchase dental services in combination with other comprehensive health services. An employer may purchase dental services separately.

Sec. 19. [APPROPRIATION.] There is appropriated from the general fund to the commissioner of insurance for the biennium ending June 30, 1977, \$107,000 for the purpose of implementing article I.

Sec. 20. [EFFECTIVE DATES.] Section 18 of this article is effective the day following its final enactment. Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 13, 15 and 19 of this article are effective July 1, 1976. Sections 3, 11, 12, 14, 16 and 17 of this article are effective January 1, 1977.

ARTICLE II

Section 1. [CITATION.] Sections 1 to 9 of this article may be cited as the Minnesota hospital administration act of 1976.

Sec. 2. [DEFINITIONS.] Subdivision 1. Unless the context clearly indicates otherwise, for the purposes of sections 1 to 9 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 licensed pursuant to Minnesota Statutes, Sections 144.50 to 144.58, but does not include any 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, Chapter 62A, or nonprofit health service plan subscriber contracts pursuant to Minnesota Statutes, Chapter 62C.

Sec. 3. [GENERAL POWERS AND DUTIES OF STATE BOARD.] Subdivision 1. The board may contract with third parties for services necessary to carry out its activities where this will promote economy, avoid duplication of effort, and make best use of available expertise.

Subd. 2. The board may apply for and receive grants and gifts from any governmental agency, private entity or other person.

Subd. 3. To further the purpose of sections 1 to 9 of this article, the board may create committees from its membership and may appoint ad hoc advisory committees.

Subd. 4. The board shall coordinate regulation and inspection of hospitals to avoid, to the extent possible, conflicting rules and duplicative inspections.

Sec. 4. [REPORTING REQUIREMENTS.] Subdivision 1. Each hospital, which has not filed the financial information required by this section with a voluntary, nonprofit rate review organization pursuant to section 8 of this article, 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; and

(c) A copy of its most recent cost report filed pursuant to requirements of Title XVIII of the United States Social Security Act.

Subd. 2. If more than one licensed hospital is operated by the reporting organization, the board may require that the information be reported separately for each hospital.

Subd. 3. The board may require attestation by responsible officials of the hospital that the contents of the reports are true.

Subd. 4. All reports, except privileged medical information, filed pursuant to this section, section 7 or section 8, subdivision 3 or 4 of this article shall be open to public inspection.

Subd. 5. The board shall have the right to inspect hospital books, audits, and records as reasonably necessary to verify hospital reports.

Sec. 5. [CONTINUING ANALYSIS.] Subdivision 1. The board may:

(a) Undertake analyses and studies relating to hospital costs and to the financial status of any hospital subject to the provisions of sections 1 to 9 of this article; and

(b) Publish and disseminate the information relating to hospital costs.

Subd. 2. The board shall prepare and file summaries and compilations or other supplementary reports based on the information filed with or made available to the board, which reports will advance the purposes of sections 1 to 9 of this article.

Sec. 6. [ANNUAL REPORT.] The board shall prepare and prior to each legislative session transmit to the governor and to the 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 9 of this article. This report shall include a compilation of all summaries and reports required by sections 1 to 9 of this article together with any findings and recommendations of the board.

Sec. 7. [INVESTIGATIVE POWER.] Subdivision 1. The board may initiate reviews or investigations as necessary to assure all purchasers of hospital health care services that 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. The board shall prohibit hospitals from discriminating among insurers in its rates.

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

Subd. 3. In the interest of promoting the most efficient and effective use of hospitals, the board may promote experimental alternative methods of budgeting, cost control, rate determination and payment.

Subd. 4. The board shall begin to compile relevant financial and accounting data concerning hospitals in order to have statistical information available for legislative policy making.

Subd. 5. The board shall obtain from each hospital a current rate schedule. Any subsequent amendments or modifications of that schedule shall be filed with the board at least 60 days in advance of their effective date. The board may, by rule, exempt from this requirement rate increases which have a minimal impact on hospital costs. If the hospital has not agreed to submit

to a voluntary rate review in accordance with section 8 of this article, the board may hold a public hearing pursuant to Minnesota Statutes, Chapter 15, on any increase which it determines is excessive and may publicly comment on any increase.

Subd. 6. Each report which is required to be submitted to the board pursuant to subdivision 5 and which is not to be reviewed by a voluntary nonprofit rate review organization in accordance with section 8 of this article shall be accompanied by a filing fee in an amount prescribed by rule of the board. Filing fees shall be set at a level sufficient to cover the costs of any reviews undertaken pursuant to subdivision 5, and may take into consideration the length or complexity of the report being filed. Fees received pursuant to this subdivision shall be deposited in the general fund of the state treasury.

Sec. 8. [VOLUNTARY PEER REVIEW OF HOSPITAL COSTS.] Subdivision 1. A hospital may agree to submit its financial reports to, and be subject to a review of its rates by, a voluntary, nonprofit rate review organization whose reporting and review procedures have been approved by the board in accordance with this section.

Subd. 2. The board may approve voluntary reporting and rate review procedures which are substantially equivalent to reporting requirements and rate review procedures adopted by the board for reporting and rate reviews conducted pursuant to sections 4 and 7 of this article. The board shall, by rule, prescribe standards for approval of voluntary rate review procedures, which standards shall provide for:

(a) The filing of appropriate financial information with the rate review organization;

(b) Adequate analysis and verification of that financial information; and

(c) Timely publication of the review organization's findings and comments prior to the effective date of any proposed rate increase. The board shall annually review the procedures approved pursuant to this subdivision.

Subd. 3. Any voluntary, nonprofit rate review organization which conducts a review of the rates of a hospital located in this state shall file a copy of its findings and comments with the board within 30 days of completion of the review process, together with a summary of the financial information acquired by the organization during the course of its review.

Subd. 4. Any voluntary, nonprofit rate review organization which receives the financial information required in section 4 of this article shall make the information available to the board in accordance with procedures prescribed by the board.

Subd. 5. If the reporting and rate review procedures of a voluntary, nonprofit rate review organization have been approved by the board those reporting and rate reviewing activities of the organization shall be exempt from the provisions of Minnesota Statutes, Sections 325.8011 to 325.8028.

Subd. 6. For the purposes of this section "rate review organization" means an association or other organization which has as one of its primary functions the peer review of hospital rates.

Sec. 9. [ADDITIONAL POWERS OF INSURANCE COMMISSIONER AND BOARD OF HEALTH.] *Subdivision 1. In addition to the other powers granted to the board and the commissioner by law, the board and the commissioner may each:*

(a) Adopt, amend, and repeal rules in accordance with Minnesota Statutes, Chapter 15;

(b) Hold public hearings, conduct investigations, and administer oaths or affirmations in any hearing or investigation.

Subd. 2. Any person aggrieved by a final determination of the board or the commissioner as to any rule or determination under sections 1 to 9 of this article; or under Minnesota Statutes, Section 62A.02, Subdivision 3; or 62C.15, Subdivision 2, shall be entitled to an administrative hearing and judicial review in accordance with the contested case provisions of Minnesota Statutes, Chapter 15.

Sec. 10. Minnesota Statutes 1974, Section 62A.02, Subdivision 1, is amended to read:

62A.02 [POLICY FORMS.] *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. The filing for nongroup policies shall include a statement of actuarial reasons and data to support the need for any premium rate increase.*

Sec. 11. Minnesota Statutes 1974, Section 62A.02, Subdivision 3, is amended to read:

Subd. 3. [DISAPPROVAL.] *The commissioner (MAY) shall, within 30 days after the filing of any (SUCH) form, disapprove (SUCH) the 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) the policy; or

(3) If the proposed premium rate is excessive because the insurer has failed to exercise reasonable cost control.

If the commissioner (SHALL NOTIFY THE) notifies an insurer which has filed any (SUCH) form that (IT) the form 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) the insurer to issue (SUCH) the form or use it in connection with any policy. In (SUCH) the notice the commissioner shall specify the reasons for his disapproval and state that a hearing will be granted within 20 days after request in writing by the insurer.

Sec. 12. 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) subscriber 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) the corporation deliver, issue for delivery, extend, continue or renew any form of group (SUBSCRIBERS) subscriber 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. The filing for a nongroup subscriber contract shall include the actuarial data needed to justify any increase in subscriber charges. The commissioner may disapprove the schedule of charges for any group or nongroup subscriber contract if (AFTER DECEMBER 31, 1970.):

(a) 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. IN ADDITION, THE COMMISSIONER MAY, IN HIS DISCRETION, REQUIRE THE CHARGES DEVELOPED FOR GROUP SUBSCRIBER CONTRACTS TO BE FILED, AND, IF SUCH CHARGES ARE REQUIRED TO BE SO FILED, THEY SHALL, UPON REVIEW, ALSO BE SUBJECT TO THE COMMISSIONER'S DISAPPROVAL); or

(b) *The schedule charges meet the criteria specified in section 62A.02, subdivision 3.*

Sec. 13. [APPROPRIATIONS.] Subdivision 1. *There is appropriated from the general fund to the state board of health for the purposes of this article, the sum of \$125,000.*

Subd. 2. *There is appropriated from the general fund to the commissioner of insurance for the purpose of this article, the sum of \$43,000.*

Subd. 3. *The sums appropriated by this section shall not cancel but shall be available for the biennium ending June 30, 1977.*

Sec. 14. [EFFECTIVE DATES.] *Section 13 is effective May 1, 1976. Sections 1 to 12 are effective August 1, 1976.*

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:

(a) *40 percent of his household income up to \$15,000, plus 50 percent of his household income between \$15,000 and \$25,000, plus 60 percent of his household income in excess of \$25,000; or*

(b) *\$2,500, whichever is greater.*

Subd. 3. "Qualified expense" means any charge incurred subsequent to July 1, 1977 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 19 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 pre-

ceding 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. The application shall include a listing of expenses incurred prior to the date of the application and shall designate the date on which the 12 month period for computing expenses began.

Subd. 2. If the commissioner determines that an applicant is an eligible person, he shall pay 90 percent of all qualified expenses of the eligible person and his dependents in excess of:

(a) 40 percent of his household income under \$15,000, plus 50 percent of his household income between \$15,000 and \$25,000, plus 60 percent of his household income in excess of \$25,000; or

(b) \$2,500; whichever is greater for the 12 month period in which the applicant becomes 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. [EFFECTIVE DATE.] *This article is effective July 1, 1977."*

Further delete the title in its entirety and insert:

"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, regulating coverage of dental services by health maintenance organizations; appropriating money; amending Minnesota Statutes 1974, Sections 62A.02, Subdivisions 1 and 3; 62C.15, Subdivision 2; and 62D.12, by adding a subdivision."

We request adoption of this report and repassage of the bill.

Senate Conferees: GEORGE R. CONZEMIUS, AL KOWALCZYK and ROLF NELSON.

House Conferees: JAMES C. SWANSON, JAMES I. RICE and MARTIN O. SABO.

Swanson moved that the report of the Conference Committee on S. F. No. 60 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 60, A bill for an act relating to insurance; providing for the establishment and administration of plans of health insurance to provide certain minimum benefits to all persons in the state; creating a comprehensive health care association; providing a dual option for health care for certain employees; regulating health maintenance organizations' coverage of dental services and conversion privileges; appropriating money; amending Minnesota Statutes 1974, Section 62D.12, by adding a subdivision.

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

The question being taken on the repassage of the bill and the roll being called, there were yeas 121, and nays 0, as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

S. F. No. 2025, A bill for an act relating to nursing homes; requiring training for certain nursing assistants; providing a penalty.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 2025

A bill for an act relating to nursing homes; requiring training for certain nursing assistants; providing a penalty.

March 30, 1976

The Honorable Alec G. Olson
President of the Senate
The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 2025 report that we have agreed upon the items in dispute and recommend as follows:

That the House recedes from its amendments, and that S. F. No. 2025 be further amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [144A.61] [NURSING ASSISTANT TRAINING.] Subdivision 1. [PURPOSE.] The purpose of this act is to improve the quality of care provided to patients of nursing homes by assuring that approved programs for the training of nursing assistants are established as necessary throughout the state.

Subd. 2. [NURSING ASSISTANTS.] For the purposes of this act "nursing assistant" means a nursing home employee, including a nurse's aide or an orderly, who is assigned by the director of nursing to provide or assist in the provision of direct patient care services under the supervision of a registered nurse. The board of nursing may, by rule, establish categories of nursing assistants who are not required to comply with the educational requirements of this act.

Subd. 3. [CURRICULA.] The commissioner of education shall develop curricula which may be used for nursing assistant training programs for employees of nursing homes. The curricula, as approved by the board of nursing, shall be utilized by

all facilities, institutions, or programs offering nursing assistant training programs.

Subd. 4. [TECHNICAL ASSISTANCE.] The commissioner of education shall, upon request, provide necessary and appropriate technical assistance in the development of nursing assistant training programs.

Subd. 5. [APPROVAL OF CURRICULA.] The board of nursing shall review and approve curricula developed by the commissioner of education and any other educational authorities for nursing assistant training programs for employees of nursing homes.

Subd. 6. [TRAINING MANDATED.] Each nursing assistant hired to work in a nursing home on or after July 1, 1977, shall have successfully completed an approved nursing assistant training program or shall be enrolled in the first available approved training program which is scheduled to commence within 60 days of the date of the assistant's employment. Approved training programs shall be offered at the location most reasonably accessible to the enrollees in each class.

Subd. 7. [CORRECTION ORDERS.] Violation of this act by a nursing home shall be grounds for the issuance of a correction order to the nursing home by the state board of health. The failure of the nursing home to correct the deficiency or deficiencies specified in the correction order shall result in the assessment of a fine in accordance with the schedule of fines promulgated by rule of the state board of health.

Subd. 8. [EMPLOYEES EXEMPTED.] Employees of nursing homes conducted in accordance with the teachings of the body known as the Church of Christ, Scientist, shall be exempt from the requirements of this act.

Sec. 2. [144A.611] [COST REIMBURSEMENT.] Subdivision 1. [NURSING HOMES.] The actual costs of tuition and reasonable expenses for that approved program deemed by the board of nursing to be minimally necessary to protect the health and welfare of nursing home residents, which are paid to nursing home assistants pursuant to subdivision 2 of this section, shall be a reimbursable expense for nursing homes under the provisions of Minnesota Statutes, Chapter 256B and the rules promulgated thereunder.

Subd. 2. [NURSING ASSISTANTS.] A nursing assistant who has completed an approved training program shall be reimbursed by the nursing home for his actual costs of tuition and reasonable expenses for the training program 90 days after the date of his employment, or upon completion of the approved training program, whichever is later.

Subd. 3. [RULES.] The commissioner of public welfare shall promulgate any rules necessary to implement the provisions of this section. The rules shall include, but not be limited to:

(a) Provisions designed to prevent reimbursement by the commissioner under this act to a nursing home or a nursing assistant for the assistant's training in more than one approved program;

(b) Provisions designed to prevent reimbursement by the commissioner under this act to more than one nursing home for the training of any individual nursing assistant; and

(c) Provisions permitting the reimbursement by the commissioner to nursing homes and nursing assistants for the re-training of a nursing assistant after an absence from the labor market of not less than five years.

Sec. 3. [EFFECTIVE DATE.] This bill shall be effective the day following final enactment."

We request adoption of this report and repassage of the bill.

Senate Conferees: NANCY BRATAAS, SAM G. SOLON, HOWARD A. KNUTSON, JOHN MILTON and ROBERT D. NORTH.

House Conferees: LYNDON R. CARLSON, JAMES C. SWANSON, HAROLD J. DAHL, BRUCE NELSEN and JAMES PEHLER.

Carlson, L., moved that the report of the Conference Committee on S. F. No. 2025 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

Setzepfandt moved that the House refuse to adopt the Conference Committee report on S. F. No. 2025, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the motion and the roll being called, there were yeas 58, and nays 64, as follows:

Those who voted in the affirmative were:

Adams, S.	Carlson, A.	Fjoslien	Kelly, W.	Neisen
Albrecht	Clawson	Friedrich	Ketola	Niehaus
Anderson, G.	Corbid	Graba	Kvam	Patton
Anderson, I.	Dean	Haugerud	Langseth	Peterson
Beauchamp	Doty	Johnson, C.	Lemke	Prahl
Begich	Eckstein	Johnson, D.	Mann	Reding
Biersdorf	Eken	Jude	McCollar	St. Onge
Birnstihl	Esau	Kaley	McEachern	Samuelson
Braun	Evans	Kalis	Menning	

Savelkoul	Sieloff	Stanton	Wenstrom	Wigley
Schreiber	Smith	Suss	Wenzel	Speaker Sabo
Setzepfandt	Smogard	Ulland	Wieser	

Those who voted in the negative were:

Abeln	Enebo	Kahn	Nelsen	Searle
Adams, L.	Erickson	Kelly, R.	Nelson	Sieben, H.
Arlandson	Ewald	Kempe, A.	Novak	Sieben, M.
Berg	Faricy	Kempe, R.	Osthoff	Spanish
Berglin	Forsythe	Knickerbocker	Parish	Swanson
Byrne	Fudro	Knoll	Pehler	Tomlinson
Carlson, L.	George	Kostohryz	Petrafeso	Vanasek
Carlson, R.	Hanson	Laidig	Philbrook	Vento
Casserly	Heinitz	Luther	Pleasant	Voss
Clark	Hokanson	Mangan	Rice	White
Dahl	Jaros	McCauley	Sarna	Williamson
DeGroat	Jensen	Metzen	Schulz	Zubay
Dieterich	Jopp	Moe	Schumacher	

The motion did not prevail.

The question recurred on the Carlson, L., motion to adopt the Conference Committee Report. The motion prevailed.

S. F. No. 2025, A bill for an act relating to nursing homes; requiring training for certain nursing assistants; providing a penalty.

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

The question being taken on the repassage of the bill and the roll being called, there were yeas 97, and nays 27, as follows:

Those who voted in the affirmative were:

Abeln	Doty	Kaley	Neisen	Sieben, M.
Adams, L.	Enebo	Kelly, R.	Nelsen	Sieloff
Adams, S.	Erickson	Kelly, W.	Nelson	Spanish
Arlandson	Ewald	Kempe, A.	Norton	Stanton
Beauchamp	Faricy	Kempe, R.	Novak	Suss
Berg	Fjoslien	Knickerbocker	Osthoff	Swanson
Berglin	Forsythe	Knoll	Parish	Tomlinson
Birnstihl	Fudro	Kostohryz	Pehler	Ulland
Byrne	Fugina	Laidig	Petrafeso	Vanasek
Carlson, A.	George	Langseth	Philbrook	Vento
Carlson, L.	Hanson	Lemke	Pleasant	Voss
Carlson, R.	Haugerud	Lindstrom	Prahl	Wenstrom
Casserly	Heinitz	Luther	Rice	Wenzel
Clark	Hokanson	Mangan	Sarna	White
Clawson	Jacobs	McCauley	Savelkoul	Williamson
Corbid	Jaros	McCollar	Schreiber	Zubay
Dahl	Jensen	McEachern	Schulz	Speaker Sabo
Dean	Jopp	Menning	Schumacher	
DeGroat	Jude	Metzen	Searle	
Dieterich	Kahn	Moe	Sieben, H.	

Those who voted in the negative were:

Albrecht	Eckstein	Johnson, D.	Peterson	Smogard
Anderson, G.	Eken	Kalis	Reding	Wieser
Anderson, I.	Esau	Kvam	St. Onge	Wigley
Begich	Evans	Mann	Samuelson	
Biersdorf	Graba	Niehaus	Setzepfandt	
Braun	Johnson, C.	Patton	Smith	

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

Mr. Speaker:

I hereby announce that the Senate wishes to recall for the purpose of further consideration House File No. 424.

H. F. No. 424, A bill for an act relating to tort liability of cities, counties, towns, public authorities, certain public corporations, school districts and political subdivisions of the state; amending Minnesota Statutes 1974, Section 466.05, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Faricy moved that the House accede to the request of the Senate for the return of H. F. No. 424 for further consideration by the Senate. The motion prevailed.

SPECIAL ORDERS

S. F. No. 2309 was reported to the House.

Reding moved to amend S. F. No. 2309, as follows:

Pages 1 to 12, delete sections 1 through 7 and insert in lieu thereof the following:

"Section 1. Minnesota Statutes 1974, Section 69.021, Subdivision 5, is amended to read:

Subd. 5. [CALCULATION OF STATE AID.] The amount of state aid available for apportionment shall be two percent of the fire, lightning, sprinkler leakage and extended coverage premium reported to the commissioner by insurers on the Minnesota Firetown Premium Report and (ONE) two percent of the premiums reported to the commissioner by insurers on the Minnesota Aid to Police Premium Report. The amount for apportionment in respect to firemen's state aid shall not be greater or lesser than the amount of premium taxes paid to the state upon the premiums reported to the commissioner by insurers on the Minnesota Firetown Premium Report. The total amount for apportionment in respect to police state aid shall not be greater or lesser than

(ONE-HALF) the amount of premium taxes paid to the state upon the premiums reported to the commissioner by insurers on the Minnesota Aid to Police Premium Report. Of the total amount of apportionment in respect to police state aid, 20 percent of this amount shall be paid to the treasurer of the police and fire fund of the public employees retirement association to be applied against the deficit of said fund, and the remaining 80 percent shall be distributed to the counties for apportionment to municipalities maintaining police departments. The commissioner shall calculate the percentage of increase or decrease reflected in the apportionment over or under the previous years available premiums using the same premiums as a basis for comparison."

Page 14, line 10, delete "8" and insert "2".

Page 14, delete line 11.

Page 14, line 12, delete "*remainder of the act*" and insert "*Section 1*".

Renumber sections in sequence.

Further amend the title.

Page 1, line 2, delete "distribution of".

Page 1, line 5, delete "69.011,".

Page 1, line 6, delete "Subdivisions 1, 2, and 4;".

Page 1, line 6, delete "Subdivisions 5," and insert "Subdivision 5;".

Page 1, line 7, delete "6, and 7; 69.031, Subdivision 5;".

A roll call was requested and properly seconded.

The question was taken on the adoption of the amendment and the roll being called, there yeas 36, and nays 85, as follows:

Those who voted in the affirmative were:

Abeln	Eken	Jensen	McEachern	Savelkoul
Adams, S.	Esau	Johnson, C.	Neisen	Swanson
Albrecht	Evans	Jude	Niehaus	Wieser
Anderson, G.	Ewald	Kempe, R.	Novak	Williamson
Braun	Forsythe	Knickerbocker	Philbrook	
Carlson, L.	Haugerud	Mangan	Pleasant	
Clawson	Heinitz	Mann	Reding	
Eckstein	Hokanson	McCollar	Samuelson	

Those who voted in the negative were:

Adams, L.	Dieterich	Kalis	Nelson	Skoglund
Anderson, I.	Doty	Kelly, R.	Osthoff	Smith
Arlandson	Enebo	Kelly, W.	Patton	Smogard
Beauchamp	Erickson	Kempe, A.	Pehler	Spanish
Begich	Faricy	Knoll	Peterson	Stanton
Berg	Fjoslien	Kostohryz	Petrafeso	Suss
Berglin	Friedrich	Kvam	Rice	Tomlinson
Biersdorf	Fudro	Laidig	St. Onge	Ulland
Birnstihl	Fugina	Langseth	Sarna	Vanasek
Byrne	George	Lemke	Schreiber	Vento
Carlson, A.	Graba	Lindstrom	Schulz	Voss
Carlson, R.	Hanson	Luther	Schumacher	Wenstrom
Casserly	Jacobs	Menning	Searle	Wenzel
Clark	Johnson, D.	Metzen	Setzepfandt	White
Corbid	Jopp	Moe	Sieben, H.	Wigley
Dean	Kahn	Munger	Sieben, M.	Zubay
DeGroat	Kaley	Nelsen	Sieloff	Speaker Sabo

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

Moe moved to amend S. F. No. 2309, as follows:

Page 6, line 12, after "and" insert ", except in municipalities with a population of less than 1,000 according to the most recent federal census,".

Page 6, line 14, after "board" delete the balance of the line.

Page 6, line 15, delete the new language.

Page 10, line 1, after "county" delete the balance of the line and insert a semi colon.

Page 10, delete lines 2 and 3.

Page 10, line 8, after "obligation" delete the period and insert "; and".

Page 10, after line 8, insert:

"(c) No municipality entitled to receive police state aid shall be apportioned less police state aid for any year under this act than the amount which was apportioned to it for calendar year 1975 based on premiums reported to the commissioner for calendar year 1974; provided, the amount of police state aid to other municipalities and counties shall be adjusted in proportion to the total number of police officers in such municipalities and counties, so that the amount of police state aid apportioned shall not exceed the amount of police state aid available for apportionment."

Page 12, line 7, after "receipt," insert "provided, the amount of the police state aid which is estimated in accordance with sec-

tion 69.77, subdivision 2, clause (2), to be received by the relief association pursuant to this act shall reduce the municipality's minimum obligation required by section 69.77 only to the extent that such estimated state aid does not exceed the greater of (1) one half of such estimated state aid or (2) the amount of police state aid which was apportioned to the municipality for calendar year 1975 based on premiums reported to the commissioner for calendar year 1974;".

Page 12, line 28, before the period insert "; provided, commencing in the year 1980 or, if later, the first year in which all police officers newly employed by such municipality are required to be members of the public employees police and fire fund rather than the local police relief association, the municipality shall, in addition to the minimum obligation required by section 69.77, provide additional financing to the police relief association sufficient to amortize, within 30 years from the date such additional financing commences, the unfunded liability of the relief association as determined in accordance with section 69.73, unless a different amortization requirement is provided by special law".

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

S. F. No. 2309, A bill for an act relating to retirement; distribution of state aid to policemen's relief associations; volunteer firemen's lump sum and monthly benefits; amending Minnesota Statutes 1974, Sections 69.011, Subdivisions 1, 2, and 4; 69.021, Subdivisions 5, 6, and 7; 69.031, Subdivision 5; and 69.06.

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 115, and nays 11, as follows:

Those who voted in the affirmative were:

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

Savelkoul	Sieben, M.	Spanish	Ulland	Wenzel
Schulz	Sieloff	Stanton	Vanasek	White
Schumacher	Skoglund	Suss	Vento	Wigley
Setzepfandt	Smith	Swanson	Voss	Zubay
Sieben, H.	Smogard	Tomlinson	Wenstrom	Speaker Sabo

Those who voted in the negative were:

Adams, S.	Haugerud	Neisen	Searle	Williamson
Albrecht	Heinitz	Novak		
Eken	Jensen	Philbrook		

The bill was passed and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Anderson, I., for the Committee on Rules and Legislative Administration, offered the following report:

Whereas, those named below were candidates for the office of state representative; and

Whereas, they incurred legal fees in primary or general election contests; now therefore,

Be It Resolved, by the Committee on Rules and Legislative Administration that these candidates be reimbursed from the Legislative Expense Fund of the House of Representatives for such expenses as follows:

B. J. Philbrook	\$1,727.48
Kenneth Greene	698.00
Irvin N. Anderson	3,534.77
Robert Lessard	2,461.76
David Cummiskey	821.60

Sieben, H., moved to amend the report of the Committee on Rules and Legislative Administration, as follows:

After "David Cummiskey \$821.60" add "Richard Helgeson \$4,882.44".

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

Sieben, H., moved the adoption of the report of the Committee on Rules and Legislative Administration as amended.

The question was taken on the adoption of the report as amended and the roll being called, there were yeas 117, and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed and the report, as amended, was adopted.

There being no objection, upon the motion of Anderson, I., General Orders will not be reprinted for Monday, April 5, 1976.

ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 10:00 a.m., Monday, April 5, 1976. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed and the Speaker declared the House adjourned until 10:00 a.m., Monday, April 5, 1976.

EDWARD A. BURDICK, Chief Clerk, House of Representatives