

STATE OF MINNESOTA

SEVENTIETH SESSION - 1977

TWENTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 28, 1977

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

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Abeln	Cohen	Jaros	Murphy	Sieben, H.
Adams	Corbid	Jensen	Neisen	Sieben, M.
Albrecht	Cummiskey	Johnson	Nelsen, B.	Simoneau
Anderson, B.	Dahl	Jude	Nelsen, M.	Skoglund
Anderson, D.	Dean	Kahn	Nelson	Smogard
Anderson, I.	Den Ouden	Kaley	Norton	Spanish
Anderson, R.	Eckstein	Kelly, R.	Novak	Stanton
Arlandson	Eken	Kelly, W.	Osthoff	Stoa
Battaglia	Ellingson	Kempe, A.	Patton	Suss
Beauchamp	Enebo	Kempe, R.	Pehler	Swanson
Begich	Erickson	King	Peterson	Tomlinson
Berg	Esau	Knickerbocker	Petraieso	Vanasek
Berglin	Evans	Kostohryz	Pleasant	Voss
Berkelman	Ewald	Kroening	Prahl	Waldorf
Biersdorf	Faricy	Kvam	Reding	Welch
Birnstihl	Fjoslien	Laidig	Rice	Wenstrom
Brandl	Forsythe	Langseth	Rose	Wenzel
Braun	Friedrich	Lehto	St. Onge	White
Brinkman	Fugina	Mann	Samuelson	Wieser
Byrne	George	McCarron	Sarna	Wigley
Carlson, A.	Gunter	McCollar	Savelkoul	Williamson
Carlson, D.	Hanson	McDonald	Scheid	Wynia
Carlson, L.	Haugerud	McEachern	Schulz	Zubay
Casserly	Heinitz	Metzen	Searle	Speaker Sabo
Clark	Hokanson	Moe	Searles	
Clawson	Jacobs	Munger	Sherwood	

A quorum was present.

Anderson, G. ; Fudro ; Kalis ; Lemke and Niehaus were excused. Mangan was excused until 2:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Vanasek moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 442, 307, 418, 558, 817, 384, 315, 76, 661, 188, 728 and 82 and S. F. Nos. 74, 78, 86, 380, 267, 26, 114 and 305 have been placed in the members' files.

S. F. No. 267 and H. F. No. 374, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Schulz moved that the rules be so far suspended that S. F. No. 267 be substituted for H. F. No. 374 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 86 and H. F. No. 156, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Berg moved that the rules be so far suspended that S. F. No. 86 be substituted for H. F. No. 156 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communication was received:

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

March 24, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives
The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1977</i>	<i>Date Filed 1977</i>
200		5	March 24	March 24
	511	6	March 24	March 24

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Hanson from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 385, A bill for an act relating to public safety; telephone companies; providing for local emergency telephone service; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert the following:

“Section 1. [911 EMERGENCY TELEPHONE SYSTEM.]
Subdivision 1. Each county in the metropolitan area shall establish a 911 emergency telephone system on or before December 15, 1982 and each remaining county shall establish a 911 emergency telephone system on or before December 15, 1986.

Subd. 2. The 911 systems may be multijurisdictional and regional in character provided that design and implementation are preceded by cooperative planning on a county by county basis with local public safety agencies.

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

Subd. 2. “Metropolitan area” means the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Subd. 3. “Public agency” means any unit of local government or special purpose district located in whole or in part within this state which provides or has authority to provide fire fighting, police, ambulance, medical, or other emergency services.

Subd. 4. “Public safety agency” means a functional division of a public agency which provides fire fighting, police, medical,

or other emergency services, or a private entity which provides emergency medical or ambulance services.

Subd. 5. "Public safety answering point" means a communications facility operated on a 24 hour basis which first receives 911 calls from persons in a 911 service area and which may, as appropriate, directly dispatch public safety services or extend, transfer, or relay 911 calls to appropriate public safety agencies.

Subd. 6. "Minimum 911 service" means a telephone service meeting the design standards established pursuant to section 7, which automatically connects a person dialing the digits 911 to an established public safety answering point. Minimum 911 service includes equipment for connecting and outswitching 911 calls within a telephone central office, trunking facilities from the central office to a public safety answering point, and equipment, as appropriate, for automatically selectively routing 911 calls in situations where one telephone central office serves more than one public safety answering point.

Sec. 3. [SERVICES TO BE PROVIDED.] Services available through a 911 system shall include police, firefighting and emergency medical and ambulance services. Other emergency and civil defense services may be incorporated into the 911 system at the discretion of the public agency operating the public safety answering point.

Sec. 4. [911 EMERGENCY TELEPHONE NUMBER; PAY TELEPHONES.] Subdivision 1. The digits 911 shall be the primary emergency telephone number within the system, but a public safety agency whose services are available on the 911 system may maintain a separate secondary backup number for emergency calls and shall maintain a separate number for non-emergency telephone calls.

Subd. 2. By December 15, 1986, each public utility providing telephone service within a 911 service area shall convert every pay station telephone to permit dialing of the 911 number without coin or other charge to the caller.

Sec. 5. [DESIGN OF SYSTEM.] Each county shall design its 911 system to meet the requirements of agencies whose services are available through the 911 system and to permit future expansion of the system.

Sec. 6. [SYSTEM PLANNING AND COORDINATION.] The department of administration shall coordinate the implementation of 911 systems on or before the deadlines established in section 1. The department shall aid counties in the formulation of concepts, methods and procedures which will improve the operation of 911 systems.

Sec. 7. [STANDARDS ESTABLISHED.] Subdivision 1. The department of administration shall establish and adopt in accordance with Minnesota Statutes, Chapter 15, rules for the administration of sections 1 to 12 and for the development of 911 systems in the state including:

(a) Design standards for 911 systems incorporating the standards adopted pursuant to subdivision 2 for the seven county metropolitan area; and

(b) A procedure for determining and evaluating requests for variations from the established design standards.

Subd. 2. The metropolitan council shall establish and adopt design standards for the metropolitan area 911 system and transmit them to the department of administration for incorporation into the rules adopted pursuant to this section.

Sec. 8. [PLANS TO BE SUBMITTED.] Subdivision 1. (a) Before December 15, 1978, each county shall submit tentative plans for the establishment of a 911 system to the public utility or utilities providing public telephone service within the county, to the department of administration and to the public service commission.

(b) The department of administration shall review the plan for consistency with the standards adopted pursuant to section 7 and report its findings to the county within six months of receipt of the plan.

(c) The public service commission shall review the plan and comment to the county within six months of the receipt of the plan.

(d) Each public utility providing telephone service within the county shall review the plan and transmit to the county good faith estimates of local system implementation expenses within six months of the receipt of the plan.

Subd. 2. (a) Before December 15, 1979, each county shall submit final plans for the establishment of a 911 system to the public utility or utilities providing public telephone service within the county, to the department of administration and to the public service commission. The final plan shall include a description of all capital and recurring costs for the proposed 911 system.

(b) The department of administration shall review the final plan for consistency with the standards adopted pursuant to section 7 and approve or disapprove the plan within six months of receipt.

(c) The public service commission shall review the final plan and determine that portion of plan implementation capital costs which may be applied to the utility company rate base and report findings to the county within six months of receipt of the plan.

Subd. 3. After department of administration approval of design and public service commission report of findings, each county, together with the department of administration and the local governmental units or public agencies operating public safety answering points, shall contract with the appropriate public utility or utilities for the implementation of the approved 911 system plan.

Subd. 4. Each county implementing a 911 system before December 15, 1978, shall submit to the department of administration and the public service commission in lieu of the required plan a report describing the system and stating its operational date.

Subd. 5. Any subsequent changes to 911 systems described in subdivision 4 shall conform to standards established by the department of administration pursuant to section 7.

Subd. 6. After adoption of final 911 system plans, any county or utility may petition the department of administration for a waiver of all or portions of the requirements or time limits of sections 1 to 8. Waivers shall be granted upon a demonstration by petitioner that the requirement is economically infeasible in the sense that federal or state funding for the initial capital investment required of the county to implement a 911 system is not available.

Sec. 9. [ENFORCEMENT.] At the request of the department of administration, the attorney general may commence proceedings in the district court against any person or public or private body to enforce the provisions of sections 1 to 12.

At the request of the public service commission, the attorney general may commence proceedings before the district court pursuant to Minnesota Statutes, Section 237.27, against any public utility providing telephone service which refuses to comply with the provisions of sections 1 to 12.

Sec. 10. [COOPERATIVE AGREEMENTS.] Subdivision 1. In counties implementing 911 systems pursuant to sections 1 to 8, all public agencies and counties which are part of different 911 systems but share common boundary lines may enter into cooperative agreements which shall provide that once an emergency unit is dispatched in response to a request through the system, the unit shall render its services to the requesting party without regard to jurisdictional boundaries.

Subd. 2. Public safety agencies with jurisdictional responsibilities shall in all cases be notified by the public safety answering point of a request for service in their jurisdiction.

Subd. 3. Counties, public agencies, operating public safety answering points, and other local governmental units may enter into cooperative agreements under section 471.59 for the allocation of operational and capital costs attributable to the 911 system.

Sec. 11. [LOCAL RECURRING COSTS.] Recurring costs of telephone communications equipment and services at public safety answering points shall be borne by the local governmental unit operating the public safety answering point or allocated pursuant to section 10, subdivision 3. Costs attributable to local government electives for services beyond minimum 911 service shall be borne by the governmental unit requesting the elective service.

Sec. 12. [REPORT TO LEGISLATURE.] By January 1 of each year, the department of administration shall report to the legislature the progress that has been made in the implementation of sections 1 to 12.

Sec. 13. [APPROPRIATION.] Subdivision 1. There is appropriated from the general fund to the department of administration the following amounts to be used to implement the provisions of sections 1 to 12 in the fiscal years ending June 30 in the years indicated:

- \$.....1978,
- \$.....1979.

Any unencumbered balance remaining at the end of the first fiscal year shall not cancel but shall be available for the second year of the biennium.

Subd. 2. There is appropriated from the general fund to the department of administration the following amounts to be used to pay the recurring annual costs attributable to minimum 911 service:

- \$..... 1978,
- \$..... 1979.

Any unencumbered balance remaining at the end of the first fiscal year shall not cancel but shall be available for the second year of the biennium.”.

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

The report was adopted.

Hanson from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 560, A bill for an act relating to motor vehicles; requiring manufacturers to make replacement parts available for certain motor vehicles.

Reported the same back with the following amendments:

Page 1, after line 16, insert "(d) "Truck" means any motor vehicle designed and used for carrying things other than passengers, and having a gross weight over 9,000 pounds."

Page 1, line 19, after "snowmobile," insert "truck, bus".

Page 1, line 22, after "parts" insert "or campaign parts".

Page 2, line 1, after "therefor" insert "and which are necessary for the continued safe use and operation of the motor vehicle".

Page 2, line 20, delete "comparable".

Page 2, line 21, after "delivered" delete "and installed".

Page 2, line 24, delete "dealer" and insert "manufacturer".

Page 2, line 24, delete "The amounts so".

Page 2, delete lines 25 to 28.

With the recommendation that when so amended the bill pass.

The report was adopted.

Hanson from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 725, A bill for an act relating to motor vehicles; regulation of certain motor vehicle dealers; place of doing business; amending Minnesota Statutes 1976, Section 168.27, Subdivision 10.

Reported the same back with the following amendments:

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes 1976, Section 168.27, Subdivision 2, is amended to read:

Subd. 2. [NEW MOTOR VEHICLE DEALER.] No person shall engage in the business of selling new motor vehicles or shall offer to sell, solicit or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. A new motor vehicle dealer licensee shall be entitled thereunder to sell, *broker, wholesale or auction and to solicit and advertise the sale, broker, wholesale or auction of new motor vehicles covered by his franchise and any used motor vehicles or to lease* (, BROKER, WHOLESALE OR AUCTION) and to solicit and advertise the (SALE,) lease (, BROKER, WHOLESALE OR AUCTION) of (BOTH) new motor vehicles (COVERED BY HIS FRANCHISE) and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer.

Sec. 2. Minnesota Statutes 1976, Section 168.27, Subdivision 10, is amended to read:

Subd. 10. [PLACE OF DOING BUSINESS.] All licensees under this section shall have an established place of business which shall include as a minimum,

(1) For a new motor vehicle dealer, the following:

(a) a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours;

(b) a bona fide contract or franchise in effect with a manufacturer or distributor of the (NEW MOTOR VEHICLE OR) new motor vehicles he proposes to (DEAL IN) *sell, broker, wholesale or auction*;

(c) a facility for the repair and servicing of motor vehicles and the storage of parts and accessories, not to exceed ten miles distance from the principal place of business. Such service may be provided through contract with bona fide operators actually engaged in such services.

(2) For a used motor vehicle dealer the following: a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space for the books, records and files necessary to conduct the business and maintained with personnel available during normal business hours or automatic telephone answering service during normal working hours.

(3) For a motor vehicle lessor, the following: a (PERMANENT ENCLOSED) commercial (BUILDING ON A PERMANENT FOUNDATION, OWNED OR UNDER LEASE BY THE LICENSEE. THE LEASE SHALL BE FOR A MINIMUM TERM OF ONE YEAR. THE BUILDING SHALL CONTAIN) office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(4) For a motor vehicle broker, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(5) For a motor vehicle wholesaler, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(6) For a motor vehicle auctioneer, the following: a permanent enclosed commercial building, within or without the state, on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(7) If a new or used motor vehicle dealer maintains more than one place of doing business in a county, the separate places shall be listed on the application. If additional places of business are maintained outside of one county, separate licenses shall be obtained for each county.

(8) If a motor vehicle lessor, broker or auctioneer maintains more than one permanent place of doing business, either in one or more counties, the separate places shall be listed in the application, but only one license shall be required.

Sec. 3. *This act is effective on the day following final enactment.*"

Amend the title by deleting it in its entirety and inserting:

"A bill for an act relating to motor vehicles; modifying certain motor vehicle dealer licensing requirements; amending Minnesota Statutes 1976, Section 168.27, Subdivisions 2 and 10."

With the recommendation that when so amended the bill pass.

The report was adopted.

Brinkman from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 190, A bill for an act relating to commerce; providing for the opening of checking accounts; imposing a duty on financial institutions; providing remedies for worthless checks; providing penalties; amending Minnesota Statutes 1976, Section 609.535, Subdivisions 1, 2 and 3, and by adding subdivisions; and Chapter 549, by adding a section.

Reported the same back with the following amendments:

Page 1, line 12, after "the" delete the remainder of the line.

Page 1, delete lines 13 to 15 and insert "*following terms have the meanings given:*

(a) "*Financial institutions*" means any state or federally chartered bank, savings and loan association, credit union, or other entity offering checking account services.

(b) "*Check*" means any written instrument for the payment of money, even though it is not negotiable, drawn on or payable through a financial institution, excluding any instrument on which a financial institution is the drawer."

Page 1, line 17, after "writing" insert "and signed".

Page 2, delete lines 6 and 7.

Page 2, line 8, delete "(c)" and insert "(b)".

Page 2, after line 9 insert "*Such application shall be verified or contain a written declaration that it is made under the penalties of criminal liability for willfully supplying false information.*"

Page 2, delete lines 10 to 12.

Page 2, line 13, delete "opened".

Page 2, line 16, delete "Any payee or subsequent holder may recover".

Page 2, delete lines 17 to 19 and insert the following:

"Upon the conviction of the drawer of a worthless check pursuant to section 609.535 issued on an active account or on an account which has been closed for not more than five years any payee or subsequent holder thereof may recover from a financial

institution for damages caused to him by the failure of the financial institution to require the applicant to complete a written application which includes the questions set forth in this section; provided that the damages shall not exceed the face value of any unpaid checks drawn on the financial institution."

Page 2, line 24, after the period insert "*If the notice to the customer is returned undelivered, notice shall be deemed to have been received by the customer on the first date of attempted delivery.*

Subd. 5. Any person who willfully makes and subscribes any application, statement, or other document, required by this section, which contains or is verified by a written declaration that it is made under the penalties of law, and which he knows to be false and untrue as to any material matter, shall be guilty of a misdemeanor."

Page 3, line 7, delete "*goods or*" and after "*services*" insert "*or property as defined in Minnesota Statutes, Section 609.52, Subdivision 1*".

Page 3, line 14, strike "*is guilty of a*".

Page 3, line 15, strike "*misdemeanor*" and insert "*commits issuance of worthless check and may be sentenced as follows:*

(a) Is guilty of a misdemeanor if the aggregate amount of the checks or other orders for the payment of money is less than \$300;

(b) To imprisonment for not more than five years or to payment of a fine of not more than \$5,000 or both, if the aggregate amount of the checks or other orders for the payment of money is between \$300 and \$2,500; or

(c) To imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both, if the aggregate amount of the checks or other orders for the payment of money exceed \$2,500".

Page 4, line 10, delete "*given at*".

Page 4, line 11, delete "*the time of issuance*" and insert "*appearing in the records of the drawee*".

Page 4, line 13, after "*maker*" insert "*or drawer*".

Page 4, line 15, after the period insert "*Refusal by the maker or drawer of the check to accept certified mail notice shall not constitute a defense that notice was not received.*"

Page 5, delete lines 9 to 12.

Page 5, line 15, delete "3c" and insert "3b".

Renumber the sections accordingly.

Page 5, line 21, delete "county" and insert "governmental jurisdictions".

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

The report was adopted.

Brinkman from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 500, A bill for an act relating to financial institutions; regulating lenders of conventional mortgage loans; regulating mortgages and escrow accounts; requiring registration and reporting; regulating installment loans; abolishing a usury exception; providing a penalty; amending Minnesota Statutes 1976, Sections 47.20; 48.153; and 334.06.

Reported the same back with the following amendments:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 47.20, is amended to read:

47.20 [USE OF FEDERAL ACTS; DEFINITIONS; INTEREST RATES; REQUIRED PROVISIONS; INTEREST ON ESCROW ACCOUNTS; PENALTY.] Subdivision 1. Pursuant to such (REGULATIONS) *rules* as the commissioner of banks finds to be necessary and proper, if any, banks, savings banks, mutual savings banks, building and loan associations, and savings and loan associations organized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other banking institutions subject to the supervision of the commissioner of banks, and mortgagees or lenders approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs, *or approved or certified by the administrator of the farmers home administration*, are authorized:

(1) To make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are insured or guaranteed by the secretary of housing and urban development pursuant to the national housing act, as amended, or the administrator of veterans affairs pursuant to the servicemen's readjustment act of 1944, as amended, *or the ad-*

ministrator of the farmers home administration pursuant to the consolidated farm and rural development act, as amended, or the housing act of 1944, as amended, and to obtain such insurance or guarantees;

(2) To make such loans secured by mortgages on real property which the secretary of housing and urban development (OR), the administrator of veterans affairs, *or the farmers home administration* has insured or guaranteed or made a commitment to insure or guarantee, and to obtain such insurance or guarantees.

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

(1) "Actual closing costs" mean reasonable charges for or sums paid for the following, whether or not retained by the mortgage or lender:

(a) Any insurance premiums including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance.

(b) Abstracting, title examination and search, and examination of public records.

(c) The preparation and recording of any or all documents required by law or custom for closing a conventional loan.

(d) Appraisal and survey of real property securing a conventional loan.

(e) A single service charge, which shall include any consideration, not otherwise specified herein as an "actual closing cost" paid by the borrower and received and retained by the lender for or related to the acquisition, making, refinancing or modification of a conventional loan, and shall also include any consideration received by the lender for making a commitment for a conventional loan, whether or not an actual loan follows such commitment. *The term service charge shall not include a developer's commitment fees.* The service charge shall not exceed one percent of the original bona fide principal amount of the conventional loan(,) except that in the case of a construction loan, the service charge shall not exceed two percent of the original bona fide principal amount of the loan. *That portion of the service charge imposed because the loan is a construction loan shall be itemized and a copy of the itemization furnished the borrower. A lender shall not collect from a borrower the additional one percent service charge permitted for a construction loan if it does not perform the service for which the charge is imposed and if third parties perform and charge the borrower for the service for which the lender has imposed the charge.*

(f) Charges and fees necessary for or related to the transfer of real property securing a conventional loan or the closing of a conventional loan paid by the borrower and received by any party other than the lender.

(2) "Conventional loan" means a loan or advance of credit, *other than a loan or advance of credit made by a credit union or made pursuant to section 334.011*, to a noncorporate borrower in an original principal amount of less than \$100,000, secured by a first mortgage upon real property containing one or more residential units or upon which at the time the loan is made it is intended that one or more residential units are to be constructed, and which is not insured or guaranteed by the secretary of housing and urban development (OR GUARANTEED), by the administrator of veterans affairs, or by the administrator of the farmers home administration. The term mortgage shall not include contracts for deeds or installment land contracts.

(3) "Developer's commitment fee" means a fee or other consideration paid to a lender by a person in the business of building or arranging for building residential units for the purpose of securing a commitment by such lender to make conventional loans to credit worthy purchasers of residential units, or a fee or other consideration paid to a lender for the purpose of securing a commitment by such lender to make conventional loans to credit worthy purchasers of apartments as defined in section 515.02 to be created out of existing structures pursuant to the Minnesota condominium act, by a person creating the apartments.

(3) (4) "Finance charge" means the total cost of a conventional loan including extensions or grant of credit regardless of the characterization of the same and includes interest, finders fees, and other charges levied by a lender directly or indirectly against the person obtaining the conventional loan or against a seller of real property securing a conventional loan, or any other party to the transaction except any actual closing costs and any developer's commitment fee. The finance charges plus the actual closing costs and any developer's commitment fee, charged by a lender shall include all charges made by a lender (TO THE PERSON OBTAINING THE CONVENTIONAL LOAN) other than the principal of the conventional loan.

(5) "Lender" means any person making a conventional loan. The term shall also include the holder or assignee at any time of a conventional loan.

(4) (6) "Loan yield" means the annual rate of return obtained by a lender over the term of a conventional loan and shall be computed as the annual percentage rate as computed in accordance with sections 226.5 (b), (c) and (d) of Regulation Z, 12 C.F.R. section 226, but using the definition of finance

charge provided for in this subdivision. The finance charge shall be amortized over the contract term of the conventional loan.

(5) (7) "Monthly index of long term United States government bond yields" means the monthly unweighted average of the daily unweighted average of the closing bid yield quotations in the over the counter market for all outstanding United States treasury bond issues, based on available statistics, which are either maturing or callable in ten years or more. This index is expressed in terms of percentage interest per annum.

(8) "*Person*" means an individual, corporation, business trust, partnership or association or any other legal entity.

(9) "*Residential unit*" means any structure used principally for residential purposes or any portion thereof, and shall include a unit in a townhouse or planned unit development, a condominium apartment, a non-owner occupied residence, and any other type of residence regardless of whether such unit is used as a principal residence, secondary residence, vacation residence or residence of some other denomination.

Subd. 3. (PURSUANT TO SUCH REGULATIONS AS THE COMMISSIONER OF BANKS FINDS TO BE NECESSARY AND PROPER, IF ANY, BANKS, SAVINGS BANKS, MUTUAL SAVINGS BANKS, BUILDING AND LOAN ASSOCIATIONS, AND SAVINGS AND LOAN ASSOCIATIONS ORGANIZED UNDER THE LAWS OF THIS STATE OR THE UNITED STATES, TRUST COMPANIES, TRUST COMPANIES ACTING AS FIDUCIARIES, AND OTHER BANKING INSTITUTIONS SUBJECT TO THE SUPERVISION OF THE COMMISSIONER OF BANKS, AND MORTGAGEES OR LENDERS APPROVED OR CERTIFIED BY THE FEDERAL NATIONAL MORTGAGE ASSOCIATION OR THE FEDERAL HOME LOAN MORTGAGE CORPORATION) *Notwithstanding the provisions of section 334.01, lenders are authorized to make (SUCH) conventional loans and purchases of obligations representing conventional loans (AS WOULD BE ELIGIBLE FOR PURCHASE BY THE FEDERAL NATIONAL MORTGAGE ASSOCIATION OR THE FEDERAL HOME LOAN MORTGAGE CORPORATION AS AUTHORIZED BY AND DEFINED BY THE EMERGENCY HOME FINANCE ACT OF 1970, AS AMENDED, BUT WITHOUT REGARD TO ANY LIMITATIONS PLACED UPON THE MAXIMUM PRINCIPAL AMOUNT OF AN ELIGIBLE CONVENTIONAL LOAN BY SAID ACT) pursuant to such rules as the commissioner of banks finds to be necessary and proper, if any, at an interest rate not in excess of the maximum lawful interest rate prescribed in subdivision 4 of this section.*

Subd. 4. No conventional loan (AUTHORIZED IN SUBDIVISION 3) shall be *made* at a rate of interest in excess of a

maximum lawful interest rate which shall be based upon the monthly index of long term United States government bond yields as compiled by the (BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM AND AS PUBLISHED BY SAID BOARD OF GOVERNORS IN THE MONTHLY FEDERAL RESERVE BULLETIN) *United States treasury department and published by the department in the monthly treasury bulletin*. The maximum lawful interest rate shall be computed as follows:

(1) The maximum lawful rate of interest for a conventional loan (AUTHORIZED IN SUBDIVISION 3 ENTERED INTO) *made* or contracted for during any calendar month shall be equal to the monthly index of long term United States government bond yields for the second preceding calendar month plus an additional two percent per annum rounded off to the nearest quarter of one percent per annum or rounded off to the highest quarter of one percent per annum if equidistant.

(2) On or before the 20th day of each month the commissioner of banking shall determine, based on available statistics, the monthly index of long term United States government bond yields for the preceding calendar month and shall determine the maximum lawful rate of interest for conventional loans for the next succeeding month, as defined in clause (1) and shall cause such maximum lawful rate of interest to be published *in a legal newspaper in Ramsey county before the 20th day of each month and in the Bulletin of the Banking Division for publication in the state register on or before the last day of each month*; such maximum lawful rate of interest to be effective on the first day of the next succeeding month.

(3) The loan yield obtained from a conventional loan (AUTHORIZED IN SUBDIVISION 3) shall not exceed the maximum lawful rate of interest established in clause (1).

(4) A contract rate within the maximum lawful interest rate applicable to a conventional loan (AUTHORIZED IN SUBDIVISION 3) at the time (OF THE LOAN CLOSING) *the loan is made* shall be the maximum lawful interest rate for the term of the conventional loan (; EXCEPT THAT A COMMITMENT FOR).

(5) *Conventional loans made pursuant to a commitment for a conventional loan (AUTHORIZED IN SUBDIVISION 3), including a commitment for conventional loans made upon payment of a developer's commitment fee, which provides for consummation within some future time following the issuance of such commitment may be consummated pursuant to the provisions, including the interest rate, of such commitment notwithstanding the fact that the maximum lawful rate of interest at the time such conventional loan is actually (ENTERED INTO) made is less than the commitment rate of interest, provided the*

commitment rate of interest does not exceed the maximum lawful interest rate in effect on the date such commitment was issued and provided that such commitment when issued and agreed to (BY THE BORROWER) shall constitute a legally binding obligation on the part of the mortgagee or lender to make a conventional loan (AUTHORIZED IN SUBDIVISION 3) within a specified time period in the future at a rate of interest not exceeding the maximum lawful rate of interest effective as of the date (OF) *the commitment (OFFER) was issued.* The refinancing of an existing conventional loan (AUTHORIZED IN SUBDIVISION 3) shall be deemed to be a new conventional loan for purposes of determining the maximum lawful rate of interest under this subdivision. *A commitment shall be deemed to be issued on the date the commitment is hand delivered by the lender, or mailed, to the addressee or to any one of them if there should be more than one.*

((5) THIS SUBDIVISION EXPIRES JULY 31, 1977. A CONTRACT OR COMMITMENT FOR A CONVENTIONAL LOAN MADE PURSUANT TO THIS SUBDIVISION MADE)

(6) *A loan made pursuant to a commitment, including a commitment for conventional loans made upon payment of a developer's commitment fee, issued on or before July 31, (1977) 1979 at a rate of interest not in excess of the rate of interest authorized by this subdivision at the time the contract or commitment for such loan was made shall continue to be enforceable in accordance with its terms until the indebtedness is fully satisfied.*

(7) *This subdivision expires July 31, 1979.*

Subd. 5. No (LOAN OR ADVANCE OF CREDIT AUTHORIZED IN SUBDIVISIONS 1 OR 3 AND CONTRACTED FOR) *conventional loan or loan authorized in subdivision 1 made on or after (APRIL 1, 1976,) the effective date of this act shall contain a provision requiring or permitting the imposition of a penalty in the event the loan or advance of credit is prepaid.*

Subd. 6. No (LOAN OR ADVANCE OF CREDIT AUTHORIZED IN SUBDIVISIONS 1 OR 3 AND CONTRACTED FOR) *conventional loan or loan authorized in subdivision 1 made on or after (APRIL 1, 1976,) the effective date of this act shall contain a provision requiring or permitting the imposition of a fee or penalty in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan or advance of credit and the obligation incurred thereby is assumed by another person.*

Subd. 7. (1) No conventional loan (AUTHORIZED IN SUBDIVISION 3 AND CONTRACTED FOR) *made on or after (APRIL 1, 1976) the effective date of this act shall contain a provision requiring or permitting the imposition, directly or in-*

directly, of any discount points, whether or not actually denominated as discount points, on any person.

(2) Discount points shall be deemed not to include a (FEE PAID TO A LENDER BY A PERSON IN THE BUSINESS OF RESIDENTIAL BUILDING OR DEVELOPMENT IN CONNECTION WITH A COMMITMENT BY SUCH LENDER TO MAKE CONVENTIONAL LOANS TO CREDIT WORTHY PURCHASERS OF REAL PROPERTY WHICH HAS NOT PREVIOUSLY BEEN OCCUPIED AS A RESIDENCE) *developer's commitment fee*.

(3) No charges, fees, or sums permitted by (LAWS 1976, CHAPTER 300) *section 47.20* which are paid to and received by a lender may be increased for purposes of evading compliance with this subdivision.

(4) *This subdivision shall not apply to conventional loans secured by mortgages committed for purchase, purchased, or sold by the government national mortgage association pursuant to 12 United States Code Annotated, section 1720(j), if the charge for any discount points when added to the finance charge does not result in a loan yield in excess of that permitted by subdivision 4. The loan yield shall be computed using the sum resulting when the discount points are so added to the finance charge.*

Subd. 8. A lender making a conventional loan shall comply with the following:

(1) *The promissory note and mortgage evidencing a conventional loan shall be printed in not less than the equivalent of eight point type, .075 inch computer type, or elite-size typewritten numerals, or shall be legibly handwritten.*

(2) *The mortgage evidencing a conventional loan shall contain a provision whereby the lender agrees to furnish the borrower with a conformed copy of the promissory note and mortgage at the time they are executed or within a reasonable time after recordation of the mortgage.*

(3) *The mortgage evidencing a conventional loan shall contain a provision whereby the lender, if it intends to foreclose, agrees to give the borrower written notice of any default under the terms or conditions of the promissory note or mortgage, by sending the notice by certified mail to the address of the mortgaged property or such other address as the borrower may have designated in writing to the lender. The lender need not give the borrower the notice required by this paragraph if the default consists of the borrower selling the mortgaged property without the required consent of the lender. The mortgage shall further provide that the notice shall contain the following provisions:*

- (a) *the nature of the default by the borrower,*
- (b) *the action required to cure such default,*
- (c) *a date, not less than 30 days from the date the notice is mailed by which such default must be cured,*
- (d) *that failure to cure such default on or before the date specified in the notice may result in acceleration of the sums secured by the mortgage and sale of the mortgaged premises, and*
- (e) *that the borrower has the right to reinstate the mortgage after acceleration, and*
- (f) *that the borrower has the right to bring a court action to assert the nonexistence of a default or any other defense of the borrower to acceleration and sale.*

Subd. (8) 9. (1) For purposes of this subdivision the term "mortgagee" shall mean all state banks and trust companies, national banking associations, state and federally chartered savings and loan associations, mortgage banks, mutual savings banks, insurance companies, credit unions or assignees of the above. Each mortgagee requiring funds of a mortgagor to be paid into an escrow, agency or similar account for the payment of taxes or insurance premiums with respect to a mortgaged one to four family, owner occupied residence located in this state, unless such account is required by federal law or regulation *or maintained in connection with a conventional loan in an original principal amount in excess of 80 percent of the lender's appraised value of the residential unit at the time the loan is made* or maintained in connection with loans insured or guaranteed by the secretary of housing and urban development (OR GUARANTEED), by the administrator of veterans affairs, *or by the administrator of the farmers home administration*, shall calculate interest on such funds at a rate of not less than three percent per annum. Such interest shall be computed on the average monthly balance in such account (OF) on the first of each month for the immediately preceding 12 months of the calendar year or such other fiscal year as may be uniformly adopted by the mortgagee for such purposes and shall be annually credited to the remaining principal balance on the mortgage, or at the election of the mortgagee, paid to the mortgagor or credited to his account. If the interest exceeds the remaining balance, the excess shall be paid to the mortgagor or vendee. The requirement to pay interest shall apply to such accounts created prior to June 1, 1976 as well as to accounts created after June 1, 1976.

((2) THE COMMERCE COMMISSION SHALL HAVE THE POWER TO PRESCRIBE, AT THE END OF EACH CALENDAR YEAR, A RATE OF INTEREST HIGHER THAN THAT SET BY THIS SUBDIVISION. THE RATE SO PRE-

SCRIBED SHALL APPLY TO THE CALENDAR YEAR DURING WHICH SUCH RATE IS PRESCRIBED OR TO SUCH OTHER FISCAL YEAR BEGINNING WITHIN SUCH CALENDAR YEAR UNIFORMLY ADOPTED BY THE MORTGAGEE FOR SUCH PURPOSES. IN PRESCRIBING ANY RATE THE COMMISSION SHALL CONSIDER PERTINENT ECONOMIC AND COST FACTORS INCLUDING, BUT NOT LIMITED TO: (1) CURRENT YIELDS ON SHORT TERM INVESTMENTS, (2) CURRENT DIVIDEND RATES PAID ON REGULAR SAVINGS ACCOUNTS THROUGHOUT THIS STATE, (3) CURRENTLY PREVAILING INTEREST RATES ON CONVENTIONAL AND INSURED OR GUARANTEED MORTGAGE LOANS IN THIS STATE, (4) COST FACTORS IN MAINTAINING ACCOUNTS DESCRIBED IN CLAUSE (1) OF THIS SUBDIVISION AND (5) SUCH OTHER PERTINENT ECONOMIC OR COST FACTORS THAT THE COMMERCE COMMISSION SHALL DEEM TO BE APPROPRIATE.

(3) IF AT ANY TIME THE USE OF SUCH ACCOUNT IS OFFERED AS AN OPTION TO THE MORTGAGOR AND THE MORTGAGOR CONTINUES OR ELECTS TO USE SUCH ACCOUNT, INTEREST NEED NOT BE CREDITED OR PAID:)

(2) *A mortgagee that decides to discontinue maintaining escrow accounts as described in clause (1), whether or not the accounts were required by the mortgagee or were optional with the mortgagor, shall offer to each of such mortgagors the following options:*

(a) *the mortgagor may manage the payment of insurance and taxes by himself;*

(b) *the mortgagor may open with the mortgagee a passbook savings account carrying the current rate of interest being paid on such accounts by the mortgagee in which the mortgagor can deposit the funds previously paid into the escrow account; or*

(c) *to maintain a noninterest bearing escrow account as described in clause (1) to be serviced by the mortgagee at no charge to the mortgagor.*

A mortgagee that is not a depository institution offering passbook savings accounts shall instead of option (b) above notify its mortgagors that (1) they may open such accounts at a depository institution and (2) the current maximum legal interest rate on such accounts.

A mortgagee shall notify its mortgagor of the options under (a), (b) and (c). The notice shall state the options and state that an escrow account is not required by the mortgagee, that the

mortgagor is legally responsible for the payment of taxes and insurance, and that the notice is being given pursuant to section 47.20, subdivision 9.

Notice shall be given within 30 days of the mortgagee's decision to discontinue escrow accounts. If no reply is received from the mortgagor within 30 days, option (c) shall be selected for the mortgagor but that the mortgagor may, at any time, select another option.

A mortgagee making a new mortgage shall at the time of loan application, notify a prospective mortgagor of options (a), (b) and (c) above which must be extended to the prospective mortgagor. The mortgagor shall select one of the options at the time the loan is made.

Any notice required by this clause (2) shall be on forms approved by the commissioner of banking and shall provide that at any time a mortgagor may select a different option. The form shall contain a blank where the current passbook rate of interest shall be entered by the mortgagee. Any option selected by the mortgagor shall be binding on the mortgagee.

This clause (2) does not apply to escrow accounts which are excepted from the interest paying requirements of clause (1).

((4)) (3) A mortgagee shall be prohibited from charging a direct fee for the administration of the escrow account.

((5)) (4) A mortgagee shall make timely payments of tax and insurance bills provided that funds paid into such account by the mortgagor are sufficient for such payment. If there is a shortage of funds the mortgagee shall promptly notify the mortgagor of such shortage. Failure to make the payment required by this clause shall subject the mortgagee to liability for all damages caused by such failure except that this sentence shall not deprive the mortgagee of the right to present any legal defenses in any subsequent proceeding. The mortgagee is permitted to make any payment on behalf of the mortgagor even though there are not sufficient funds in a particular account to cover the payment.

((6) ANY MORTGAGEE INTENTIONALLY VIOLATING THE PROVISIONS OF THIS SUBDIVISION SHALL BE FINED NOT MORE THAN \$100 FOR EACH OFFENSE.)

Subd. (9) 10. Notwithstanding any other law, the provisions of (LAWS 1976, CHAPTER 300) *section 47.20* may not be waived by any oral or written agreement executed by any person.

Subd. 11. All lenders who make conventional loans pursuant to this section and who are not financial institutions supervised

by state or federal government agencies shall register with the banking division of the department of commerce. Lenders who make no more than two conventional loans in any calendar year are exempt from the registration requirements of this subdivision. The commissioner of banks shall charge and collect a fee of \$25 for registration.

Subd. 12. All lenders, except those making no more than two conventional loans in any calendar year, shall make an annual report containing the following information and such further information as the commissioner may require to the commissioner of banks describing the lender's number of:

(a) conventional loans to individuals secured by a residential unit located in this state made during each month of the reporting period and the total dollar amount thereof by month;

(b) conventional loans to individuals secured by a residential unit located in this state not made by the lender but acquired from others, the total dollar amount thereof, and from whom the loans were acquired;

(c) nonconventional loans to individuals secured by a residential unit located in this state made by the lender categorized as to those insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the farmers home administration and all other such loans with the total dollar amount for each category of loan;

(d) conventional loans made by the lender to individuals secured by a residential unit located outside this state and the total dollar amount thereof;

(e) conventional loans to individuals secured by a newly built residential unit located in this state made by the lender and the total dollar amount thereof;

(f) commitments to individuals issued and not made for conventional loans to be secured by a residential unit located in this state and the total dollar amount thereof.

The reports shall be filed on or before March 1, of each year and shall cover the preceding calendar year.

Subd. 13. The commissioner of banks may investigate complaints involving conventional loans.

Subd. 14. Any conventional loan having an interest rate in excess of the maximum lawful interest rate provided for in sub-

division 4 shall be usurious and subject to the same penalties as a loan made in violation of section 334.01. Any lender intentionally violating any other provision of this section shall be fined not more than \$100 for each offense.

Sec. 2. Minnesota Statutes 1976, Section 48.153, is amended to read:

48.153 [INSTALLMENT LOANS; FINANCE CHARGES; MINIMUM CHARGES.] Any bank organized under the laws of this state, or any national banking association doing business in this state, making any loan of money not exceeding \$25,000 repayable in installments, may make a finance charge for such loan to be computed at a rate which does not exceed 12 percent per annum upon the unpaid principal balance of the amount financed. Installment payments shall not extend beyond a period of 12 years and 32 days from the date of the loan. The loan may be secured by a mortgage, pledge, or other collateral. Any savings bank organized pursuant to chapter 50, and having its principal place of business in this state, may make a loan for consumer purposes to any natural person in an amount not exceeding \$7,500 repayable in installments, and may make a finance charge for the loan to be computed at a rate not exceeding 12 percent per annum on the unpaid principal balance of the amount financed. Installment payments shall not extend beyond a period of five years and 32 days from the date of the loan. The loan may be secured by a mortgage, pledge or other collateral. Charges in reference to installment loans under this section shall be computed and collected only on the unpaid principal balance of the amount financed actually outstanding. One day's finance charge shall mean an amount equal to $\frac{1}{365}$ of the per annum rate provided for in an installment loan. If the total finance charge determined on an installment loan, single payment or demand loan shall be less than \$10 the amount charged may nevertheless be \$10. *No loan shall be made pursuant to this section if over 50 percent of the proceeds of the loan are used to finance the purchase of a borrower's primary residence other than a mobile home.*

Sec. 3. Minnesota Statutes 1976, Section 334.06, is amended to read:

334.06 [AGREEMENTS TO SHARE PROFITS; BANKS FOR FARM COOPERATIVES.] Nothing in this chapter shall be construed as in any way affecting any contract whereby one party advances money to be used in business or other ventures mutually determined upon, and whereby the party receiving such money agrees to refund the same, with lawfully stipulated interest, and, in addition thereto, agrees to share, equally or otherwise, with the party so advancing the money, the profits of such business or ventures; nor shall its provisions apply to (MUTUAL BUILDING ASSOCIATIONS OR) any banks for cooperatives created or operating under the Federal Farm Credit Act of 1933, as amended, which by law or contract with its borrowers operates as a cooperative.

Sec. 4. Minnesota Statutes 1976, Section 334.01, Subdivision 2, is amended to read:

Subd. 2. A contract for the loan or forbearance of money, goods, or things in action, in the amount of \$100,000 or more, shall be exempt from the provisions of this section and the interest for such an indebtedness shall be at the rate of \$6 upon \$100 for a year, unless a different rate is contracted for in writing. This subdivision expires July (1, 1978) *31, 1979*. A contract for a loan or forbearance made on or before July (1, 1978) *31, 1979* at a rate of interest not in excess of the rate of interest authorized by this subdivision at the time the loan or forbearance was made shall continue to be enforceable in accordance with its terms until the indebtedness is fully satisfied.

Sec. 5. [EFFECTIVE DATE.] *The amendments to Minnesota Statutes, Section 47.20, Subdivision 8, as renumbered Subdivision 9 by this act, shall take effect June 1, 1977 and the remainder of this act is effective the day following its final enactment."*

Further amend the title as follows:

Page 1, line 3, delete "coventional" and insert "conventional".

Page 1, line 6, before "providing" insert "providing an extension of a usury exception;".

Page 1, line 8, after "48.153;" insert "334.01, Subdivision 2;".

With the recommendation that when so amended the bill pass.

The report was adopted.

Brinkman from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 377, A bill for an act relating to credit union mergers; clarifying membership for merged credit unions; amending Minnesota Statutes 1976, Section 52.203.

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

The report was adopted.

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

H. F. No. 600, A bill for an act relating to elections; providing for uniform reporting dates for and disclosure of campaign con-

tributions and expenditures of political committees and candidates; providing for statements of economic interest for candidates and persons elected to public office; providing for registration of voters for all counties; defining certain terms; providing uniform filing date for corporations spending money for certain election purposes; providing exemption from disclosure requirements for certain persons and political committees; providing restrictions on the use of names and pictures of public officials in government publications; prohibiting sample ballots of the same color as official ballots; giving the secretary of state and county auditors certain duties with respect to elections; permitting codes of ethics for counties, cities, and school districts; providing penalties; amending Minnesota Statutes 1976, Sections 210A.01, Subdivisions 1, 3, 5, 6, and 8, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.21; 210A.24; 210A.27, Subdivision 1; 210A.29; 210A.32; 210A.34, Subdivision 8; and 290.09, Subdivision 2; and Chapters 123, by adding a section; 210A, by adding sections; 375, by adding a section; and 471, by adding a section; repealing Minnesota Statutes 1976, Sections 123.015; 210.22; 210A.01, Subdivisions 4, 7, and 9; 210A.22; 210A.23; 210A.25; 210A.26; 210A.28; 210A.30; 210A.31; and 210A.33; and Laws 1975, Chapter 342, Section 1.

Reported the same back with the following amendments:

Page 2, line 8, delete "*Unless*" and insert "*Except as*".

Page 2, line 9, delete "*herein*" and insert "*in this chapter*".

Page 2, line 10, before "*chapter*" insert "*this*" and delete "*210A*".

Page 3, line 10, after "*his*" insert "*application or*".

Page 4, line 8, delete "*for election*".

Page 4, line 9, after "*office*" insert "*, or for the purpose of supporting or opposing any question on the ballot*".

Page 4, line 21, after "*office*" insert "*, or to support or oppose any question on the ballot*".

Page 4, line 22, after "*committees*" insert "*or political funds*".

Page 5, lines 4 to 7, after "(210A.025)" delete the remainder of the language and insert "*No person shall cause sample ballots to be printed in such a manner as to appear to be official ballots*".

Page 7, line 4, delete "*contain*".

Page 7, delete line 5.

Page 7, line 6, delete "or any other device which tends" and insert "tend".

Page 7, line 17, after "more" insert "as determined by the last decennial census".

Page 7, after line 27, insert a new subdivision to read:

"Subd. 4. "Political committee" means any committee supporting or opposing any question on the ballot or any candidate as defined in subdivision 2."

Page 7, line 31, after the period insert "Nothing in this act shall prohibit them from being the same person."

Page 8, line 20, delete "clearly proved" and insert "proven by clear and convincing evidence".

Page 8, line 27, delete the comma, delete "an expenditure" and insert "expenditures" and after "\$200" insert "in any year".

Page 10, line 21, delete "or".

Page 10, line 22, delete "reported in writing within 30 days".

Page 10, line 23, after "change" insert "provided that if the event prompting the change occurs after January 31 and more than 60 days before the next required filing date, the corrections shall be filed within 60 days after the date of the event prompting the change".

Page 10, line 28, after "Any" delete "attempt by a".

Page 10, line 29, after "person" insert "who attempts".

Page 11, line 30, after "candidate" insert "other than a candidate for township office".

Page 12, line 29, before "to" insert "to the county auditor who will furnish them".

Page 14, line 10, delete "Failure to destroy statements shall".

Page 14, delete line 11.

Page 14, delete lines 12 to 25.

Page 14, line 30, delete "this" and after "chapter" insert "210A".

Page 15, after line 1, insert a new section to read:

“Sec. 30. Minnesota Statutes 1976, Chapter 210A, is amended by adding a section to read:

(210A.271) [DUTIES OF SECRETARY OF STATE; FILING OFFICERS.] *The secretary of state shall instruct and render advice to filing officers regarding their duties under sections 16 to 25 of this act. Only a person desiring guidance for his own conduct may request advice from a filing officer.*”

Renumber the sections accordingly.

Page 16, line 28, delete “; and Laws 1975, Chapter 342, Section 1,”.

Amend the title as follows:

Page 1, line 7, delete “providing for”.

Page 1, line 8, delete “registration of voters for all counties;”.

Page 1, line 9, delete “providing uniform filing date for”.

Page 1, line 10, delete “corporations spending money for certain election”.

Page 1, line 11, delete “purposes;”.

Page 1, line 14, delete “names and pictures of public officials in”.

Page 1, line 16, delete “of the same color as” and insert “which appear to be”.

Page 1, line 17, delete “county auditors” and insert “filing officers”.

Page 1, line 25, delete “210A.34, Subdivision 8;”.

Page 1, line 32, delete “; and Laws 1975,”.

Page 1, line 33, delete “Chapter 342, Section 1”.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 560, 725 and 500 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 267, 86 and 377 were read for the second time.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Kvam, Eken, Eckstein, Carlson, D., and Brinkman introduced:

H. F. No. 1077, A bill for an act relating to agriculture; attempting to limit fee increases; providing an appropriation.

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

Lemke, Gunter, Kvam, Sarna and Anderson, B., introduced:

H. F. No. 1078, A bill for an act relating to agriculture; agricultural marketing and bargaining; modifying provisions for collective bargaining; amending Minnesota Statutes 1976, Sections 17.693, Subdivisions 2, 4 and 8; 17.694, Subdivisions 1, 3, 6 and 7; 17.695, Subdivision 2; 17.696, Subdivision 1; 17.697, Subdivisions 1 and 3; 17.698; and Chapter 17, by adding a section; repealing Minnesota Statutes 1976, Sections 17.695, Subdivisions 3 and 4; and 17.699.

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

Braun, Mann and Jensen introduced:

H. F. No. 1079, A bill for an act relating to agriculture; seeds; changing the basis for listing restricted noxious weed seeds on labels; prohibiting certain acts; increasing fees; amending Minnesota Statutes 1976, Sections 21.48, Subdivision 3; 21.49, Subdivision 1; 21.53, Subdivision 3; and 21.54, Subdivision 2.

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

Welch; Clawson; Carlson, D.; Wenzel and McEachern introduced:

H. F. No. 1080, A bill for an act relating to education; community colleges; appropriating money to build a community college at Cambridge; amending Laws 1973, Chapter 777, Section 13, Subdivision 2.

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

Wenstrom, Eckstein, Sabo, Anderson, I., and Fjoslien introduced:

H. F. No. 1081, A bill for an act relating to appropriations; providing funds for the programs of the Minnesota International Center.

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

Petraleso, Hanson and Arlandson introduced:

H. F. No. 1082, A bill for an act relating to energy; rates of service; directing establishment of a special rate for minimum amounts of electricity needed to sustain life; directing the public service commission to fix a "lifeline rate"; amending Minnesota Statutes 1976, Section 216A.05, Subdivision 2; and Chapter 216A, by adding a section.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Clark, Brandl, Jaros, Dean and Wynia introduced:

H. F. No. 1083, A bill for an act relating to licenses fees; increasing maximum fees for off-sale intoxicating liquor licenses; and for licenses for the sale of cigarettes; amending Minnesota Statutes 1976, Sections 340.11, Subdivision 14 and 461.12.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Kempe, A.; Arlandson; Berg; Clark and Kempe, R., introduced:

H. F. No. 1084, A bill for an act relating to post conviction remedy; authorizing the court to determine whether a petitioner must be present at a post conviction hearing; amending Minnesota Statutes 1976, Section 590.04, Subdivision 3.

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

Kelly, R.; Cohen; Kempe, A.; Hanson and Rose introduced:

H. F. No. 1085, A bill for an act relating to highway traffic regulations; parking citations; the reporting of the same and their collection.

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

Clark; Nelson; Kempe, A. ; Lehto and Carlson, A., introduced :

H. F. No. 1086, A bill for an act relating to crimes; requiring the commissioner of corrections to conduct research to assess the extent and nature of juvenile prostitution and to develop a program for the prevention and treatment of prostitution; reports to legislature; pilot projects.

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

Eken introduced :

H. F. No. 1087, A bill for an act relating to the administration of justice; Clearwater district and county courts; law library fees; assessment in petty misdemeanor cases; amending Laws 1976, Chapter 290, Section 4.

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

Cohen introduced :

H. F. No. 1088, A bill for an act relating to Independent School District No. 625; transportation authorized for certain pupils transferring from closed schools.

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

Brinkman, Patton and Niehaus introduced :

H. F. No. 1089, A bill for an act relating to education; vocational education programs in school districts; providing for reimbursement of expenses for joint programs with industry; amending Minnesota Statutes 1976, Section 124.57.

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

Fjoslien, Sherwood, Munger, St. Onge and Braun introduced :

H. F. No. 1090, A bill for an act relating to natural resources; providing for agent fees for game and fish license sales; amending Minnesota Statutes 1976, Section 98.50, Subdivision 5; and Chapter 98, by adding a section.

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

Stanton, Erickson and Munger introduced:

H. F. No. 1091, A bill for an act relating to waters; permitting the establishment of water user districts.

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

Waldorf, Munger, Kostohryz, Fjoslien and Patton introduced:

H. F. No. 1092, A bill for an act relating to public waters; establishing a lake restoration and protection program; making grants-in-aid available for improving water quality in public lakes; prescribing certain powers and duties for the pollution control agency; appropriating money.

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

Voss, Samuelson, Faricy, Haugerud and Erickson introduced:

H. F. No. 1093, A bill for an act relating to natural resources; recodifying statutes relating to certain conservation areas; abolishing consolidated conservation areas fund; repealing obsolete provisions; appropriating money; amending Minnesota Statutes 1976, Sections 84A.01; 84A.03; 84A.07; 84A.10; 84A.51, Subdivision 4; 84A.52; 84A.53; 84A.55, Subdivisions 1, 3, 6, 8, 9, 10, 11, and 12; 281.23, Subdivision 8; 282.14; 282.16, Subdivision 1, and by adding subdivisions; 282.19; 282.21; and Laws 1961, Chapter 612, Section 1; repealing Minnesota Statutes 1976, Sections 84A.02; 84A.04; 84A.08; 84A.09; 84A.11; 84A.20 to 84A.23; 84A.26 to 84A.33; 84A.36 to 84A.42; 84A.50; 84A.51, Subdivisions 1, 2, and 3; 84A.54; 84A.55, Subdivision 14; and 282.221 to 282.226.

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

Abeln, McCollar, Johnson, Heinitz and Brinkman introduced:

H. F. No. 1094, A bill for an act relating to insurance; providing for competitive bids on group contracts for certain public bodies; amending Minnesota Statutes 1976, Section 471.616, Subdivision 1.

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

Carlson, L.; Berglin; Anderson, B.; Kaley and Swanson introduced:

H. F. No. 1095, A bill for an act relating to public health; requiring medical malpractice information from insurers; granting subpoena power to the board of medical examiners; amending Minnesota Statutes 1976, Section 147.072.

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

Neisen, King, Reding, Simoneau and Heinitz introduced:

H. F. No. 1096, A bill for an act relating to elections; providing that polling places be accessible to the elderly and physically handicapped; amending Minnesota Statutes 1976, Section 204A.09, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Sieben, H., introduced:

H. F. No. 1097, A bill for an act relating to elections; providing for elections to fill vacancies in the United States senate; amending Minnesota Statutes 1976, Sections 202A.61; 202A.62, Subdivision 2; and 202A.65, Subdivision 2; repealing Minnesota Statutes 1976, Section 202A.72.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Wenstrom, Lemke, McDonald, Wenzel and Sieben, H., introduced:

H. F. No. 1098, A bill for an act relating to workers' compensation; authorizing coverage for owners of a business; including family farms and family farm corporations; amending Minnesota Statutes 1976, Sections 176.011, Subdivisions 9 and 11a; 176.012 and 176.051.

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

Searles introduced:

H. F. No. 1099, A bill for an act relating to the city of Excelsior; proportionate service pensions and financing requirements of the firemen's relief association.

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

Cummiskey, Stoa, Peterson, Sherwood and Corbid introduced:

H. F. No. 1100, A bill for an act appropriating funds annually for WATS incoming lines to serve state offices.

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

Sieben, H.; Patton; Beauchamp; Kaley and Suss introduced:

H. F. No. 1101, A bill for an act authorizing the state office of hearing examiners to issue subpoenas and contract for court reporter services; amending Minnesota Statutes 1976, Section 15.052, Subdivisions 4 and 5.

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

Reding introduced:

H. F. No. 1102, A bill for an act relating to state agencies; purchasing and furnishing goods and services; amending Minnesota Statutes 1976, Sections 16.02, Subdivisions 2, 13, 16, 19, and by adding a subdivision; 16.07, Subdivision 8, and by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7; 16.80, Subdivision 1; and 327.51, Subdivisions 1 and 3, and by adding a subdivision.

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

Reding and Beauchamp introduced:

H. F. No. 1103, A bill for an act relating to the operation of state government; centralizing the management and review of all state contracts in the office of the commissioner of administration; distinguishing consultant, professional and technical contracts; amending Minnesota Statutes 1976, Sections 15.061; 161.35; and Chapter 16, by adding a section; repealing Minnesota Statutes 1976, Sections 4.19 and 16.10.

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

Reding; Sherwood; Nelsen, B.; Stanton and Kahn introduced:

H. F. No. 1104, A bill for an act relating to soil and water conservation; adding the commissioner of natural resources as an ex-officio officer of the state soil and water conservation board; amending Minnesota Statutes 1976, Section 40.03, Subdivision 1.

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

Begich and Battaglia introduced:

H. F. No. 1105, A bill for an act relating to the city of Eveleth; firemen's pensions; amending Laws 1935, Chapter 208, Section 11, as added and amended.

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

Cohen; Berkelman; Anderson, B.; Welch and Brandl introduced:

H. F. No. 1106, A bill for an act relating to the operation of state government; providing for the expiration or periodic re-evaluation of various regulatory programs; requiring program and fiscal review of regulatory programs; providing for performance audits by the legislative auditor; establishing a pilot program; appropriating money.

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

Anderson, I., introduced:

H. F. No. 1107, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Itasca county; appropriating money.

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

Samuelson, Fugina, Dahl, Wenstrom and Heinitz introduced:

H. F. No. 1108, A bill for an act relating to public welfare; providing for allocation of fees collected by community mental health programs.

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

Metzen; Sieben, M.; Carlson, A.; Brinkman and Sarna introduced:

H. F. No. 1109, A bill for an act relating to health care; providing benefits for out-patient treatment of alcoholism, chemical dependency and drug addiction under certain health care plans; amending Minnesota Statutes 1976, Section 62A.149, Subdivision 1.

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

Petrafeso, Swanson, Wieser, Wigley and Clark introduced:

H. F. No. 1110, A bill for an act relating to Anoka state hospital; closing as a state institution; amending Minnesota Statutes 1976, Section 253.015.

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

Dahl, Birnstihl, Swanson, McEachern and Wigley introduced:

H. F. No. 1111, A bill for an act relating to medical assistance for the needy; further establishing guidelines for reimbursable costs of nursing homes; amending Minnesota Statutes 1976, Sections 256B.45, Subdivision 1 and by adding a subdivision; repealing Minnesota Statutes 1976, Section 256B.45, Subdivisions 2 and 3.

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

Dahl; Carlson, L.; Swanson; Kalis and Heinritz introduced:

H. F. No. 1112, A bill for an act relating to public welfare; changing notice requirements from registered to certified mail; eliminating special appeals court and authorizing appeals to district courts; shifting responsibility for review of provisional discharges from heads of hospitals to county welfare boards; amending Minnesota Statutes 1976, Sections 253A.15, Subdivisions 2, 4, 6, 7 and 11; and 253A.17, Subdivision 9.

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

Berkelman, Swanson, Cohen, Laidig and McCarron introduced:

H. F. No. 1113, A bill for an act relating to welfare; clarifying the powers of guardianship by the commissioner; amending Minnesota Statutes 1976, Sections 252A.02, Subdivision 2; 252A.03, Subdivision 3; 252A.04, Subdivision 3; 252A.07, Subdivision 1; and 252A.18; repealing Minnesota Statutes 1976, Section 252.03.

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

Welch, Langseth, Kaley, Clawson and Anderson, B., introduced:

H. F. No. 1114, A bill for an act relating to public welfare; creating a rebuttable presumption that certain transfers of property are intended to make persons eligible for medical or maintenance assistance; amending Minnesota Statutes 1976, Chapter 256, by adding a section; repealing Minnesota Statutes 1976, Section 256B.17.

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

St. Onge, Cummiskey, Pehler, Stoa and Beauchamp introduced:

H. F. No. 1115, A bill for an act relating to education; state universities; handicapped students; waiving tuition for legally blind students; amending Minnesota Statutes 1976, Section 136.11, Subdivision 1.

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

Kroening, McEachern, Dahl, Faricy and Searle introduced:

H. F. No. 1116, A bill for an act relating to education; higher education coordinating board; providing grants for out of state colleges of osteopathy attended by Minnesota students; appropriating money.

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

Jensen; Metzen; Sieben, H.; White and Kempe, A., introduced:

H. F. No. 1117, A bill for an act relating to the county of Dakota; providing for sheriff's civil service commissioners.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Braun; Anderson, I.; Battaglia; Corbid and Murphy introduced:

H. F. No. 1118, A bill for an act relating to political subdivisions; authorizing assignments to secure payment of certain loans; amending Minnesota Statutes 1976, Section 465.73.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Wynia, Byrne, Novak, Rose and Kelly, R., introduced:

H. F. No. 1119, A bill for an act relating to Ramsey county; providing for additional membership on its civil service commission; further prescribing and clarifying the duties of the commission; eliminating per diem payments for library board members; amending Laws 1974, Chapter 435, Section 3.02; repealing Laws 1974, Chapter 435, Section 1.0208.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Cummiskey, Wigley and Johnson introduced:

H. F. No. 1120, A bill for an act relating to the city of Mankato; providing for the service of the police and fire chiefs.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Jaros, Pleasant, Berkelman, Abeln and Cummiskey introduced:

H. F. No. 1121, A bill for an act relating to cities; amending the definition of first class cities; amending Minnesota Statutes 1976, Section 410.01.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Neisen, Petrafeso, Norton and Biersdorf introduced:

H. F. No. 1122, A bill for an act relating to statutory publications; providing for the distribution of Minnesota Statutes and session laws; amending Minnesota Statutes 1976, Section 648.39, Subdivision 1.

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

Jaros, Scheid, Abeln, Evans and Schulz introduced:

H. F. No. 1123, A bill for an act relating to taxation; providing class 3cc property tax classification for disabled persons receiving aid from private pension plans; amending Minnesota Statutes 1976, Section 273.13, Subdivision 7.

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

Reding, Hanson, White, Erickson and Jensen introduced:

H. F. No. 1124, A bill for an act relating to economic development; providing authority for certain governmental subdivisions to provide tax incentives for new industry.

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

Johnson, McCollar, Pehler, Searles and Novak introduced:

H. F. No. 1125, A bill for an act relating to taxation; providing for distribution of property taxes levied on certain electric utility facilities among certain governmental units.

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

St. Onge, Sherwood, Kroening, Hanson and Carlson, D., introduced:

H. F. No. 1126, A bill for an act relating to the environment; establishing a program of state assistance for the removal of dilapidated buildings; appropriating money.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Patton introduced:

H. F. No. 1127, A bill for an act relating to the state board of investment; creating an advisory council; requiring annual reports; replacing existing agencies; amending Minnesota Statutes 1976, Chapter 11, by adding sections.

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

Adams; Anderson, I.; Haugerud and Osthoff introduced:

H. F. No. 1128, A bill for an act relating to chiropractic; further defining the practice of chiropractic; amending Minnesota Statutes 1976, Sections 148.01, Subdivision 3; and 148.08, Subdivision 2.

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

Novak, McCollar, Kostohryz, Neisen and Tomlinson introduced:

H. F. No. 1129, A bill for an act relating to Ramsey county; codifying existing laws relating to the composition, terms, selection and redistricting of the board of commissioners; providing for the time and place of certain board meetings; authorizing rules of procedure and the keeping and publication of a board journal; amending Laws 1974, Chapter 435, Section 2.05, and by adding sections; repealing Laws 1974, Chapters 435, Sections 2.01, 2.02 and 2.06; and 576, Section 2, Subdivisions 1, 2, 3 and 5.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Hanson introduced:

H. F. No. 1130, A bill for an act relating to motor vehicle carriers; requiring insurance or bond before the issuance of a certificate or permit to a motor carrier; providing for suspension and revocation of certificate or permit for failure to maintain insurance or other security; amending Minnesota Statutes 1976, Section 221.141, Subdivision 1.

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

MESSAGES FROM THE SENATE

The following messages were received from 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. 38, A bill for an act relating to housing; providing statutory warranties on the sale of new housing; establishing a cause of action for breach of warranty; providing remedies; amending Minnesota Statutes 1976, Section 541.051, by adding a subdivision.

The Senate has appointed as such committee Messrs. Sikorski, Ogdahl and Davies.

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 Senate Files, herewith transmitted:

S. F. Nos. 22 and 291.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 22, A bill for an act relating to Lake of the Woods county; authorizing issuance of one off-sale liquor license.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 291, A bill for an act relating to labor; prohibiting termination of employee benefits; amending Minnesota Statutes 1976, Chapter 181, by adding a section.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

CONSENT CALENDAR

H. F. No. 307, A bill for an act relating to retirement; correcting outdated references in the teachers retirement law; amending Minnesota Statutes 1976, Sections 354.05, Subdivision 25; 354.41, Subdivision 3; 354.49, Subdivision 1; 354.53, Subdivision 1; 354.55, Subdivisions 6, 15, and 18; and 354.58.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeln	Clawson	Jacobs	Munger	Sherwood
Adams	Cohen	Jaros	Murphy	Sieben, H.
Albrecht	Corbid	Jensen	Neisen	Sieben, M.
Anderson, B.	Cummiskey	Johnson	Nelsen, B.	Simoneau
Anderson, D.	Dahl	Jude	Nelsen, M.	Skoglund
Anderson, I.	Dean	Kahn	Nelson	Smogard
Anderson, R.	Den Ouden	Kaley	Norton	Spanish
Arlandson	Eken	Kelly, R.	Novak	Stanton
Battaglia	Ellingson	Kelly, W.	Osthoff	Stoa
Beauchamp	Enebo	Kempe, A.	Patton	Suss
Begich	Erickson	Kempe, R.	Pehler	Swanson
Berg	Esau	King	Peterson	Tomlinson
Berglin	Evans	Knickerbocker	Petrafaso	Vanasek
Berkelman	Ewald	Kostohryz	Pleasant	Voss
Biersdorf	Faricy	Kroening	Prahl	Waldorf
Birnstihl	Fjoslien	Kvam	Reding	Welch
Brandl	Forsythe	Langseth	Rice	Wenstrom
Braun	Friedrich	Lehto	Rose	Wenzel
Brinkman	Fugina	Mann	St. Onge	White
Byrne	George	McCarron	Samuelson	Wieser
Carlson, A.	Gunter	McCollar	Sarna	Wigley
Carlson, D.	Hanson	McDonald	Scheid	Williamson
Carlson, L.	Haugerud	McEachern	Schulz	Wynia
Cassery	Heinitz	Metzen	Searle	Zubay
Clark	Hokanson	Moe	Searles	Speaker Sabo

The bill was passed and its title agreed to.

H. F. No. 418, A bill for an act relating to public welfare; exempting licensed hospitals from day care licensing requirements; amending Minnesota Statutes 1976, Section 245.791.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeln	Cohen	Jaros	Murphy	Sieben, M.
Adams	Corbid	Jensen	Neisen	Simoneau
Albrecht	Cummiskey	Johnson	Nelsen, B.	Skoglund
Anderson, B.	Dahl	Jude	Nelsen, M.	Smogard
Anderson, D.	Dean	Kahn	Nelson	Spanish
Anderson, I.	Den Ouden	Kaley	Norton	Stoa
Anderson, R.	Eckstein	Kelly, R.	Novak	Suss
Arlandson	Eken	Kelly, W.	Osthoff	Swanson
Battaglia	Ellingson	Kempe, A.	Patton	Tomlinson
Beauchamp	Enebo	Kempe, R.	Peterson	Vanasek
Begich	Erickson	King	Petrafeso	Voss
Berg	Esau	Knickerbocker	Pleasant	Waldorf
Berglin	Evans	Kostohryz	Prahl	Welch
Berkelman	Ewald	Kroening	Reding	Wenstrom
Biersdorf	Faricy	Kvam	Rice	Wenzel
Birnstihl	Fjoslien	Laidig	Rose	White
Brandl	Forsythe	Langseth	St. Onge	Wieser
Braun	Friedrich	Lehto	Samuelson	Wigley
Brinkman	Fugina	Mann	Sarna	Williamson
Byrne	George	McCarron	Savelkoul	Wynia
Carlson, A.	Gunter	McCollar	Scheid	Zubay
Carlson, D.	Hanson	McDonald	Schulz	Speaker Sabo
Carlson, L.	Haugerud	McEachern	Searle	
Casserly	Heinitz	Metzen	Searles	
Clark	Hokanson	Moe	Sherwood	
Clawson	Jacobs	Munger	Sieben, H.	

The bill was passed and its title agreed to.

H. F. No. 661 was reported to the House.

Nelsen, B., moved to amend H. F. No. 661 as follows:

Page 1, line 10, after "hay" insert "to be used by Minnesota livestock farmers".

The motion prevailed and the amendment was adopted.

H. F. No. 661, A bill for an act relating to highway traffic regulations; exempting trucks engaged in hauling hay from certain weight restrictions during a specified period of time.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeln	Anderson, R.	Berglin	Brinkman	Clark
Adams	Arlandson	Berkelman	Byrne	Clawson
Albrecht	Battaglia	Biersdorf	Carlson, A.	Cohen
Anderson, B.	Beauchamp	Birnstihl	Carlson, D.	Corbid
Anderson, D.	Begich	Brandl	Carlson, L.	Cummiskey
Anderson, I.	Berg	Braun	Casserly	Dahl

Dean	Hokanson	Mann	Petraleso	Stanton
Den Ouden	Jacobs	McCarron	Prahl	Stoa
Eckstein	Jaros	McCollar	Rice	Suss
Eken	Jensen	McDonald	Rose	Swanson
Ellingson	Johnson	McEachern	St. Onge	Tomlinson
Enebo	Jude	Metzen	Samuelson	Vanasek
Erickson	Kahn	Moe	Sarna	Voss
Esau	Kaley	Munger	Savelkoul	Waldorf
Evans	Kelly, R.	Murphy	Scheid	Welch
Ewald	Kelly, W.	Neisen	Schulz	Wenstrom
Fjoslien	Kempe, A.	Nelsen, B.	Searle	Wenzel
Forsythe	Kempe, R.	Nelsen, M.	Searles	White
Friedrich	Knickerbocker	Nelson	Sherwood	Wieser
Fugina	Kostohryz	Norton	Sieben, H.	Williamson
George	Kroening	Novak	Sieben, M.	Wynia
Gunter	Kvam	Osthoff	Simoneau	Zubay
Hanson	Laidig	Patton	Skoglund	
Haugerud	Langseth	Pehler	Smogard	
Heinitz	Lehto	Peterson	Spanish	

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

PROGRESS REPORTS ON CONFERENCE COMMITTEES

Pursuant to Joint Rule 2.06, progress on H. F. No. 38 was reported to the House.

Kvam and Wigley were excused at 2:30 p.m. Anderson, D., Birnstihl, Erickson and Jensen were excused at 3:00 p.m. and Heinitz was excused at 3:25 p.m.

GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole, with Sabo in the Chair, for the consideration of bills pending on General Orders of the Day. After some time spent therein the Committee arose.

REPORT OF COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 777 and 247 which it recommended to pass.

H. F. No. 332 which it recommended progress.

H. F. No. 82 which it recommended to pass with the following amendment, as amended by Kempe, A., offered by Savelkoul:

Page 1, after the enacting clause, insert the following:

“Section 1. Minnesota Statutes 1976, Section 412.231, is amended to read:

412.231 [PENALTIES.] The council shall have the power to declare that the violation of any ordinance shall be a penal offense and to prescribe penalties therefor. No such penalty shall exceed a fine of (\$300) \$500 or imprisonment in a city or county jail for a period of 90 days, or both, but in either case the costs of prosecution may be added.

Sec. 2. Minnesota Statutes 1976, Section 609.02, Subdivision 3, is amended to read:

Subd. 3. [MISDEMEANOR.] "Misdemeanor" means a crime for which a sentence of not more than 90 days or a fine of not more than (\$300) \$500, or both, may be imposed.

Sec. 3. Minnesota Statutes 1976, Section 609.03, is amended to read:

609.03 [PUNISHMENT WHEN NOT OTHERWISE FIXED.] If a person is convicted of a crime for which no punishment is otherwise provided he may be sentenced as follows:

(1) If the crime is a felony, to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both; or

(2) If the crime is a gross misdemeanor, to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both; or

(3) If the crime is a misdemeanor, to imprisonment for not more than 90 days or to payment of a fine of not more than (\$300) \$500, or both; or

(4) If the crime is other than a misdemeanor and a fine is imposed but the amount is not specified, to payment of a fine of not more than (\$500) \$750, or to imprisonment for a specified term of not more than six months if the fine is not paid.

Sec. 4. Minnesota Statutes 1976, Section 609.031, is amended to read:

609.031 [INCREASED MAXIMUM PENALTY FOR MISDEMEANORS.] Any law of this state which provides for a maximum fine of (\$100) \$300 or imprisonment for 90 days as a penalty for a violation shall, after (JULY 1, 1969) August 1, 1977, be deemed to provide for a maximum fine of (\$300) \$500 or imprisonment for 90 days, or both.

Sec. 5. Minnesota Statutes 1976, Section 609.032, is amended to read:

609.032 [INCREASED MAXIMUM PENALTY FOR ORDINANCE VIOLATIONS.] Any law of this state or city charter which limits the power of any city, town, county, or other political subdivision to prescribe a maximum fine of (\$100) \$300 or imprisonment for 90 days for an ordinance violation shall, after (JULY 1, 1969) *August 1, 1977*, be deemed to provide that such city, town, county, or other political subdivision has the power to prescribe a maximum fine of (\$300) \$500 or imprisonment for 90 days, or both.

Sec. 6. Minnesota Statutes 1976, Section 609.135, Subdivision 1, is amended to read:

609.135 [STAY OF IMPOSITION OR EXECUTION OF SENTENCE.] Subdivision 1. Except when a sentence of life imprisonment is required by law, any court, including a justice of the peace to the extent otherwise authorized by law, may stay imposition or execution of sentence and place the defendant on probation with or without supervision and on such terms as the court may prescribe, *including restitution when practicable*. The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony, by the commissioner of corrections, or in any case by some other suitable and consenting person.”.

Renumber the sections in order.

Further, amend the title as follows:

Page 1, line 5, after the semicolon insert “increasing the penal fine of misdemeanors; directing a court to require as a condition of a stay of imposition or execution of sentence restitution for property damage or loss or compensation for personal injuries;”.

Page 1, line 6, after “Sections” insert “412.231; 609.02, Subdivision 3; 609.03; 609.031; 609.032; 609.135, Subdivision 1;”.

S. F. No. 201 which it recommended to pass with the following amendment offered by McCarron:

Page 1, line 14, delete “*evading the charge or*”.

Page 1, line 20, restore the stricken and delete the underscored language.

Page 2, line 2, restore the stricken and delete the underscored language.

Page 2, line 5, after “*used*” insert “*and that its design renders it primarily useful*”.

Page 2, line 10, delete "*offers or advertises plans or instructions for*" and insert "*advertises or offers, for a monetary consideration, plans or component parts for the purpose of*".

Page 2, line 11, after "*device,*" insert "*having reason to know it is intended to be used unlawfully,*".

On the motion of Anderson, I., the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Cohen moved to amend H. F. No. 82, as follows:

Page 2, after line 5 insert:

"Sec. 2. Minnesota Statutes 1976, Section 609.52, Subdivision 3 is amended to read:

Subd. 3. [SENTENCE.] Whoever commits theft may be sentenced as follows:

(1) To imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both, if the value of the property or services stolen exceeds \$2,500; or

(2) To imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both, if the value of the property or services is more than (\$100) \$300 but not more than \$2,500; or

(3) To imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both, notwithstanding the value of the property or services is not more than (\$100) \$300, if any of the following circumstances exist:

(a) The property is taken from the person of another or from a corpse, or grave or coffin containing a corpse; or

(b) The property taken is a record of a court or officer, or a writing, instrument or record kept, filed or deposited according to law with or in the keeping of any public officer or office; or

(c) The property is taken from a burning building or upon its removal therefrom, or from an area of destruction caused by civil disaster, riot, bombing, or the proximity of battle; or

(d) The property taken consists of public funds belonging to the state or to any political subdivision or agency thereof; or

(4) To imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both, if the property stolen is an article representing a trade secret; or if the property stolen is an explosive or an incendiary device; or

(5) In all other cases where the value of the property or services is (\$100) \$300 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both, provided, however, in any prosecution under clause (1), clause (2), clause (3) (a) and (c), and clause (4) of subdivision 2 the value of the money or property received by the defendant in violation of any one or more of the above provisions within any six month period may be aggregated and the defendant charged accordingly in applying the provisions of this subdivision; provided that when two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed for all of the offenses aggregated under this paragraph.

Sec. 3. Minnesota Statutes 1976, Section 609.53, Subdivision 1, is amended to read:

609.53 [RECEIVING STOLEN GOODS.] Subdivision 1. Any person who receives, buys or conceals any stolen property or property obtained by robbery, knowing the same to be stolen or obtained by robbery, may be sentenced as follows:

(1) If the value of the property received, bought or concealed is (\$100) \$300 or more, to imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both;

(2) If the value of the property received, bought or concealed is less than (\$100) \$300, to punishment as a misdemeanor."

Re number the following sections accordingly.

Further, amend the title as follows:

Page 1, line 7, after "Subdivision 2;" insert "609.52, Subdivision 3; 609.53, Subdivision 1;".

The question was taken on the adoption of the amendment and the roll was called. There were 54 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Anderson, R.	Berg	Berkelman	Brandl
Anderson, D.	Arlandson	Berglin	Birnstihl	Carlson, A.

Carlson, L.	Evans	Lehto	Osthoff	Simoneau
Cassery	Faricy	Mangan	Petrafeso	Skoglund
Clark	Fugina	McDonald	Prahl	Stanton
Clawson	George	Moe	Rice	Stoa
Cohen	Gunter	Munger	Samuelson	Tomlinson
Cummiskey	Jaros	Murphy	Scheid	Vanasek
Dahl	Kahn	Nelson	Searle	Wynia
Ellingson	Kelly, W.	Norton	Sieben, H.	Speaker Sabo
Enebo	Laidig	Novak	Sieben, M.	

Those who voted in the negative were:

Abeln	Eken	Jude	Metzen	Smogard
Adams	Erickson	Kaley	Neisen	Suss
Albrecht	Esau	Kelly, R.	Nelsen, B.	Swanson
Anderson, I.	Ewald	Kempe, A.	Nelsen, M.	Voss
Battaglia	Fjoslien	Kempe, R.	Patton	Waldorf
Beauchamp	Forsythe	King	Pehler	Wenzel
Begich	Friedrich	Knickerbocker	Peterson	White
Biersdorf	Hanson	Kostohryz	Pleasant	Wieser
Fraun	Haugerud	Kroening	Reding	Williamson
Brinkman	Heinitz	Langseth	Rose	Zubay
Carlson, D.	Hokanson	Mann	St. Onge	
Corbid	Jacobs	McCarron	Sarna	
Dean	Jensen	McCollar	Schulz	
Den Ouden	Johnson	McEachern	Searles	

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

Savelkoul offered the following amendment to H. F. No. 82:

Page 1, after the enacting clause, insert the following:

“Section 1. Minnesota Statutes 1976, Section 412.231, is amended to read:

412.231 [PENALTIES.] The council shall have the power to declare that the violation of any ordinance shall be a penal offense and to prescribe penalties therefor. No such penalty shall exceed a fine of (\$300) \$500 or imprisonment in a city or county jail for a period of 90 days, or both, but in either case the costs of prosecution may be added.

Sec. 2. Minnesota Statutes 1976, Section 609.02, Subdivision 3, is amended to read:

Subd. 3. [MISDEMEANOR.] “Misdemeanor” means a crime for which a sentence of not more than 90 days or a fine of not more than (\$300) \$500, or both, may be imposed.

Sec. 3. Minnesota Statutes 1976, Section 609.03, is amended to read:

609.03 [PUNISHMENT WHEN NOT OTHERWISE FIXED.] If a person is convicted of a crime for which no

punishment is otherwise provided he may be sentenced as follows:

(1) If the crime is a felony, to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both; or

(2) If the crime is a gross misdemeanor, to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both; or

(3) If the crime is a misdemeanor, to imprisonment for not more than 90 days or to payment of a fine of not more than (\$300) \$500, or both; or

(4) If the crime is other than a misdemeanor and a fine is imposed but the amount is not specified, to payment of a fine of not more than (\$500) \$750, or to imprisonment for a specified term of not more than six months if the fine is not paid.

Sec. 4. Minnesota Statutes 1976, Section 609.031, is amended to read:

609.031 [INCREASED MAXIMUM PENALTY FOR MISDEMEANORS.] Any law of this state which provides for a maximum fine of (\$100) \$300 or imprisonment for 90 days as a penalty for a violation shall, after (JULY 1, 1969) *August 1, 1977*, be deemed to provide for a maximum fine of (\$300) \$500 or imprisonment for 90 days, or both.

Sec. 5. Minnesota Statutes 1976, Section 609.032, is amended to read:

609.032 [INCREASED MAXIMUM PENALTY FOR ORDINANCE VIOLATIONS.] Any law of this state or city charter which limits the power of any city, town, county, or other political subdivision to prescribe a maximum fine of (\$100) \$300 or imprisonment for 90 days for an ordinance violation shall, after (JULY 1, 1969) *August 1, 1977*, be deemed to provide that such city, town, county, or other political subdivision has the power to prescribe a maximum fine of (\$300) \$500 or imprisonment for 90 days, or both.

Sec. 6. Minnesota Statutes 1976, Section 609.135, Subdivision 1, is amended to read:

609.135 [STAY OF IMPOSITION OR EXECUTION OF SENTENCE.] Subdivision 1. Except when a sentence of life imprisonment is required by law, any court, including a justice of the peace to the extent otherwise authorized by law, may stay imposition or execution of sentence and place the defendant on probation with or without supervision and on such terms as the

court may prescribe. *If the defendant has been convicted of a crime involving damage to or loss of personal property or of a crime during the commission of which a person sustained a personal injury, the court shall require the convicted defendant to make restitution for the property loss or damage or to compensate the person injured for all medical expenses or economic loss arising out of the criminal occurrence unless the court makes a finding that such restitution or compensation is not feasible.* The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony, by the commissioner of corrections, or in any case by some other suitable and consenting person.”.

Renumber the sections in order.

Further, amend the title as follows:

Page 1, line 5, after the semicolon insert “increasing the penal fine of misdemeanors; directing a court to require as a condition of a stay of imposition or execution of sentence restitution for property damage or loss or compensation for personal injuries;”.

Page 1, line 6, after “Sections” insert “412.231; 609.02, Subdivision 3; 609.03; 609.031; 609.032; 609.135, Subdivision 1;”.

Kempe, A., moved to amend the Savelkoal amendment to H. F. No. 82, as follows:

Page 3, lines 10 to 18, delete the new language.

Page 3, line 10, after “prescribe” insert “, *including restitution when practicable*”.

The question was taken on the adoption of the Kempe, A., amendment to the Savelkoul amendment and the roll was called. There were 74 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Cummiskey	Kelly, R.	Neisen	Simoneau
Arlandson	Dahl	Kelly, W.	Nelsen, M.	Skoglund
Battaglia	Eckstein	Kempe, A.	Nelson	Smogard
Beauchamp	Ellingson	Kempe, R.	Norton	Stanton
Begich	Enebo	Kostohryz	Novak	Suss
Berg	Faricy	Kroening	Osthoff	Vanasek
Berglin	Fugina	Lehto	Pehler	Voss
Braun	George	Mangan	Petrafeso	Waldorf
Brinkman	Gunter	McCarron	Rice	Welch
Byrne	Hanson	McCollar	Samuelson	Wenzel
Cassery	Hokanson	McEachern	Scheid	White
Clark	Jacobs	Metzen	Schulz	Williamson
Clawson	Jaros	Moe	Sherwood	Wynia
Cohen	Jude	Munger	Sieben, H.	Speaker Sabo
Corbid	Kahn	Murphy	Sieben, M.	

Those who voted in the negative were:

Albrecht	Den Ouden	Heinitz	McDonald	Searle
Anderson, B.	Eken	Johnson	Nelsen, B.	Searles
Anderson, R.	Esau	Kaley	Patton	Stoa
Biersdorf	Evans	King	Peterson	Swanson
Carlson, A.	Fjoslien	Knickerbocker	Reding	Tomlinson
Carlson, D.	Forsythe	Laidig	Rose	Wenstrom
Carlson, L.	Friedrich	Langseth	St. Onge	Wieser
Dean	Haugerud	Mann	Savelkoul	Zubay

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

The question was taken on the motion to recommend passage of H. F. No. 332 and the roll was called. There were 37 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Abeln	Carlson, D.	Fjoslien	McEachern	St. Onge
Anderson, I.	Casserly	George	Metzen	Samuelson
Anderson, R.	Clark	Gunter	Munger	Sarna
Battaglia	Cohen	Haugerud	Nelsen, M.	Scheid
Begich	Cumiskey	Jude	Osthoff	Williamson
Biersdorf	Eckstein	King	Patton	
Braun	Eken	Mann	Pehler	
Brinkman	Ellingson	McDonald	Rose	

Those who voted in the negative were:

Albrecht	Enebo	Kempe, R.	Peterson	Suss
Anderson, B.	Esau	Knickerbocker	Petrafaso	Tomlinson
Arlandson	Evans	Kostohryz	Pleasant	Vanasek
Beauchamp	Faricy	Kroening	Prahl	Voss
Berg	Forsythe	Laidig	Savelkoul	Waldorf
Berglin	Friedrich	Langseth	Schulz	Welch
Berkelman	Fugina	Mangan	Searle	Wenstrom
Brandl	Hanson	McCarron	Searles	Wenzel
Byrne	Hokanson	McCollar	Sieben, H.	White
Carlson, A.	Jaros	Moe	Sieben, M.	Wieser
Carlson, L.	Johnson	Murphy	Simoneau	Wynia
Clawson	Kahn	Neisen	Skoglund	Zubay
Corbid	Kaley	Nelsen, B.	Smogard	
Dahl	Kelly, R.	Nelson	Spanish	
Dean	Kelly, W.	Norton	Stanton	
Den Ouden	Kempe, A.	Novak	Stoa	

The motion did not prevail.

MOTIONS AND RESOLUTIONS

Petrafaso moved that the names of Heinitz and Faricy be added as authors on H. F. No. 1082. The motion prevailed.

Sieben, H., moved that the names of Wenzel, Rice, Faricy and Abeln be added as authors on H. F. No. 1097. The motion prevailed.

ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, March 30, 1977. The motion prevailed.

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, March 30, 1977.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

