

STATE OF MINNESOTA

SEVENTIETH SESSION - 1978

SIXTY-SIXTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, JANUARY 26, 1978

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

A quorum was present.

Cohen, Corbid, Hokanson, King, Savelkoul and Sieben, H., were excused. Albrecht was excused until 3:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Suss 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. No. 1792 have been placed in the members' files.

REPORTS OF STANDING COMMITTEES

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

H. F. No. 1246, A bill for an act relating to charitable trusts; regulating the solicitation of charitable funds; clarifying and revising registration, filing and reporting requirements; coordinating charitable solicitations with general trust provisions; defining terms; amending Minnesota Statutes 1976, Sections 309.50, Subdivisions 3, 4 and 10; 309.515, Subdivision 1; 309.52, Subdivision 4; 309.53, Subdivisions 1a, 3 and 4; 309.532, Subdivisions 1 and 2; 309.555, Subdivisions 1, 2 and 3, and by adding a subdivision; 501.72; 501.74; 501.75; 501.76; 501.77; 501.78, Subdivisions 1, 2 and 4; 501.79, Subdivision 5; 501.81; and Chapter 525, by adding a section; repealing Minnesota Statutes 1976, Section 501.79, Subdivision 3.

Reported the same back with the following amendments:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 309.50, Subdivision 3, is amended to read:

Subd. 3. "Charitable purpose" means (AND INCLUDES) any charitable, benevolent, philanthropic, patriotic, religious, social service, welfare, educational, (OR) eleemosynary, *cultural, artistic, or public interest* purpose, either actual or purported.

Sec. 2. Minnesota Statutes 1976, Section 309.50, Subdivision 4, is amended to read:

Subd. 4. "Charitable organization" means any person who engages in or purports to engage in solicitation for a charitable purpose and includes (EACH LOCAL COUNTY OR AREA DIVISION WITHIN THE STATE OF SUCH CHARITABLE ORGANIZATION, PROVIDED SUCH LOCAL COUNTY OR AREA DIVISION HAS AUTHORITY AND DISCRETION TO DISBURSE FUNDS OR PROPERTY OTHERWISE THAN BY TRANSFER TO ANY PARENT ORGANIZATION) *a chapter, branch, area office or similar affiliate or any person soliciting contributions within the state for a parent charitable organization.*

Sec. 3. Minnesota Statutes 1976, Section 309.50, Subdivision 10, is amended to read:

Subd. 10. "Solicit" and "solicitation" mean the request directly or indirectly for any contribution, *regardless of which party initiates communication*, on the plea or representation that such contribution will or may be used for any charitable purpose, and (ALSO MEAN AND) include any of the following methods of securing contributions:

- (1) Oral or written request;
- (2) The distribution, circulation, mailing, posting, or publishing of any handbill, written advertisement, or publication;
- (3) The making of any announcement to the press, over the radio, by television, by telephone, or telegraph concerning an appeal, assemblage, athletic or sports event, bazaar, benefit, campaign, contest, dance, drive, entertainment, exhibition, exposition, party, performance, picnic, sale, or social gathering, which the public is requested to patronize or to which the public is requested to make a contribution;
- (4) The sale of, offer, or attempt to sell, any advertisement, advertising space, book, card, magazine, merchandise, subscription, ticket of admission, or any other thing, or the use of the name of any charitable person in any offer or sale as an inducement or reason for purchasing any such item, or the making of any statement in connection with any such sale, that the whole or any part of the proceeds from any such sale will be used for any charitable purpose. A "solicitation" (AS DEFINED HEREIN) shall be deemed completed when made, whether or not the person making the same receives any contribution or makes any such sale.

Sec. 4. Minnesota Statutes 1976, Section 309.50, is amended by adding subdivisions to read:

Subd. 11. "Management and general costs" means costs determined to be management and general by generally accepted accounting principles.

Subd. 12. "Fund raising costs" mean costs determined to be fund raising by generally accepted accounting principles.

Sec. 5. Minnesota Statutes 1976, Section 309.515, Subdivision 1, is amended to read:

309.515 [EXEMPTIONS.] Subdivision 1. Subject to the provisions of subdivisions 2 and 3, sections 309.52 and 309.53 shall not apply to any of the following:

(a) Charitable organizations:

- (1) which did not receive total contributions in excess of (\$2,000) \$5,000 from the public within or without this state during the accounting year last ended, and

(2) which do not plan to receive total contributions in excess of such amount from the public within or without this state during any accounting year; and

(3) whose functions and activities, including fund raising, are performed wholly by persons who are unpaid for their services, and

(4) none of whose assets or income inure to the benefit of or are paid to any officer.

For purposes of this chapter, a charitable organization shall be deemed to receive in addition to such contributions as are solicited from the public by it, such contributions as are solicited from the public by any other person and transferred to it. Any organization constituted for a charitable purpose receiving an allocation from a community chest, united fund or similar organization shall be deemed to have solicited that allocation from the public.

(b) (ANY GROUP OR ASSOCIATION SERVING A BONA FIDE RELIGIOUS PURPOSE WHEN THE SOLICITATION IS CONNECTED WITH SUCH A RELIGIOUS PURPOSE, NOR SHALL SUCH SECTIONS APPLY WHEN THE SOLICITATION FOR SUCH A PURPOSE IS CONDUCTED FOR THE BENEFIT OF SUCH A GROUP OR ASSOCIATION BY ANY OTHER PERSON WITH THE CONSENT OF SUCH GROUP OR ASSOCIATION. NOTHING CONTAINED IN SECTIONS 309.50 TO 309.61 SHALL PREVENT SUCH A GROUP OR ASSOCIATION OR ANY SUCH OTHER PERSON FROM VOLUNTARILY FILING A REGISTRATION STATEMENT OR ANNUAL REPORT UNDER SECTIONS 309.52 AND 309.53) *A religious society, or organization which solicited substantially more than half of the contributions it received in the accounting year last ended from persons who are members of the organization. A religious society or organization which solicits from its religious affiliates who are qualified under this subdivision and who are represented in a body or convention is exempt from the requirements of sections 309.52 and 309.53. The term "member" shall not include those persons who are granted a membership upon making a contribution as a result of a solicitation.*

(c) Any educational institution which is under the general supervision of the state board of education, the state university board, the state board for community colleges, or the university of Minnesota or any educational institution which is accredited by the university of Minnesota or the North Central association of colleges and secondary schools, or by any other national or regional accrediting association.

(d) A fraternal, patriotic, social, educational, alumni, professional, trade or learned society which limits solicitation of

contributions to persons who have a right to vote as a member. The term "member" shall not include those persons who are granted a membership upon making a contribution as the result of a solicitation.

(e) A charitable organization soliciting contributions for any person specified by name at the time of the solicitation if all of the contributions received are transferred to the person named with no restrictions on his expenditure of it and with no deductions whatsoever.

(f) *A private foundation, as defined in section 509(a) of the Internal Revenue Code of 1954, which did not solicit contributions from more than ten persons during the accounting year last ended.*

Sec. 6. Minnesota Statutes 1976, Section 309.52, Subdivision 1a, is amended to read:

Subd. 1a. A charitable organization whose total contributions received during any accounting year are in excess of (\$2,000) \$5,000 shall file a registration statement with the department within 30 days after the date on which the organization's total contributions exceeded (\$2,000) \$5,000. *The registration shall exist unless revoked by a court of competent jurisdiction, or the department, or as provided in subdivision 7.* This subdivision shall not apply to a charitable organization which had filed a registration statement pursuant to this section for the accounting year last ended or to organizations described in section 309.515, subdivision 1.

Sec. 7. Minnesota Statutes 1976, Section 309.52, Subdivision 4, is amended to read:

Subd. 4. Where any (LOCAL COUNTY OR AREA DIVISION) *chapter, branch, area office or similar affiliate* of a charitable organization is supervised and controlled by a (SUPERIOR OR) parent organization located within or outside the state, (SUCH LOCAL COUNTY OR AREA DIVISION SHALL NOT BE REQUIRED TO REGISTER UNDER THIS SECTION IF THE SUPERIOR OR PARENT ORGANIZATION FILES A REGISTRATION STATEMENT ON BEHALF OF THE LOCAL COUNTY OR AREA DIVISION) *the affiliate may file a registration statement on behalf of the parent organization in addition to or as part of its own registration statement, or the parent organization may file a registration statement on behalf of the affiliate in addition to or as part of its own registration statement.*

Sec. 8. Minnesota Statutes 1976, Section 309.52, Subdivision 5, is amended to read:

Subd. 5. For filing each registration statement the department shall receive a fee of (\$10) \$25 to be paid at the time of filing, which fee shall be deposited in the state treasury.

Sec. 9. Minnesota Statutes 1976, Section 309.53, Subdivision 1, is amended to read:

309.53 [ANNUAL REPORT.] Subdivision 1. Except as otherwise provided in subdivision 1a of this section, every charitable organization required to file a registration statement pursuant to section 309.52 shall file an annual report with the department of commerce upon forms provided by the department or on forms identical thereto on or before June 30 of each year if its books are kept on a calendar year basis, or within six months after the close of its fiscal year if its books are kept on a fiscal year basis. For cause shown the department may extend the time for filing the annual report for a period not to exceed three months. The annual report shall be accompanied by a filing fee of (\$10) \$25 which shall be deposited in the state treasury.

Sec. 10. Minnesota Statutes 1976, Section 309.53, Subdivision 1a, is amended to read:

Subd. 1a. A charitable organization may, but need not, file an annual report pursuant to this section if the organization:

(a) Did not receive total contributions in excess of (\$10,000) \$5,000 from the public within or without this state during the accounting year last ended.

(b) Does not plan to receive total contributions in excess of (\$10,000) \$5,000 from the public within or without this state during any accounting year, and

(c) Does not employ a professional fund raiser.

Sec. 11. Minnesota Statutes 1976, Section 309.53, Subdivision 3, is amended to read:

Subd. 3. (SUCH) *The financial statement shall include a balance sheet, (AND) statement of income and expense, and statement of functional expenses, shall be consistent with forms furnished by the department, and shall be prepared in accordance with generally accepted accounting principles so as to make a full disclosure of the following, including necessary allocations between each item and the basis of such allocations:*

(a) Total receipts and total income from all sources(, BROKEN DOWN INTO TOTAL RECEIPTS AND INCOME FROM EACH SEPARATE SOLICITATION PROJECT OR SOURCE);

- (b) Cost of (ADMINISTRATION) *management and general*;
- (c) Cost of (SOLICITATION) *fund raising*;
- (d) Cost of (PROGRAMS DESIGNED TO INFORM OR EDUCATE THE) *public education*;
- (e) Funds or properties transferred out of state, with explanation as to recipient and purpose;
- (f) Total net amount disbursed or dedicated within this state, broken down into total amounts disbursed or dedicated for each major purpose, charitable or otherwise;
- (g) Names of professional fund raisers used during the accounting year and the financial compensation or profit resulting to each professional fund raiser.

A financial statement of a charitable organization which has solicited from the public within or outside this state total contributions in excess of \$25,000 for the 12 months of operation covered by the statement shall be accompanied by an opinion signed by a certified public accountant that such statement fairly represents the financial operations of the charitable organization in sufficient detail to permit public evaluation of its operations. In giving such opinion the certified public accountant shall take into consideration capital, endowment or other reserve funds, if any, controlled by the charitable organization. The opinion need not conform to the wording of the opinion form of the annual report forms provided by the department.

Sec. 12. Minnesota Statutes 1976, Section 309.53, Subdivision 4, is amended to read:

Subd. 4. Where a registration statement has been filed by a (SUPERIOR OR) parent organization or affiliate as provided in section 309.52, subdivision 4, (IT SHALL) *the registered parent organization may file the annual report required under this section on behalf of the (LOCAL COUNTY OR AREA DIVISION) chapter, branch, area office, similar affiliate or person in addition to or as part of its own report(, BUT) or the registered affiliate may file the annual report required under this section on behalf of the parent organization in addition to or as part of its own report.* The accounting information required under this section shall be set forth separately and not in consolidated form with respect to every (LOCAL COUNTY OR AREA DIVISION) *chapter, branch, area office, similar affiliate or person within the state which raises or expends more than \$5,000. The department of commerce may permit any chapter, branch, area office, similar affiliate or per-*

son to file a consolidated statement with any other chapter, branch, area office, similar affiliate or person or parent organization if the attorney general determines that the interests of the charitable beneficiaries will not be prejudiced thereby and that separate accounting information is not required for proper supervision.

Sec. 13. Minnesota Statutes 1976, Chapter 309, is amended by adding a section to read:

[309.533] [INVESTIGATIONS; PROCEEDINGS.] Subdivision 1. *The commissioner in his discretion:*

(a) *may make public or private investigations within or outside the state as he deems necessary to determine whether any person has violated or is about to violate any provision of sections 309.50 to 309.61 or any rule or order thereunder, or to aid in the enforcement of sections 309.50 to 309.61 in the prescribing of rules and forms thereunder, and may publish information, concerning the violation of sections 309.50 to 309.61 or any rule or order thereunder.*

(b) *may require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all facts and circumstances concerning the matter being investigated.*

Subd. 2. *For the purpose of any investigation or proceeding under sections 309.50 to 309.61, the commissioner or any person designated by him may administer oaths and affirmations, subpoena witnesses and compel their attendance, take evidence and require the production of any books, papers, correspondence, memoranda, agreements or other documents or records which the commissioner deems relevant or material to the inquiry.*

Subd. 3. *No person is excused from attending and testifying or from producing any document or record before the commissioner, in obedience to the subpoena of the commissioner or any person designated by him in any proceedings instituted by the commissioner, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture, but no individual may be prosecuted or subjected to any penalty or forfeiture for an account of any transaction, matter or thing concerning which he is compelled, after claiming his privilege against self incrimination, to testify or produce evidence, except that the individual testifying is not exempt from prosecution and punishment for perjury or contempt committed in testifying.*

Subd. 4. *In case of contumacy by, or refusal to obey a subpoena to, any person, the district court, upon application by the commissioner, may issue to the person an order directing him*

to appear before the commissioner or the officer designated by him, there to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.

Sec. 14. Minnesota Statutes 1976, Chapter 309, is amended by adding a section to read:

[309.534] [CEASE AND DESIST ORDERS; INJUNCTIONS; RECEIVERS.] *Subdivision 1. Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule or order hereunder:*

(a) *He shall have the power to issue and cause to be served upon the person an order requiring him to cease and desist from violations of sections 309.50 to 309.61. The order shall be calculated to give reasonable notice of the rights of the person to request a hearing thereon and shall state the reason for the entry of the order. A hearing shall be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days of the date of the hearing the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 15. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against him upon consideration of the cease and desist order, the allegations of which may be deemed to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted pursuant to this subdivision.*

(b) *He may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with sections 309.50 to 309.61 or any rule or order thereunder and he may refer the matter to the attorney general or the county attorney of the appropriate county. This section shall in no way alter the authority of the attorney general to prosecute violations as set forth in sections 309.57 and 309.59. Upon a proper showing, a permanent or temporary injunction, restraining order or writ of mandamus shall be granted and a receiver may be appointed for the defendant or the defendant's assets. The court may not require the commissioner to post a bond.*

Subd. 2. In any proceeding under the provisions of sections 309.50 to 309.61 in relation to injunction or receivership, the same may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant therein. The cases shall have precedence over other cases upon the court calendar, and shall not be continued without the consent of the state, except upon good cause shown to the court, and then only for the reasonable length of

time necessary in the opinion of the court to protect the rights of the defendant party.

Sec. 15. Minnesota Statutes 1976, Section 309.555, is amended to read:

309.555 [LIMITATIONS ON CHARITABLE EXPENDITURES.] (SUBDIVISION 1. EXCEPT AS PROVIDED IN SUBDIVISION 2, NO CHARITABLE ORGANIZATION SHALL PAY OR AGREE TO PAY TO ANY PROFESSIONAL FUND RAISER AS COMPENSATION FOR HIS SERVICES OR AS REIMBURSEMENT FOR EXPENSES, OR BOTH, AN AMOUNT IN EXCESS OF 30 PERCENT OF THE GROSS AMOUNT OF MONEYS, FUNDS, PLEDGES OR OTHER PROPERTY RAISED OR RECEIVED BY SUCH PROFESSIONAL FUND RAISER IN THE NAME OF THE CHARITABLE ORGANIZATION.)

Subd. 1a. Any charitable organization which is required to register pursuant to section 309.52 and which expends or agrees to expend an unreasonable amount for management and general costs and fund raising costs shall not be eligible to maintain registration with the department. An amount expended or agreed to be expended by a charitable organization for management and general costs and fund raising costs in excess of 30 percent of total income and revenue is presumed to be an unreasonable amount. An amount expended or agreed to be expended by a charitable organization for management and general costs and fund raising costs of 30 percent or less of total income and revenue may be challenged as unreasonable by the department or the attorney general. Any expenditures made in violation of this provision shall be recoverable from the charitable organization by the attorney general.

Subd. 1b. Any professional fund raiser who receives or agrees to receive an unreasonable amount for management and general costs and fund raising costs shall not be eligible to maintain a license with the department. An amount received or agreed to be received by a professional fund raiser for management and general costs and fund raising costs in excess of 30 percent of the total contributions raised or received by reason of any solicitation activities is an unreasonable amount. An amount received or agreed to be received by a professional fund raiser for management and general costs and fund raising costs of 30 percent or less of the total contribution raised or received by reason of any solicitation activities may be challenged as unreasonable by the department or the attorney general. Any expenditures made in violation of this provision shall be recoverable by the attorney general from the charitable organization or professional fund raiser or both.

Subd. 2. In the event that goods or services are provided to the public in connection with charitable solicitation, (WHEN

A PROFESSIONAL FUND RAISER IS EMPLOYED,) no charitable organization or professional fund raiser shall (PAY OR AGREE TO PAY TO ANY PROFESSIONAL FUND RAISER AS COMPENSATION FOR HIS SERVICES OR AS REIMBURSEMENT FOR EXPENSES, OR BOTH,) *expend or agree to expend an unreasonable amount for management and general costs and fund raising costs, which is presumed to be an amount in excess of 30 percent of the difference between the cost to the charitable organization of all goods and services sold (BY THE PROFESSIONAL FUND RAISER) and the amount for which said goods and services are sold.*

Subd. 3. (COMPENSATION PAID OR AGREED TO BE PAID TO A PROFESSIONAL FUND RAISER SHALL INCLUDE THE REASONABLE COST OF ANY EXPENSE, WHETHER IN MONEY OR IN KIND, INCURRED BY A CHARITABLE ORGANIZATION PURSUANT TO AN AGREEMENT OR CONTRACT WITH A PROFESSIONAL FUND RAISER FOR THE SOLICITATION OF CHARITABLE CONTRIBUTIONS.) *Expenditures made or agreed to be made for management and general costs or fund raising costs shall include payments made or agreed to be made to professional fund raisers as compensation for services or reimbursement for expenses, or both.* A charitable organization shall be deemed to have (PAID) *expended* or agreed to (PAY) *expend* any portion of (SUCH MONEYS, FUNDS, PLEDGES OR OTHER PROPERTIES) *contributions* retained by the professional fund raiser pursuant to a contract with the charitable organization. *Expenditures made or agreed to be made for management and general costs or fund raising costs shall also include payments made or agreed to be made to employees of the charitable organization and other persons.*

Subd. 4. No person shall use the name of a charitable organization for financial compensation or profit unless the charitable organization has consented to the use of its name in a contract with the person. The contract shall:

(a) be in writing, and a copy thereof shall be filed with the department within seven days of the date of execution;

(b) disclose the amount of financial compensation or profit to be retained by the person;

(c) disclose the percentage of the total gross amount of moneys, funds, pledges or other property raised or received or to be raised or received in connection with the use of the name of the charitable organization which will be given to the charitable organization.

Subd. 5. *In an action brought by the department or the attorney general pursuant to sections 309.532 or 309.57, a charitable organization may interpose as a defense to a violation of*

section 309.555 that fund raising costs and management and general costs in excess of 30 percent are reasonable because of extenuating circumstances.

Sec. 16. Minnesota Statutes 1976, Section 309.56, Subdivision 1, is amended to read:

309.56 [SERVICE OF PROCESS.] Subdivision 1. Any charitable organization or professional fund raiser which solicits contributions in this state, but does not maintain an office within the state shall be subject to service of process, as follows:

(a) By service thereof on its registered agent within the state, or if there be no such registered agent, then upon the person who has been designated in the registration statement as having custody of books and records within this state; where service is effected upon the person so designated in the registration statement a copy of the process shall, in addition, be mailed to the charitable organization or professional fund raiser at its last known address;

(b) When a charitable organization or professional fund raiser has solicited contributions in this state, but maintains no office within the state, has no registered agent within the state, and no designated person having custody of its books and records within the state, or when a registered agent or person having custody of its books and records within the state cannot be found as shown by the return of the sheriff of the county in which such registered agent or person having custody of books and records has been represented by the charitable organization or professional fund raiser as maintaining an office, service may be made by (DELIVERING TO AND LEAVING WITH THE COMMISSIONER OF SECURITIES OF THE DEPARTMENT OF COMMERCE THREE COPIES THEREOF AND A FEE OF \$6) leaving a copy of the process in the office of the commissioner. Service upon the commissioner is not effective unless (a) the plaintiff, who may be the commissioner in a suit, action, or proceeding instituted by him, forthwith sends notice of the service and a copy of the process by registered mail to the defendant or respondent at his last known address or takes other steps which are reasonably calculated to give actual notice, and (b) the plaintiff's affidavit of compliance with this subdivision is filed in the case on or before the return day of the process, if any, or within a further time the court allows.

Sec. 17. Minnesota Statutes 1976, Section 501.72, is amended to read:

501.72 [CHARITABLE TRUSTS; SUPERVISION BY ATTORNEY GENERAL.] Subdivision 1. Sections 501.71 to 501.81 shall apply to all charitable trusts and all trustees holding property for charitable purposes. The attorney general

shall have and exercise, in addition to all the common law and statutory rights, duties and powers of the attorney general in connection with the supervision, administration and enforcement of charitable trusts, the rights, duties and powers set forth in sections 501.71 to 501.81.

Subd. 2. The securities division of the department of commerce may promulgate rules necessary for the purposes of sections 501.75 and 501.76.

Sec. 18. Minnesota Statutes 1976, Section 501.74, is amended to read:

501.74 [EXCLUSIONS.] *Subdivision 1.* The registration and reporting provisions of sections 501.75 and 501.76 shall not apply to

(a) A charitable trust administered by the United States, any state, territory or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico or to any of their agencies or subdivisions.

(b) An educational institution which is under the general supervision of the state board of education, the state university board, the state board for community colleges, or the university of Minnesota or the north central association of colleges and secondary schools, or by any other national or regional accrediting association, and all charitable trusts organized and operated exclusively for educational purposes which are administered by any such institution.

(c) Religious associations organized pursuant to chapters 315 and 317 and all charitable trusts organized and operated exclusively for religious purposes which are administered by any such religious association.

(d) Institutions and corporations organized and operated as hospitals or as medical centers engaged in medical care, education and research.

(e) An organization described in section 509(a) (3) of the Internal Revenue Code of 1954 which is operated, supervised or controlled by or in connection with one or more organizations described in clauses (b) to (d) of this section, a pooled income fund as defined in section 642(c) (5) of the Internal Revenue Code of 1954 which is maintained by an organization described in clauses (b) to (d) of this section, and a charitable remainder annuity trust or unitrust, as defined in section 664 of the Internal Revenue Code of 1954 (, OF WHICH THE TRUSTEE IS AN ORGANIZATION DESCRIBED IN CLAUSES (B) TO (D) OF THIS SECTION).

(f) A trust in which the only charitable interest is a contingent interest for which no charitable deduction has been allowed for Minnesota income, inheritance or gift tax purposes and a trust not all of the unexpired interests in which are devoted to one or more charitable purposes and in which the only charitable interest is an annuity or an income interest with respect to which a charitable deduction is allowed the trust under applicable Minnesota income tax laws.

(g) An organization which does not have at least \$5,000 of gross assets at any time during a taxable year (AND WHICH NORMALLY RECEIVES MORE THAN TWO-THIRDS OF ITS SUPPORT EACH YEAR FROM THE GENERAL PUBLIC OR FROM THE UNITED STATES, ANY STATE, TERRITORY OR POSSESSION OF THE UNITED STATES, THE DISTRICT OF COLUMBIA, THE COMMONWEALTH OF PUERTO RICO OR ANY OF THEIR AGENCIES).

(h) Any organization which is subject to the requirements of sections 309.50 to 309.61.

Subd. 2. In addition to the exclusions provided in subdivision 1, registration and reporting provisions of sections 501.75 and 501.76 shall not apply to a trust for individual and charitable beneficiaries which is described in section 4947(a)(2) of the Internal Revenue Code of 1954, also known as a split-interest trust, the trustee of which has been confirmed by an order of a court of competent jurisdiction within the state pursuant to section 501.33, if the trustee sends to the attorney general a copy of all accountings, petitions and other documents filed, or required to be filed, with the court.

Sec. 19. Minnesota Statutes 1976, Section 501.75, is amended to read:

501.75 [REGISTER OF TRUSTS AND TRUSTEES.] Subdivision 1. The (SECRETARY OF STATE) securities division of the department of commerce shall establish and maintain a register of charitable trusts and trustees subject to the provisions of sections 501.71 to 501.81. All registrations, annual reports and other filings made pursuant to sections 501.71 to 501.81 shall be transferred by the secretary of state to the securities division of the department of commerce. All registrations and annual reports filed with the secretary of state shall remain in effect as if there had been no transfer in the register.

Subd. 2. Every charitable trust subject to the provisions of sections 501.71 to 501.81 shall register and file with the (SECRETARY OF STATE) securities division a copy of the instrument creating the charitable trust, including any amendments thereto, within three months after the charitable trust first receives possession or control of any property authorized or re-

quired to be applied, either at present or in the future, for charitable purposes. (IF A TRUSTEE HOLDS ANY PROPERTY ON AUGUST 1, 1975, WHICH IS AUTHORIZED OR REQUIRED TO BE APPLIED, EITHER AT PRESENT OR IN THE FUTURE, FOR CHARITABLE PURPOSES, THE FILING AND REGISTRATION SHALL BE MADE WITHIN THREE MONTHS AFTER AUGUST 1, 1975.)

Sec. 20. Minnesota Statutes 1976, Section 501.76, is amended to read:

501.76 [FILING OF ANNUAL REPORTS.] Subdivision 1. Every charitable trust subject to the provisions of sections 501.71 to 501.81 shall, in addition to filing copies of the instruments previously required, file with the (SECRETARY OF STATE) *securities division of the department of commerce* annual written reports (SETTING FORTH INFORMATION AS DESCRIBED IN SECTION 6056(b) OF THE INTERNAL REVENUE CODE OF 1954) *which shall consist of complete, conformed copies of all annual federal returns required to be filed by the trust with the Internal Revenue Service for the taxable year, including all schedules, attachments and reports due with the return or returns.* These reports shall be filed annually on or before the fifteenth day of the fifth month following the close of the charitable trust's taxable year as established for federal tax purposes. The time for filing may be extended by application to the (SECRETARY OF STATE) *securities division*, but no such extension shall be for more than six months. *The securities division may request, with respect to a report, additional information as the division reasonably believes is necessary or appropriate in order to make the report complete.*

Subd. 2. The (SECRETARY OF STATE) *securities division* may suspend the filing of reports as to a particular charitable trust for a reasonable, specifically designated time upon written application of the trustee filed with the (SECRETARY OF STATE) *securities division* and after the attorney general has filed in the register of charitable trusts a written statement that the interests of the beneficiaries will not be prejudiced thereby and that annual reports are not required for proper supervision by his office.

Sec. 21. Minnesota Statutes 1976, Section 501.77, is amended to read:

501.77 [PUBLIC INSPECTION OF RECORDS.] The register, copies of instruments, and the reports filed with the (SECRETARY OF STATE) *securities division of the department of commerce* shall be open to public inspection.

Sec. 22. Minnesota Statutes 1976, Section 501.78, Subdivision 1, is amended to read:

501.78 [INVESTIGATORY POWERS OF THE ATTORNEY GENERAL; CUSTODIANS TO FURNISH COPIES OF RECORDS.] Subdivision 1. The attorney general may conduct investigations reasonably necessary for the administration of sections 501.71 to 501.81 and for the purpose of determining whether the property held for charitable purposes is properly administered. (HE MAY REQUIRE ANY AGENT, TRUSTEE, FIDUCIARY, BENEFICIARY, INSTITUTION, ASSOCIATION, OR CORPORATION OR OTHER PERSON, TO ANSWER WRITTEN INTERROGATORIES REASONABLY RELATED TO THE ADMINISTRATION OF A CHARITABLE TRUST, OR TO APPEAR, AT A REASONABLE TIME AND PLACE AS THE ATTORNEY GENERAL MAY DESIGNATE, TO GIVE INFORMATION UNDER OATH AND TO PRODUCE BOOKS, MEMORANDA, PAPERS, DOCUMENTS OF TITLE, AND EVIDENCE OF ASSETS, LIABILITIES, RECEIPTS OR DISBURSEMENTS IN THE POSSESSION OR CONTROL OF THE PERSON ORDERED TO APPEAR.) *In connection with an investigation under this section the attorney general may obtain discovery from any agent, trustee, fiduciary, beneficiary, institution, association, corporation or other person regarding any matter, fact or circumstance, not privileged, which is relevant to the subject matter involved in the investigation, in accordance with the provisions of this subdivision. The discovery may be obtained without commencement of a civil action and without leave of court, except as expressly required by the provisions of subdivision 2. The applicable protective provisions of rules 26.02, 30.02, 30.04 and 31.04 of the rules of civil procedure for the district court shall apply to any discovery procedures instituted pursuant to this section. The attorney general or any person to whom discovery is directed may apply to and obtain leave of the district court in order to reduce or extend the time requirements of this subdivision, and upon a showing of good cause the district court shall order a reduction or extension. In order to obtain discovery, the attorney general may:*

(a) *Serve written interrogatories on any person. Within 20 days after service of interrogatories, separate written answers and objections to each interrogatory shall be mailed to the attorney general.*

(b) *Upon reasonable written notice of no less than 15 days, require any person to produce for inspection and copying any documents, papers, books, accounts, letters, photographs, objects, or tangible things which are in his possession, custody, or control.*

(c) *Upon reasonable written notice of no less than 15 days, take the testimony of any person by deposition as to any fact or opinion relevant to the subject matter involved in the pending investigation.*

Sec. 23. Minnesota Statutes 1976, Section 501.78, Subdivision 2, is amended to read:

Subd. 2. (WHEN THE ATTORNEY GENERAL REQUIRES THE ATTENDANCE OF ANY PERSON, AS PROVIDED IN SUBDIVISION 1, HE SHALL ISSUE AN ORDER SETTING FORTH THE TIME WHEN AND THE PLACE WHERE ATTENDANCE IS REQUIRED AND SHALL CAUSE THE SAME TO BE DELIVERED TO OR SENT BY REGISTERED MAIL TO THE PERSON AT LEAST 14 DAYS BEFORE THE DATE FIXED FOR ATTENDANCE. THE ORDER SHALL HAVE THE SAME FORCE AND EFFECT AS A SUBPOENA AND, UPON APPLICATION OF THE ATTORNEY GENERAL, OBEDIENCE TO THE ORDER MAY BE ENFORCED BY ANY COURT HAVING JURISDICTION OF CHARITABLE TRUSTS IN THE COUNTY WHERE THE PERSON RECEIVING IT RESIDES OR IS FOUND, IN THE SAME MANNER AS THOUGH THE NOTICE WERE A SUBPOENA. THE COURT, AFTER HEARING, FOR CAUSE, AND UPON APPLICATION OF ANY PERSON AGGRIEVED BY THE ORDER, SHALL HAVE THE RIGHT TO ALTER, AMEND, REVISE, SUSPEND OR POSTPONE ALL OR ANY PART OF ITS PROVISIONS.) *If any person fails or refuses to answer interrogatories, to produce materials, or to be examined under oath, as required by the provisions of subdivision 1, the attorney general may give notice that he will apply to the district court in the county where the person receiving it resides or is found, and the court, on a showing by the attorney general of cause therefor, may issue an order as may be required to compel compliance with the discovery procedures authorized by this section.*

Sec 24. Minnesota Statutes 1976, Section 501.78, Subdivision 4, is amended to read:

Subd. 4. Every officer, agency, board or commission of this state receiving applications for exemption from taxation of any charitable trust subject to sections 501.71 to 501.81 shall annually file with the (SECRETARY OF STATE) *securities division of the department of commerce* a list of all applications received during the year and shall notify the (SECRETARY OF STATE) *division* of any suspension or revocation of a tax exempt status previously granted.

Sec 25. Minnesota Statutes 1976, Section 501.79, Subdivision 2, is amended to read:

Subd. 2. (EXCEPT AS PROVIDED IN SUBDIVISION 3,) the attorney general shall be notified of and has the right to participate as a party in all court proceedings:

(a) To terminate a charitable trust or to liquidate or distribute its assets, or

(b) To modify or depart from the objects or purposes of a charitable trust as are set forth in the instrument governing

the trust, including any proceeding for the application of the doctrine of cy pres, or

(c) To construe the provisions of an instrument with respect to a charitable trust, or

(d) To review an accounting of a charitable trust submitted by a trustee, or

(e) Any other proceeding involving a charitable trust when the interests of the uncertain or indefinite charitable beneficiaries may be affected.

Sec 26. Minnesota Statutes 1976, Section 501.79, Subdivision 5, is amended to read:

Subd. 5. Whenever a will provides for a bequest or devise (TO A CHARITABLE TRUST) *for a charitable purpose, except where the disposition under the terms of the will is:*

(a) *of a specific dollar amount or specific property and is made to one or more specified tax exempt organizations; or*

(b) *\$1,000 or less, the personal representative shall send to the attorney general a copy of the petition or application for probate together with a copy of the last will and testament, including any codicils which have been admitted to probate. Whenever objections are filed to any will or codicil containing any bequest or devise to a charitable trust, the person filing such objections, at least 14 days prior to the hearing thereon, shall send to the attorney general a copy of such objections, together with a copy of the petition or application for probate and a copy of the will, together with any codicils thereto which have been offered for probate. Any notice or documents required to be sent to the attorney general pursuant to this section shall be served by certified mail, return receipt requested. Upon receiving any such notice or documents the attorney general may become a party in the estate proceedings.*

Sec. 27. Minnesota Statutes 1976, Section 501.81, is amended to read:

501.81 [COST OF INVESTIGATIONS AND PROCEEDINGS; REGISTRATION AND FILING FEES.] Subdivision 1. The (SECRETARY OF STATE) *securities division of the department of commerce* shall collect a fee of \$10 upon the registration of a charitable trust as required by section 501.75.

Subd. 2. The (SECRETARY OF STATE) *securities division* shall collect the following fees upon the filing of an annual report by a charitable trust as required by section 501.76:

(a) \$10, if the assets of the charitable trust are less than \$5,000;

(b) \$25, if the assets of the charitable trust are \$5,000 or more but less than \$100,000;

(c) \$50, if the assets of the charitable trust are \$100,000 or more but less than \$500,000;

(d) \$100, if the assets of the charitable trust are \$500,000 or more.

For the purposes of this section, "assets" means the total fair market value of the charitable trust's assets at the end of that trust's taxable year as stated in the annual report required by section 501.76.

Subd. 3. In any proceeding brought by the attorney general, or in which the attorney general intervenes, pursuant to sections 501.71 to 501.81, the judgment or order may provide that the trustee shall pay the reasonable expenses necessarily incurred by the attorney general in the investigation and prosecution of such action, including attorneys' fees, if it shall also be determined in such proceeding that the trustee has been guilty of an intentional or grossly negligent breach of trust (AS DEFINED IN SECTION 501.79, SUBDIVISION 5, OR AS OTHERWISE PROVIDED BY LAW).

Subd. 4. All moneys received by the attorney general and the (SECRETARY OF STATE) securities division pursuant to this section shall be deposited in the state treasury and shall be credited to the general fund.

Sec. 28. Minnesota Statutes 1976, Chapter 525, is amended by adding a section to read:

[525.831] [NOTICE TO ATTORNEY GENERAL OF DEVISES FOR CHARITABLE PURPOSES.] *Whenever a will provides for a devise for a charitable purpose, as defined in section 501.73, subdivision 2, the personal representative shall provide the attorney general with any notices or documents required by section 501.79, subdivision 4.*

Sec. 29. [REPEALER.] *Minnesota Statutes 1976, Sections 309.52, Subdivision 6; and 501.79, Subdivision 3, are repealed.*

Sec. 30. *Sections 1 to 16 and sections 26 and 29 are effective the day after final enactment; section 15 is effective June 30, 1979."*

Further, strike the title and insert:

"A bill for an act relating to charitable trusts; regulating the solicitation of charitable funds; clarifying and revising registration, filing and reporting requirements; coordinating charitable solicitations with general trust provisions; defining terms; amending Minnesota Statutes 1976, Sections 309.50, Subdivisions 3, 4, and 10, and by adding subdivisions; 309.515, Subdivision 1; 309.52, Subdivisions 1a, 4 and 5; 309.53, Subdivisions 1, 1a, 3, and 4; 309.555; 309.56, Subdivision 1; 501.72; 501.74; 501.75; 501.76; 501.77; 501.78, Subdivisions 1, 2 and 4; 501.79, Subdivisions 2 and 5; and 501.81; and Chapters 309, by adding sections; and 525, by adding a section; repealing Minnesota Statutes 1976, Sections 309.52, Subdivision 6; and 501.79, Subdivision 3."

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

The report was adopted.

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

S. F. No. 698, A bill for an act relating to insurance companies; simplifying language and removing obsolete provisions; clarifying ambiguities; establishing certain responsibilities; requiring performance bonds for certain corporate officers and employees; increasing certain fees; increasing certain capitalization and reserve requirements; providing certain restrictions; authorizing mutual companies to write certain additional kinds of insurance; prescribing certain penalties; amending Minnesota Statutes 1976, Sections 60A.07, Subdivisions 5d and 11; 60A.09, Subdivision 1; 60A.10, Subdivision 1; 60A.11, Subdivision 2; 60A.12, Subdivision 5; 60A.19, Subdivision 1; 60A.23, Subdivision 7; 60C.06, Subdivision 1; 61A.40; 66A.08, Subdivision 1; 66A.09; 66A.10; 66A.16, Subdivision 2; repealing Minnesota Statutes 1976, Sections 60A.12, Subdivision 6; and 63.36.

Reported the same back with the following amendments:

Page 7, line 8, following the semicolon insert: "*provided that nothing in this clause shall be construed to prohibit a domestic company from forming and holding or acquiring and holding at least 51 percent of the capital stock of subsidiaries which are engaged in business that is complementary or supplementary to the business of the domestic company, subject to the prior approval of the commissioner;*".

Page 10, line 25, delete "1976" and insert ", 1977 Supplement".

Page 11, line 23, delete the semicolon.

Page 11, delete lines 24 to 32.

Page 12, delete new language in line 1, and insert:

"(5) Regardless of what lines of business an insurer of another state is seeking to write in this state, the lines of business it is licensed to write in its state of incorporation shall be the basis for establishing the financial requirements it must meet for admission in this state or for continuance of its authority to write business in this state;

(6) No insurer of another state shall be admitted to do business in this state for a line of business that it is not authorized to write in its state of incorporation".

Page 21, line 23, delete "and" and the comma and insert "; and 63.37,".

Page 21, line 24, delete "1977" and insert "1978".

Further amend the title as follows:

Page 1, line 15, delete "60A.19, Subdivision 1;".

Page 1, line 17, after "Subdivision 2;" insert "Minnesota Statutes, 1977 Supplement, Section 60A.19, Subdivision 1;".

Page 1, line 19, delete "and" and before the period insert "; and 63.37".

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1260, A bill for an act relating to the organization of state government; creating a fire service education and research advisory council in the department of public safety; superseding an executive order agency.

Reported the same back with the following amendments:

Page 1, line 8, delete "SERVICE".

Page 1, line 9, delete "EDUCATION" and insert "PREVENTION".

Page 1, line 9, delete "RESEARCH" and insert "CONTROL".

Page 1, line 10, delete "service education" and insert "prevention".

Page 1, line 10, delete "research" and insert "control".

Page 1, line 16, delete "service".

Page 1, line 17, delete "education" and insert "prevention".

Page 1, line 17, delete "research" and insert "control".

Page 1, line 17, after the period, insert "Up to six members of state agencies interested in this subject area may be appointed by the commissioner to serve as ex officio, nonvoting members."

Page 1, line 21, delete "on matters relating to fire".

Page 1, delete all of line 22.

Page 2, line 1, delete "commissioner, the council shall" and insert "and".

Page 2, line 3, delete "service" and insert "protection".

Page 2, line 3, after "research," insert "fire prevention and control,".

Page 2, line 5, after "service" insert "and the general public".

Page 2, line 6, delete ", upon".

Page 2, line 7, delete "request of the commissioner,".

Page 2, line 9, after "agencies." insert "The council shall serve as liaison between the state and the national fire prevention and control administration."

Page 2, after line 20, insert a new section to read:

"Sec. 3. There is appropriated from the general fund to the commissioner of public safety for purposes of this act the sum of \$25,000 for the year beginning July 1, 1978, and \$25,000 for the year beginning July 1, 1979."

Renumber the remaining section.

Further amend the title:

Line 3, delete "service education" and insert "prevention".

Line 3, delete "research" and insert "control".

Line 5, after "agency" insert "; appropriating money".

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

The report was adopted.

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

H. F. No. 1575, A bill for an act relating to agriculture; grain inspection; weighing, sampling and analysis; amending Minnesota Statutes 1976, Sections 17B.03, Subdivision 1; 17B.04, Subdivision 1; and 17B.13.

Reported the same back with the following amendments:

Page 2, line 25, after "Subd. 2." delete "*Any person appointed by the Commissioner at*".

Page 2, delete lines 26 and 27.

Page 2, line 28, delete "*the state at the export terminal point*" and insert "*The commissioner may hire as official inspection personnel any individual who is licensed to perform functions of official inspection under the United States Grain Standards Act and as personnel to perform supervisory weighing or official weighing functions any individual who, on the date of enactment of the United States Grain Standards Act of 1976, was performing similar functions for the Duluth board of trade. Such persons*".

Page 2, line 32, delete "*repayment of funds*" and insert "*may repay refundments*".

Page 3, line 2, after "*system*" insert "*, except that the one year waiting period shall be waived*".

Page 3, line 2, delete "*to the*".

Page 3, delete lines 3 and 4.

Page 3, line 5, delete "*salaries shall be*" and insert "*to currently used employment classifications at salaries*".

Page 3, after line 6, add new sections to read:

"Sec. 4. [APPROPRIATION.] *The sum of \$236,795 is appropriated from the general fund to the department of agriculture for the purposes of this act. The approved complement of agriculture department shall be increased by 12 classified positions.*

Sec. 5. *This act is effective the day following final enactment.*"

Further amend the title:

Line 3, after "analysis;" insert "appropriating money;"

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

The report was adopted.

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

H. F. No. 1665, A bill for an act relating to law libraries; amending Minnesota Statutes 1976, Section 140.41, Subdivision 1; 140.42, Subdivision 1; and 140.43, Subdivision 1.

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

The report was adopted.

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

S. F. No. 336, A bill for an act relating to Spanish-speaking people; creating a state board on affairs of the Spanish-speaking people; appropriating money.

Reported the same back with the following amendments:

Page 1, line 7, delete "BOARD" and insert "COUNCIL".

Page 1, line 8, delete "board" and insert "council".

Page 1, line 11, delete "board" and insert "council".

Page 1, line 15, delete "board" and insert "council".

Page 1, line 22, delete "board" and insert "council".

Page 3, line 2, delete "board" and insert "council".

Page 3, line 5, delete "board" and insert "council".

Page 3, line 7, delete "board" and insert "council".

Page 3, line 8, delete "board" and insert "council".

Page 3, line 12, delete "board" and insert "council".

Page 3, line 15, delete "board" and insert "council".

Page 3, line 17, delete "board" and insert "council".

Page 3, line 19, delete "board" and insert "council".

Page 3, line 20, delete "board" and insert "council".

Page 3, line 22, delete "board" and insert "council".

Page 3, line 24, delete "board" and insert "council".

Page 3, line 27, delete "board" and insert "council".

Page 3, line 29, delete "board" and insert "council".

Page 3, line 29, before the period, insert: "and the council shall cooperate and coordinate its activities with other state agencies to the highest possible degree".

Page 3, line 30, delete "board" and insert "council".

Page 4, line 1, delete "board" and insert "council".

Page 4, line 4, delete "board" and insert "council".

Page 4, line 6, delete "board" and insert "council".

Page 4, line 11, delete "board" and insert "council".

Page 4, line 13, delete "board" and insert "council".

Page 4, line 14, delete "1977" and insert "1978".

Page 4, line 16, delete "1977" and insert "1978".

Page 4, line 17, delete "before".

Further, amend the title:

Line 3, delete "board" and insert "council".

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. No. 1665 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 698 was read for the second time.

**INTRODUCTION AND FIRST READING
OF HOUSE BILLS**

The following House Files were introduced:

Anderson, G.; Wenstrom; Eken; Friedrich; and Nelsen, M., introduced:

H. F. No. 1881, A bill for an act relating to agriculture; family farm security program; providing for exclusion from gross income of interest on certain loans; amending Minnesota Statutes 1976, Section 41.58, by adding a subdivision.

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

Hanson introduced:

H. F. No. 1882, A bill for an act relating to commerce; repealing the fair trade laws; repealing Minnesota Statutes 1976, Sections 325.08 to 325.14.

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

Wenzel, Jaros, McDonald, Murphy and Vanasek introduced:

H. F. No. 1883, A bill for an act relating to crimes; specifying the acts constituting the offense of hit and run; prescribing penalties; amending Minnesota Statutes 1976, Section 169.09, Subdivision 1; and Chapter 609, by adding a section.

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

Wenzel, Prah, McDonald, Murphy and Vanasek introduced:

H. F. No. 1884, A bill for an act relating to highway traffic regulations; prohibiting passing a school bus when it is stopped and is displaying stop signals; providing penalties; amending Minnesota Statutes 1976, Section 169.44, Subdivision 1.

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

Eken, Tomlinson, Johnson, Esau and Berg introduced:

H. F. No. 1885, A bill for an act relating to education; school districts; providing for adjustments in certain school aid and tax levy procedures; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 121.904, Subdivision 7; 124.212, by adding a subdivision; 126.12; 134.03; 275.125, Subdivisions 15, 16 and 18; Minnesota Statutes, 1977 Supplement, Sections 275.07; 275.124; repealing Minnesota Statutes 1976, Sections 120.07 and 124.02.

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

Prahl, Fugina, Fjoslien, Johnson and Byrne introduced:

H. F. No. 1886, A bill for an act relating to Independent School District No. 319 (Nashwauk-Keewatin) and Independent School District No. 318 (Grand Rapids); providing for certain land to be detached from Independent School District No. 319 and annexed to Independent School District No. 318.

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

McDonald, Redalen, Scheid, Mann and Munger introduced:

H. F. No. 1887, A bill for an act relating to energy; creating an agricultural energy conversion board; providing an appropriation.

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

Prahl, Munger, Sherwood, Anderson, I., and Anderson, G., introduced:

H. F. No. 1888, A bill for an act relating to wild animals; prescribing certain time restrictions on the use of decoys and blinds in the taking of waterfowl; amending Minnesota Statutes 1976, Section 100.29, Subdivision 18.

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

Pehler introduced:

H. F. No. 1889, A bill for an act relating to solid waste; prohibiting disposal by burial after a certain date; authorizing exceptions; amending Minnesota Statutes 1976, Section 116.41, by adding a subdivision.

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

Brinkman; Anderson, D.; Fjoslien; Wenstrom and Niehaus introduced:

H. F. No. 1890, A bill for an act relating to public utilities; routing of high voltage transmission lines; amending Minnesota Statutes, 1977 Supplement, Section 116C.57, Subdivision 4.

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

Clawson, Suss, McEachern, Onnen and White introduced:

H. F. No. 1891, A bill for an act relating to trespass; requiring written consent of a landowner before entry upon his land for hunting or fishing purposes; providing for sportsman land use passes; prescribing penalties; amending Minnesota Statutes 1976, Sections 84.90, Subdivision 7; 100.273, Subdivisions 1 and 4; and 100.29, Subdivision 21.

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

Niehaus, McEachern, Schulz, Onnen and Friedrich introduced:

H. F. No. 1892, A bill for an act relating to energy; concerning the state building code; modifying the effective date of the extension of the building code to municipalities; amending Minnesota Statutes, 1977 Supplement, Section 16.851, Subdivision 1; and Laws 1977, Chapter 381, Section 27.

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

Kelly, R.; Schulz; Abeln and Wynia introduced:

H. F. No. 1893, A bill for an act relating to intoxicating liquor; persons to whom furnishing prohibited; amending Minnesota Statutes 1976, Section 340.14, Subdivision 1a.

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

Cummiskey, Knickerbocker, Sabo, Anderson, I., and Novak introduced:

H. F. No. 1894, A bill for an act relating to elections; providing certain safeguards against improper voter registration and casting of absentee ballots; prescribing certain duties for the secretary of state; prescribing penalties; amending Minnesota Statutes 1976, Sections 201.121; 201.15; 201.27; 204A.14, Subdivision 2; 207.06; 207.08; and Chapter 201, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 201.061, Subdivision 3; 201.071, Subdivision 4; 204A.13, Subdivision 2; 204A.175; 207.02; 207.03; and 207.11.

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

Knickerbocker; Nelsen, B.; Onnen; Dean and McDonald introduced:

H. F. No. 1895, A bill for an act relating to public officials and candidates for public office; modifying disclosure requirements; clarifying and revising reporting requirements for lobbyists; clarifying and revising restrictions on campaign financing; providing a new allocation formula for public financing of election campaigns; modifying and prescribing penalties; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 10, 18 and by adding a subdivision; 10A.02, Subdivisions 11 and 12; 10A.04, Subdivisions 2, 4, 5 and by adding a subdivision; 10A.07, Subdivision 1; 10A.08; 10A.09, Subdivisions 4, 5, 7, 8 and by adding a subdivision; 10A.10; 10A.11, Subdivision 6; 10A.12, Subdivision 4 and by adding a subdivision; 10A.13, Subdivision 1; 10A.14, Subdivision 4; 10A.17, Subdivision 2; 10A.19, Subdivision 1; 10A.20, Subdivisions 2, 3, 4, 6, and 12; 10A.21, Subdivisions 1 and 3; 10A.24; 10A.25, Subdivision 7 and by adding a subdivision; 10A.26; 10A.27; 10A.28; 10A.31, Subdivisions 3, 5, 7, 8, 10 and by adding a subdivision; 10A.32, Subdivisions 1, 3 and by adding a subdivision; repealing Minnesota Statutes 1976, Sections 10A.30, Subdivision 2; 10A.31, Subdivisions 2, 3a, 6, and 9; and 10A.32, Subdivision 4.

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

Savelkoul introduced:

H. F. No. 1896, A bill for an act relating to elections; providing for a special primary election and special election of a United States senator; appropriating money.

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

Sieben, M., and Jacobs introduced:

H. F. No. 1897, A bill for an act relating to the board of architecture, engineering, land surveying and landscape architecture; defining practice of land surveying; providing for the selection process for the appointment of engineer members to the board; specifying meeting times; and prescribing certain duties of the board relating to record keeping and certification; amending Minnesota Statutes 1976, Sections 326.02, Subdivisions 4 and 4a; 326.04; 326.06; 326.07; 326.09; 326.10, Subdivision 1, and by adding a subdivision; and 326.13; repealing Minnesota Statutes 1976, Sections 326.03, Subdivision 4; and 326.10, Subdivision 7.

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

Petrafeso, McDonald, Hokanson, Jude and Beauchamp introduced:

H. F. No. 1898, A bill for an act relating to public employment; the state civil service; providing for qualifying examination and certification procedures for filling routine service positions; providing on-the-job trial work experiences and noncompetitive appointment procedures for certain severely handicapped persons; amending Minnesota Statutes 1976, Section 43.20, by adding subdivisions.

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

Samuelson introduced:

H. F. No. 1899, A bill for an act relating to the department of administration; requiring the licensure of contractors; setting forth license requirements.

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

Jude introduced:

H. F. No. 1900, A bill for an act relating to the city of Mound; firemen's service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

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

Pehler and Wynia introduced:

H. F. No. 1901, A bill for an act relating to the operation of state government; establishing a system of periodic review of certain state agencies; establishing guidelines; setting termination dates.

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

Kelly, W.; Eken; Norton; Sabo and Searles introduced:

H. F. No. 1902, A bill for an act relating to state government; finances; creating a budget protection fund; establishing limitations; appropriating money.

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

Clawson, Mangan, Hokanson, Albrecht and McCollar introduced:

H. F. No. 1903, A bill for an act relating to children; prohibiting spouses who fail to report child abuse from bringing civil actions to recover damages.

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

Kahn, Zubay, Corbid, Samuelson and McCarron introduced:

H. F. No. 1904, A bill for an act relating to battered women; appropriating money; amending Minnesota Statutes, 1977 Supplement, Sections 241.62, Subdivision 1; 241.63; 241.66, Subdivision 2, and by adding a subdivision.

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

Clawson, Mangan, Hokanson, Anderson, B., and McCollar introduced:

H. F. No. 1905, A bill for an act relating to children; authorizing children to be taken into protective custody when there is imminent danger to their health and welfare.

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

Sieben, H.; McDonald; Scheid; Sarna and Anderson, I., introduced:

H. F. No. 1906, A bill for an act relating to health maintenance organizations; declaring legislative intent and public policy favoring childbirth over abortion; eliminating any requirements that health maintenance organizations provide elective, induced abortions; amending Minnesota Statutes 1976, Sections 62D.01, by adding a subdivision; 62D.02, Subdivision 7; and 62D.22, Subdivision 5.

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

Sieben, M.; Jacobs and Laidig introduced:

H. F. No. 1907, A bill for an act relating to veterans; providing tuition assistance; providing a study of academic credit for military training and experience; appropriating money; amending Minnesota Statutes 1976, Section 197.75, Subdivisions 1 and 2.

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

Wenstrom, Berg, Tomlinson, Johnson and Anderson, R., introduced:

H. F. No. 1908, A bill for an act relating to education; teachers; requiring expungement of certain material from a teacher's file; amending Minnesota Statutes 1976, Section 125.12, Subdivision 6.

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

Anderson, I., and Sabo introduced:

H. F. No. 1909, A bill for an act relating to the legislature; providing that the organization of the legislature at the regular session continue during a special session; amending Minnesota Statutes 1976, Chapter 3, by adding a section.

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

Prahl, Munger, Clark, Scheid and McCollar introduced:

H. F. No. 1910, A bill for an act relating to Itasca county; authorizing the exchange of certain riparian tax forfeited land for certain privately owned non-riparian land.

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

Kahn, Brandl, Sabo, Carlson, A., and Fudro introduced:

H. F. No. 1911, A bill for an act relating to the city of Minneapolis; concerning the park and recreation board of the city of Minneapolis and the housing and redevelopment authority of the city of Minneapolis; providing for the assignment of employees to the riverfront development coordination board.

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

Casserly; Carlson, A.; Nelson; Kroening and Berglin introduced:

H. F. No. 1912, A bill for an act relating to the city of Minneapolis; establishing a program setting aside a portion of services and materials for small businesses; regulating bid and performance bonds for small businesses; amending Minnesota Statutes, 1977 Supplement, Section 574.262, Subdivision 1.

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

Sieben, H.; McDonald; Casserly; Voss and White introduced:

H. F. No. 1913, A bill for an act relating to the Minneapolis-Saint Paul metropolitan airports commission; providing a maximum amount and funding terms for commission debt; amending Minnesota Statutes 1976, Section 473.667, Subdivisions 2 and 4, and by adding a subdivision.

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

Anderson, I., introduced:

H. F. No. 1914, A bill for an act relating to Koochiching county; authorizing the county law library to be supported by judicially imposed fee charges.

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

Vanasek, Skoglund, Scheid, Casserly and Kelly, W., introduced:

H. F. No. 1915, A bill for an act relating to taxation; providing that all orders relating to valuation of property for ad valorem taxes be issued on or before November 15; classifying assessors' field cards as private data; authorizing the commissioner of revenue to provide new income tax tables; defining the deduction for tuition and transportation expense in computing income tax; providing a seven year carryforward for farm losses; limiting the deduction for charitable contributions; authorizing the commissioner to require a copy of computations used to compute federal income tax; allowing spouses to file combined returns even if one is a nonresident; requiring employers to file a withholding application; providing property tax relief benefits for persons becoming disabled before June 1; defining the acreage eligible for homestead exemption for inheritance tax purposes; changing gift tax rates and credits for certain donees; changing interest rates on certain gift tax refunds; altering classification of alcoholic beverages for tax purposes; requiring the revisor of statutes to recodify certain functions transferred to the department of public service; eliminating inheritance tax receipts; repealing the deduction for alimony; amending Minnesota Statutes 1976, Sections 270.12, Subdivision 3; 290.09, Subdivision 22; 290.37, Subdivision 3; 290.39, Subdivision 2; 290.92, by adding a subdivision; 290A.04, Subdivision 1; 291.05; 292.07, Subdivisions 3 and 5; 292.125; 340.47, Subdivision 1; and Chapter 272, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 2c; 290.09, Subdivisions 15 and 29; 290.21, Subdivision 3; 340.47, Subdivision 1a; repealing Minnesota Statutes 1976, Section 291.13, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Section 290.09, Subdivision 14.

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

Pehler, Vanasek, Skoglund, Abeln and Casserly introduced:

H. F. No. 1916, A bill for an act relating to taxation; defining the use of sales ratio studies; requiring social security numbers; providing a procedure for handling ad valorem tax abatements; providing a uniform appeal and demand period; clarifying filing requirements for certificates of real estate values; recodifying the classification of resort property; allowing a special levy for commuter van program; providing adjustments to the levy limit base; defining resident estate and resident trust for income tax purposes; defining income in computing low income credit; providing apportionment in computing minimum tax on preference items; allowing a carryback period for out-of-state losses; clarifying the distribution of production taxes; authorizing the commissioner of revenue to release information to assessors; allowing local government aid to special taxing districts; requiring

special levy for Columbia Heights to be governed by general laws; amending Minnesota Statutes 1976, Sections 270.07, by adding a subdivision; 270.075, Subdivision 2; 270.076, Subdivision 1; 272.08; 273.13, by adding a subdivision; 290.01, by adding subdivisions; 290.46; 290.47; 290.48, Subdivisions 1 and 2; 290A.11, Subdivision 1; 290A.12; 292.08, Subdivision 4; 292.09, Subdivision 3; 294.02; 294.021; 297.07, Subdivision 3; 297.09, Subdivision 5; 297.35, Subdivision 3; 297.37, Subdivision 5; 297A.33, Subdivision 1; 477A.01, Subdivision 3; and Chapter 270, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 11; 272.115, Subdivision 4; 273.13, Subdivisions 4 and 6; 275.50, Subdivision 5; 275.51, Subdivision 3d; 290.012, Subdivision 2; 290.091; 290.17; 298.28, Subdivision 1; 298.282, Subdivision 2; 298.48, Subdivision 4; Laws 1977, Chapter 374, Sections 11 and 48; repealing Laws 1977, Chapter 307, Section 27.

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

Petrafeso introduced:

H. F. No. 1917, A bill for an act relating to taxation; property tax; extending class 3cc to homesteads of persons receiving private disability pensions; amending Minnesota Statutes, 1977 Supplement, Section 273.13, Subdivision 7.

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

Skoglund; Kelly, W.; Jacobs; Tomlinson and Casserly introduced:

H. F. No. 1918, A bill for an act relating to taxation; clarifying the exclusion from gross income allowed for public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

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

Stanton introduced:

H. F. No. 1919, A bill for an act relating to taxation; income tax; exempting certain military service income and governmental pensions and benefits; amending Minnesota Statutes 1976, Section 290.65, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Sections 290.01, Subdivision 20; and 290.08, Subdivision 6.

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

Wenzel; Anderson, G.; Murphy; Waldorf and Stoa introduced:

H. F. No. 1920, A bill for an act relating to taxation; inheritance tax; changing certain exemptions; amending Minnesota Statutes 1976, Section 291.05.

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

Niehaus, McEachern, Schulz, Onnen and Friedrich introduced:

H. F. No. 1921, A bill for an act relating to taxation; property tax; eliminating certain limitations on special assessments by municipalities; amending Minnesota Statutes 1976, Section 429.011, Subdivision 2b.

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

Sieben, H.; Suss; Jensen; Metzen and White introduced:

H. F. No. 1922, A bill for an act relating to taxation; property tax; removing certain commercial solid waste landfills from the pollution abatement and control property tax exemption; amending Minnesota Statutes 1976, Section 272.02, Subdivision 1.

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

Eken, Johnson, Waldorf, Casserly and Kelly, W., introduced:

H. F. No. 1923, A bill for an act relating to taxation; restricting certificate of value filing requirements to transfers of property made after 1977; amending Minnesota Statutes, 1977 Supplement, Section 272.115, Subdivisions 1 and 4.

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

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

H. F. No. 1924, A bill for an act relating to taxation; property tax; changing date for county treasurer to make list of certain unpaid taxes on class 2a property; amending Minnesota Statutes 1976, Section 274.19, Subdivision 3.

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

Cummiskey introduced:

H. F. No. 1925, A bill for an act relating to taxation; income tax; allowing a deduction for certain post-secondary education expenses; amending Minnesota Statutes 1976, Section 290.09, by adding a subdivision.

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

Kelly, W., introduced:

H. F. No. 1926, A bill for an act relating to taxation; clarifying the exclusion from gross income allowed for public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

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

Kroening, Metzen, Jacobs, Carlson, L., and Fudro introduced:

H. F. No. 1927, A bill for an act relating to taxation; income tax; exempting public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

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

Savelkoul, Evans, Tomlinson and Eken introduced:

H. F. No. 1928, A bill for an act relating to taxation; income tax; changing definition of gross income; subtracting certain capital gains realized in divorce settlement; amending Minnesota Statutes 1976, Section 290.14; and Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20.

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

Evans, Searles, Zubay and Knickerbocker introduced:

H. F. No. 1929, A bill for an act relating to taxation; income tax; exempting public pensions; amending Minnesota Statutes, 1977 Supplement, Section 290.08, Subdivision 6.

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

Osthoff; Anderson, D.; Sabo; Fudro; and Lemke introduced:

H. F. No. 1930, A resolution urging the President, Congress and Secretary of Transportation to provide necessary grants and loans to the Milwaukee Road.

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

HOUSE ADVISORIES

Pursuant to rule 5.3, the following House Advisories were introduced:

Anderson, D.; Brinkman; Wenstrom; Fjoslien and Niehaus introduced:

H. A. No. 59, A proposal for a moratorium on the construction of certain high voltage transmission lines.

The advisory was referred to the Committee on Environment and Natural Resources.

Nelson, Brinkman, Wenstrom, Anderson, D., and Fjoslien introduced:

H. A. No. 60, A proposal to study feasibility of a moratorium on a particular high voltage transmission line.

The advisory was referred to the Committee on Environment and Natural Resources.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1500, A bill for an act relating to elections; vacancy in office of senator in congress; providing for special election to fill a vacancy; amending Minnesota Statutes 1976, Section 202A.72.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rice moved that the House concur in the Senate amendments to H. F. No. 1500 and that the bill be repassed as amended by the Senate.

Searle moved that the House refuse to concur in the Senate amendments to H. F. No. 1500, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

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

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

The question recurred on the motion by Searle to refuse to concur in the Senate amendments to H. F. No. 1500 and the roll was called. There were 44 yeas and 84 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|----------|-----------|
| Albrecht | Den Ouden | Gunter | Niehaus | Sherwood |
| Anderson, D. | Erickson | Heinitz | Onnen | Skoglund |
| Anderson, R. | Esau | Kaley | Peterson | Tomlinson |
| Berkelman | Evans | Kempe, R. | Pleasant | Waldorf |
| Biersdorf | Ewald | Knickerbocker | Redalen | Wieser |
| Brandl | Faricy | Kvam | Rose | Wigley |
| Carlson, A. | Fjoslien | Laidig | Scheid | Wynia |
| Carlson, D. | Forsythe | McDonald | Searle | Zubay |
| Dean | Friedrich | Nelsen, B. | Searles | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-----------|------------|--------------|
| Abeln | Clark | Kalis | Murphy | Sieben, M. |
| Adams | Clawson | Kelly, R. | Neisen | Simoneau |
| Anderson, B. | Cummiskey | Kelly, W. | Nelsen, M. | Smogard |
| Anderson, G. | Eckstein | Kempe, A. | Nelson | Spanish |
| Anderson, I. | Eken | Kostohryz | Norton | Stanton |
| Arlandson | Ellingson | Kroening | Novak | Stoa |
| Battaglia | Enebo | Langseth | Osthoff | Suss |
| Beauchamp | Fudro | Lehto | Patton | Swanson |
| Begich | Fugina | Lemke | Pehler | Vanasek |
| Berg | George | Mangan | Petrafaso | Voss |
| Berglin | Hanson | Mann | Prahl | Welch |
| Birnsthil | Jacobs | McCarron | Reding | Wenstrom |
| Braun | Jaros | McCollar | Rice | Wenzel |
| Brinkman | Jensen | McEachern | St. Onge | White |
| Byrne | Johnson | Metzen | Samuelson | Williamson |
| Carlson, L. | Jude | Moe | Sarna | Speaker Sabo |
| Casserly | Kahn | Munger | Schulz | |

The motion did not prevail.

The question recurred on the motion by Rice to concur in the Senate amendments to H. F. No. 1500 and that the bill be re-passed as amended by the Senate. The motion prevailed.

H. F. No. 1500, A bill for an act relating to elections; establishing the manner of filling United States senate vacancies; providing for special elections at a November election; permitting a temporary appointment by the governor; defining terms; amending Minnesota Statutes 1976, Chapter 202A, by adding a section; repealing Minnesota Statutes 1976, Section 202A.72.

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

The question was taken on the repassage of the bill and the roll was called. There were 95 yeas and 33 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|-----------|-------------|-----------|
| Abeln | Arlandson | Berglin | Brinkman | Clawson |
| Adams | Battaglia | Berkelman | Byrne | Cummiskey |
| Anderson, B. | Beauchamp | Birnsthil | Carlson, L. | Eckstein |
| Anderson, G. | Begich | Brandl | Casserly | Eken |
| Anderson, I. | Berg | Braun | Clark | Ellingson |

| | | | | |
|----------|-----------|------------|------------|--------------|
| Enebo | Kalis | Metzen | Reding | Stoa |
| Faricy | Kelly, R. | Moe | Rice | Suss |
| Fjoslien | Kelly, W. | Munger | St. Onge | Swanson |
| Fudro | Kempe, A. | Murphy | Samuelson | Tomlinson |
| Fugina | Kostohryz | Neisen | Sarna | Vanasek |
| George | Kroening | Nelsen, M. | Scheid | Voss |
| Gunter | Langseth | Nelson | Schulz | Waldorf |
| Hanson | Lehto | Norton | Sherwood | Welch |
| Jacobs | Lemke | Novak | Sieben, M. | Wenstrom |
| Jaros | Mangan | Osthoff | Simoneau | Wenzel |
| Jensen | Mann | Patton | Skoglund | White |
| Johnson | McCarron | Pehler | Smogard | Williamson |
| Jude | McCollar | Petrafeso | Spanish | Wynia |
| Kahn | McEachern | Prahl | Stanton | Speaker Sabo |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------------|------------|---------|
| Albrecht | Den Ouden | Heinitz | Nelsen, B. | Searle |
| Anderson, D. | Erickson | Kaley | Niehaus | Searles |
| Anderson, R. | Esau | Kempe, R. | Onnen | Wieser |
| Biersdorf | Evans | Knickerbocker | Peterson | Wigley |
| Carlson, A. | Ewald | Kvam | Pleasant | Zubay |
| Carlson, D. | Forsythe | Laidig | Redalen | |
| Dean | Friedrich | McDonald | Rose | |

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

CONSENT CALENDAR

H. F. No. 1792, A bill for an act relating to the Lincoln-Pipestone and Rock county rural water systems; providing for the assessment of costs.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|---------------|------------|
| Abeln | Brinkman | Faricy | Kelly, W. | Munger |
| Adams | Byrne | Fjoslien | Kempe, A. | Murphy |
| Albrecht | Carlson, A. | Forsythe | Kempe, R. | Neisen |
| Anderson, B. | Carlson, D. | Friedrich | Knickerbocker | Nelsen, B. |
| Anderson, D. | Carlson, L. | Fudro | Kostohryz | Nelsen, M. |
| Anderson, G. | Casserly | Fugina | Kroening | Nelson |
| Anderson, I. | Clark | George | Kvam | Niehaus |
| Anderson, R. | Clawson | Gunter | Laidig | Norton |
| Arlandson | Cummiskey | Hanson | Langseth | Novak |
| Battaglia | Dean | Heinitz | Lehto | Onnen |
| Beauchamp | Den Ouden | Jacobs | Lemke | Osthoff |
| Begich | Eckstein | Jaros | Mangan | Patton |
| Berg | Eken | Jensen | Mann | Pehler |
| Berglin | Ellingson | Johnson | McCarron | Peterson |
| Berkelman | Enebo | Jude | McCollar | Petrafeso |
| Biersdorf | Erickson | Kahn | McDonald | Pleasant |
| Birnstihl | Esau | Kaley | McEachern | Prahl |
| Brandl | Evans | Kalis | Metzen | Redalen |
| Braun | Ewald | Kelly, R. | Moe | Reding |

| | | | | |
|-----------|------------|-----------|----------|--------------|
| Rice | Searle | Spanish | Voss | Wigley |
| Rose | Searles | Stanton | Waldorf | Williamson |
| St. Onge | Sherwood | Stoa | Welch | Wynia |
| Samuelson | Sieben, M. | Suss | Wenstrom | Zubay |
| Sarna | Simoneau | Swanson | Wenzel | Speaker Sabo |
| Scheid | Skoglund | Tomlinson | White | |
| Schulz | Smogard | Vanasek | Wieser | |

The bill was passed and its title agreed to.

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. No. 830 which it recommended to pass.

S. F. No. 686 which it recommended to pass.

H. F. No. 1383 which it recommended progress until Monday, February 6, 1978.

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

MOTIONS AND RESOLUTIONS

Cummiskey moved that the name of Stoa be added as an author on H. F. No. 1704. The motion prevailed.

Hanson moved that the name of Jacobs be added as an author on H. F. No. 1882. The motion prevailed.

Kaley moved that the names of Brinkman; Kempe, A.; Evans and Searles be added as authors on H. F. No. 1742. The motion prevailed.

Forsythe moved that the name of Mangan be added as an author on H. F. No. 1723. The motion prevailed.

Laidig moved that H. F. No. 1817 be recalled from the Committee on General Legislation and Veterans Affairs and be referred to the Committee on Agriculture. The motion prevailed.

Kroening moved that the name of Carlson, L., be stricken and the name of Adams be added as an author on H. F. No. 1927. The motion prevailed.

Adams moved that the name of Haugerud be stricken and the name of Sarna be added as an author on H. F. No. 1128. The motion prevailed.

Wenzel moved that the name of Waldorf be stricken and the name of Nelsen, M., be added as an author on H. F. No. 1920. The motion prevailed.

McCollar moved that H. F. No. 1697 be returned to its author. The motion prevailed.

ADJOURNMENT

Anderson, I., moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, January 30, 1978. 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., Monday, January 30, 1978 .

EDWARD A. BURDICK, Chief Clerk, House of Representatives

