STATE OF MINNESOTA

SEVENTIETH SESSION - 1978

SEVENTY-FIRST DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 13, 1978

The House of Representatives convened at 8:30 a.m. and was called to order by the Speaker.

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Abeln Adams Albrecht Anderson, B. Anderson, G. Anderson, G. Anderson, R. Arlandson Battaglia Beauchamp Begich Berg Berglin Berkelman Biersdorf Birnsthl Brandl Brand Brankman Byrne	Clark Clawson Cohen Cummiskey Dean Den Ouden Eckstein Eken Ellingson Enebo Erickson Esau Evans Faricy Fjoslien Forsythe Friedrich Fudro Fugina George Hanson	Johnson Jude Kaley Kalis Keily, R. Kempe, A. Kempe, A. Kostohryz Kroening Kvam Laidig Langseth Lehto Lemke Mangan Mann McCarron McCollar McDonald	Murphy Neisen, B. Nelson Niehaus Novak Onnen Osthoff Patton Pehler Petrafeso Pleasant Redalen Reding Rice Rose St. Onge Samuelson Sarna Savelkoul Scheid	Sieben, H. Sieben, M. Simoneau Skoglund Smogard Spanish Stanton Stoa Suss Swanson Tomlinson Vanasek Voss Waldorf Welch Wenstrom Wenzel White Wieser Williamson Wynia
Braun				

A quorum was present.

Corbid; Ewald; Gunter; Heinitz; Kahn; Knickerbocker; Nelsen, M.; Norton; Peterson; Prahl and Wigley were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Laidig 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.

JOURNAL OF THE HOUSE

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1975, 2003, 361, 1266, 1718, 1909, 1879, 1022, 1323, 1825, 1447, 1707, 474, 1923, 1833, 1744, 1826 and 526 and S. F. Nos. 1066, 1510, 1610, 1713, 417 and 1178 have been placed in the members' files.

S. F. No. 1178 and H. F. No. 1266, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Fugina moved that the rules be so far suspended that S. F. No. 1178 be substituted for H. F. No. 1266 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

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

H. F. No. 1446, A bill for an act relating to tourism; establishing a department of tourism; providing for its powers and duties; transferring certain functions from the department of economic development; appropriating money; amending Minnesota Statutes 1976, Sections 301A.01, Subdivision 1; 301A.05; 301A.07, Subdivision 1; 362.09, Subdivision 2; 362.10; 362.12, Subdivision 1a; 362.125; 362.13; and 362.23.

Reported the same back with the following amendments:

Strike everything after the enacting clause and insert:

"Section 1. [361.011] [DEPARTMENT OF BUSINESS DEVELOPMENT.] Subdivision 1. [CREATION.] There is created a department of state government to be known as the department of business development. The department shall be under the supervision and control of the commissioner of business development.

Subd. 2. [COMMISSIONER; APPOINTMENT.] The governor, in accordance with the provisions of Minnesota Statutes, Section 15.06, and by and with the advice and consent of the senate, shall appoint a commissioner of business development. The commissioner, before assuming his duties, shall take and file with the secretary of state the oath of office prescribed by the constitution. The term of the commissioner, the filling of any vacancy, his general powers and the appointment of his deputy shall be as provided in Minnesota Statutes, Section 15.06. Subd. 3. [DEPUTY COMMISSIONER; ASSISTANT COM-MISSIONERS; OTHER EMPLOYEES.] The commissioner shall appoint one deputy commissioner and four assistant commissioners in the unclassified service and such other employees in the unclassified service as may be authorized by law and necessary for the efficient and economical operation of the department. The remaining employees of the department shall be in the classified service except as provided in Minnesota Statutes, Section 43.09.

Subd. 4. [ORGANIZATION OF DEPARTMENT.] The commissioner shall organize the department in a manner reflecting his responsibilities and the responsibilities of the department. The department shall be composed of an office of business research, an office of industrial development, an office of small business, an office of tourism, and such other offices or positions as the commissioner deems necessary or desirable subject to the limitations prescribed by Minnesota Statutes, Chapter 43. The offices of business research, industrial development, small business, and tourism shall each be under the supervision and control of an assistant commissioner.

Sec. 2. [362.021] [OFFICE OF BUSINESS RESEARCH.] The office of business research shall:

(a) Provide up-to-date social, political and economic data to the offices of industrial development, small business, and tourism, as necessary to enable those offices to carry out their responsibilities;

(b) Cooperate with the offices of industrial development, small business, and tourism, the state planning agency, the state demographer, any other department or agency of state government or any of the state's political subdivisions, any public or private post-secondary four-year education institution, the census bureau or any other federal agency or department, or any other bona fide research or promotional organization or entity for the purpose of gathering information or studying relevant social, political or economic resources of Minnesota as may be necessary or desirable to carry out the responsibilities of the department of business development; and

(c) Establish or contract for the establishment of computer facilities and services as necessary to provide comprehensive and up-to-date statistical information to the offices of industrial development, small business, and tourism.

Sec. 3. [362.031] [OFFICE OF INDUSTRIAL DE-VELOPMENT.] Subdivision 1. [GENERAL DUTIES.] The office of industrial development shall: (a) Promote the improvement and expansion of Minnesota businesses and industries;

(b) Publicize Minnesota resources and business opportunities to attract new employers to Minnesota;

(c) Promote international trade opportunities for Minnesota businesses;

(d) Provide information and other assistance to local units of government and others seeking industrial development; and

(e) Provide information and other assistance to businesses seeking financial support for expansion or relocation in Minnesota.

Subd. 2. [SPECIFIC DUTIES.] In order to carry out its responsibilities, the office of industrial development shall:

(a) In cooperation with the office of business research, the office of small business, the state planning agency, the state demographer, any public or private post-secondary four-year education institution, and the census bureau or any other federal agency or department, provide relevant social, political and economic data, including but not limited to income and expenditure information, demographics and other useful statistical information, concerning local communities, regions, service areas and the state in general to employers, development corporations, port authorities, industrial development commissions, local units of government, and any other person or entity requesting information about state or local resources for the purpose of evaluating opportunities for economic development;

(b) Sponsor or cooperate with the sponsors of conferences, seminars, trade fairs and other programs on the state, national or international level for the purpose of acquainting business enterprises with the resources available in Minnesota communities; and

(c) Plan, promote and undertake advertising and other promotional campaigns using regional, national or international media for the purpose of promoting industrial development in Minnesota.

Subd. 3. [POWERS.] The office of industrial development may:

(a) In cooperation with the office of business research, the office of small business, the state planning agency, the state demographer, any public or private post-secondary four-year education institution, the census bureau, or any other bona fide research organization or entity, initiate or undertake studies of

the economic resources of this state and the economic conditions affecting this state's economy;

(b) Investigate appropriate means of promoting and encouraging economic development in Minnesota;

(c) Employ publicity representatives to develop or coordinate promotional activities of the office; and

(d) Cooperate with other departments and agencies of the state in the preparation and coordination of plans and policies for the development of the state and for the use and conservation of its resources.

[PROMOTIONAL EXPENDITURES.] The office Subd. 4. of industrial development may make expenditures from a separate account for the promotion of industrial development when appropriations are made for this purpose. For promotional expenditures for food, travel, and lodging, the office of industrial development shall not be bound by the travel regulations of the department of personnel pursuant to Minnesota Statutes, Section 43.327. All promotional transactions in the separate account shall be coded under the appropriate commissioner of finance's object of expenditure code. On December 31 and June 30 in each fiscal year, the office of industrial development shall prepare a detailed summary of all promotional expenditures in the preceding six month period including the public purpose, type and amount of expenditure, and name and official capacity of persons involved. This report shall be submitted to the commissioner of finance for distribution to the staffs of senate finance and house appropriations.

Sec. 4. [362.041] [OFFICE OF SMALL BUSINESS.] Subdivision 1. [DUTIES.] The office of small business shall:

(a) In cooperation with the office of business research, the office of industrial development, the office of tourism, the state planning agency, the state demographer, any public or private post-secondary four-year education institution, and the census bureau or any other federal agency or department, provide relevant social, political and economic data, including but not limited to income and expenditure information, demographics, marketing studies, and other useful statistical information, concerning local communities, regions, service areas, and the state in general, to small businesses in the state;

(b) Provide or assist in the provision of technical and professional advice on the proper management and operation of small businesses; and

(c) Provide or assist in the provision of seed money for the starting and expansion of small businesses. The commissioner shall report to the legislature on or before January 15, 1979, concerning his recommendations for establishment of a program to make state aids and other financial assistance available to Minnesota small businesses. The report shall include specific recommendations for enabling legislation drafted in bill form.

Subd. 2. [POWERS.] In order to carry out its responsibilities, the office of small business may:

(a) Provide loans or grants of money to any development corporation established in accordance with Minnesota Statutes, Sections 301.71 to 301.84, under such terms and conditions as the commissioner of business development deems necessary or useful, for the purpose of encouraging formation of small businesses in Minnesota;

(b) Provide technical assistance to small businesses;

(c) Provide assistance in developing managerial skills among the officers and employees of small businesses; and

(d) Cooperate with any federal program for the purpose of encouraging or assisting small businesses.

Subd. 3. [SMALL BUSINESS; DEFINITION.] For the purposes of this section, "small business" means any enterprise earning \$2 million or less in gross revenues per year.

Sec. 5. [362.051] [OFFICE OF TOURISM.] Subdivision 1. [GENERAL DUTIES.] The office of tourism shall:

(a) Promote tourism and the tourist industry in this state;

(b) Provide assistance and encouragement to individuals and groups within the state which desire to promote tourism and the tourist industry;

(c) Promote Minnesota as a site for conventions, trade shows, assemblies and other such gatherings;

(d) Provide assistance and encouragement to individuals and groups within this state which desire to attract conventions, trade shows, assemblies and other such gatherings to Minnesota; and

(e) Provide or assist in the provision of financial and other assistance to the tourist industry in this state to improve the quality and appeal of Minnesota tourist attractions and facilities.

Subd. 2. [SPECIFIC DUTIES.] In order to carry out its responsibilities, the office of tourism shall:

(a) Provide basic support to the travel industry in Minnesota and to the regional nonprofit tourism organizations commonly known as Viking-land, Arrowhead, Heartland, Pioneerland, Hiawathaland and Metroland. The office shall provide or assist in the provision of assistance in research, marketing, promotion and advertising strategies, and preparation of travel product development proposals:

(b) – Operate tourist information centers in the highway rest areas established by the department of transportation at Moorhead, Dresbach, Albert Lea, Thompson Hill and Beaver Creek;

(c) Allocate equally on a pass-through basis any funds appropriated by the legislature for use by the regional nonprofit tourism organizations commonly known as Viking-land, Arrow-head, Heartland, Pioneerland, Hiawathaland and Metroland. Any funds appropriated pursuant to this subdivision shall be transferred no later than August 1 of each fiscal year; and

(d) Provide basic support and discretionary grants to local and regional tourism organizations and agencies for travel product development, marketing, promotion and advertising. No grant authorized by this clause shall provide more than 50 percent of the estimated total annual cost of a project.

Subd. 3. [POWERS.] The office of tourism may:

(a) In cooperation with the office of business research, office of industrial development, the office of small business, any public or private post-secondary four-year education institution. any federal agency or department, or any bona fide travel promotion or research organization, initiate or undertake studies of tourism resources and facilities in this state:

(b) Investigate appropriate means of advertising and promoting tourism and the tourist industry in Minnesota: and

(c) Plan, promote and undertake advertising and other promotional campaigns using state or national media to encourage tourism and the tourist industry in this state.

[TRAVEL COUNCIL.] The governor, in ac-Subd. 4. cordance with Minnesota Statutes, Section 15.059, shall appoint an advisory council to the office of tourism to be known as the Minnesota travel council. The council shall consist of the following members:

(a) The executive vice-president of each of the regional nonprofit tourism organizations commonly known as Viking-land, Arrowhead, Heartland, Pioneerland, Hiawathaland and Metroland; and

(b) Nine members who are experienced in the field of travel or who have demonstrated a concern for the travel industry including at least one member who is a faculty member of the university of Minnesota, and one member who is a representative of the Minnesota travel industry. The commissioner of transportation or his designee and the director of the state planning agency or his designee shall be ex-officio members of the travel council.

The terms, compensation and removal of members, and the expiration of the council shall be as provided in Minnesota Statutes. Section 15.059, except that no member of the council shall receive compensation for more than 20 days spent on council activities per year and except that the members appointed in accordance with clause (a) shall be considered state employees for the purpose of receiving compensation. The council shall an-nually elect from among its membership a chairperson and a vice-chairperson. The administrative expenses of the travel council and necessary supporting services shall be provided by the office of tourism at the council's request. Prior to appointment of any head of the office of tourism the travel council shall recommend a list of three names to the commissioner of busi-ness development. The commissioner of business development shall appoint an assistant commissioner to head the office of tourism from among the names submitted by the travel council. Upon recommendation of a majority of members of the travel council, the commissioner of business development shall remove the head of the office of tourism and appoint a replacement in accordance with the procedure established by this subdivision.

Subd. 5. [PROMOTIONAL EXPENDITURES.] The office of tourism may make expenditures from a separate account for the promotion of tourism when appropriations are made for this purpose. For promotional expenditures for food, travel, and lodging, the office of tourism shall not be bound by the travel regulations of the department of personnel pursuant to Minnesota Statutes, Section 43.327. All promotional transactions in the separate account shall be coded under the appropriate commissioner of finance's object of expenditure code. On December 31 and June 30 in each fiscal year, the office of tourism shall prepare a detailed summary of all promotional expenditures in the preceding six month period including the public purpose, type and amount of expenditure, and name and official capacity of persons involved. This report shall be submitted to the commissioner of finance for distribution to the staffs of senate finance and house appropriations.

FBIENNIAL BUDGET PREPARA-[362.061] Sec. 6. TION.1 The head of each office in the department of business development shall prepare or supervise preparation of the biennial budget request for the office under his control. The biennial budget request of the office of tourism shall contain a line item for pass-through grants specifying the amounts requested by the regional nonprofit tourism organizations specified in section 5, subdivision 2, clause (c). The budget request for each such office following review by the commissioner of business development may be modified as he deems necessary or desirable in the best interest of the state. The budget request for the department, containing the original requests of each office and the final budget request for each office as approved by the commissioner of business development shall be submitted to the commissioner of finance as provided in Minnesota Statutes, Section 16A.10. In addition, the commissioner of business development shall provide the staffs of senate finance and house appropria-tions committees with the original budget requests of each office in the department of business development. The head of each office in the department of business development shall upon request by the appropriate standing committees of the legislature testify concerning the budget needs of his office.

Sec. 7. [362.071] [RULEMAKING AUTHORITY.] The commissioner of business development may promulgate, amend, suspend or repeal rules in accordance with the provisions of Minnesota Statutes, Sections 15.0411 to 15.052, for the purpose of implementing or administering the provisions of sections 1 to 11 of this act.

Sec. 8. [362.081] [FEDERAL AGENCIES.] Subdivision 1. [LIAISON ACTIVITIES.] The department shall be responsible for representing the interests of the state of Minnesota before any federal regulatory or administrative agency or department on matters affecting Minnesota businesses.

Subd. 2. [GRANT PROGRAMS.] Whenever appropriate, the governor shall designate the department of business development as the responsible state agency for administering federal grant programs relating to economic development.

Sec. 9. [362.091] [GRANTS FROM FEDERAL GOVERN-MENT OR FROM INDIVIDUALS.] The commissioner of business development may accept any grant of funds or property made by the United States or any department or agency thereof, or by any individual, for any purpose consistent with the responsibilities of the department of business development.

Sec. 10. [362.101] [COOPERATION WITH OTHER DE-PARTMENTS AND UNIVERSITY OF MINNESOTA.] Subdivision 1. [OTHER DEPARTMENTS AND AGENCIES.] The commissioner of business development shall cooperate with the state planning agency, the departments of commerce, economic security, and labor and industry, and any other agency or department of state government having responsibility for planning, employment or business regulation. The director of the state planning agency, the commissioners of economic security and labor and industry, the state demographer and the heads of the other state agencies and departments shall cooperate with the department of business development, coordinate their business or employment research, development, or promotional activities with the commissioner of business development, and provide such assistance to the department of business development as their capabilities may allow.

Subd. 2. [UNIVERSITY OF MINNESOTA.] The commissioner of business development shall at all times cooperate with the university of Minnesota and its departments. The university of Minnesota, as a condition to receiving funds appropriated by the legislature for the purpose of engaging in agricultural, industrial or business research, shall cooperate with the department of business development, coordinate appropriate research and development activities with the department and provide the department with technical and other assistance as it may be able to provide. Upon request by any standing committee of the legislature, the commissioner of business development shall review and comment upon the budget estimates and recommendations of the regents of the university of Minnesota with regard to the agricultural, industrial and business research or promotional activities of the university of Minnesota.

Sec. 11. [362.111] [FEES FOR INFORMATION AND SERVICES; PUBLICATIONS.] Subdivision 1. [FEES.] The commissioner of business development shall establish pursuant to Minnesota Statutes, Section 16A.128, a schedule of reasonable fees for the information and services provided by the department of business development. The fees shall take into consideration the cost of furnishing such information or services, the ability of the user to pay, and the goals and objectives of the department. The commissioner shall waive the payment of any fee authorized by this subdivision if he determines that the imposition of a fee is not reasonable or desirable under the circumstances. Any fee collected pursuant to this subdivision shall be deposited in the general fund.

Subd. 2. [PUBLICATIONS.] The commissioner of business development may sponsor or publish brochures, pamphlets and other publications to promote industrial development or tourism in Minnesota, provided that no publication of the department may contain paid advertising or duplicate or interfere with the promotional or business activities of any private enterprise or regional nonprofit tourism organization in Minnesota. Sec. 12. [362.121] [TRANSFER OF POWERS.] Subdivision 1. [SUCCESSOR DEPARTMENT.] The department of business development shall be deemed a continuation of the department of economic development and shall not be held to costitute a new authority for the purpose of succession to all rights, powers, duties and obligations of the former department. All rules promulgated prior to the effective date of this section by the commissioner of economic development shall remain in full force and effect as promulgated, until modified or repealed by the commissioner of business development.

Subd. 2. [CONTINUATION OF PROCEEDINGS.] Any proceeding, court action or other business or matter which is pending on the effective date of this section and which was undertaken or commenced by the department of economic development may be continued by the commissioner of business development.

Subd. 3. [TRANSFER OF PROPERTY.] All contracts, books, maps, plans, papers, records, and other property of the department of economic development shall be transferred to the commissioner of business development for allocation to the appropriate office in the department of business development.

Subd. 4. [TRANSFER OF APPROPRIATIONS.] All unexpended funds appropriated to the department of economic development are transferred to the commissioner of business development for allocation to the appropriate office in the department of business development. The use of any funds allocated pursuant to this subdivision shall bear a reasonable relationship to the purposes for which the funds were originally appropriated. The allocations made by the commissioner of business development shall be subject to approval by the commissioner of administration and shall be reported to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Subd. 5. [TRANSFER OF EMPLOYEES.] All classified employees of the department of economic development and their positions are transferred to the department of business development. All unclassified positions in the department of economic development except unclassified positions established pursuant to the provisions of section 43.05, subdivision 2, clause (11), or 43.09, subdivision 2, clause (9), are abolished. Any employee in the unclassified service whose position is abolished by this act and who is not appointed to an unclassified position authorized by section 1, subdivision 3, may be otherwise continued in the unclassified service in the department of business development, but for a period not to exceed 12 months from the date on which the department commences operation. Such positions shall be authorized pursuant to the provisions of section 43.05, subdivision 2, clause (11). Nothing in this section shall be construed as abrogating or modifying any rights now enjoyed by affected employees under terms of an agreement between an exclusive bargaining representative and the state or one of its appointing authorities. Until modified by law, the approved complement of the department of business development shall be 48 positions.

Sec. 13. Minnesota Statutes 1976, Section 3.922, Subdivision 1, is amended to read:

3.922 [INDIAN AFFAIRS INTERTRIBAL BOARD.] Subdivision 1. [CREATION, MEMBERSHIP.] There is created a state Indian affairs intertribal board to consist of the following ex-officio members: The governor or a member of his official staff designated by him, the commissioner of business development, the commissioner of education, the commissioner of public welfare, the commissioner of natural resources, the commissioner of human rights, (THE COMMISSIONER OF ECONOMIC DEVELOPMENT,) the commissioner of corrections, the executive director of the Minnesota housing finance agency, the commissioner of iron range resources and rehabilitation, and the commissioner of health each of whom may designate a member of his staff to serve in his place, three members of the state house of representatives appointed by the speaker of the house of representatives, and three members of the state senate appointed by the committee on committees of the senate. Voting members of the board shall be: the duly elected tribal chairmen of the Fond du Lac reservation business committee; the Grand Portage reservation business committee: the Mille Lacs reservation business committee; the White Earth reservation business committee; the Bois Forte (Nett Lake) reservation business committee: the Leech Lake reservation business committee: the Red Lake tribal council; the Upper Sioux board of trustees; the Lower Sioux tribal council; the Shakopee-Mdewankanton general council; the Prairie Island tribal council; and two members to be selected pursuant to subdivision 2. The chairmen of the above Indian committees, trusts, or councils may designate in writing a member who shall have been elected at large to an office in the committee, trust, or council, to serve in his place. Board members appointed to represent the state house of representatives, the state senate or tribal governments shall no longer serve on the board at such time as they are no longer members of the bodies which they represent, and upon such circumstances, their offices shall be vacant. A member who is a designee of a tribal chairman shall cease to be a member at the end of the term of the tribal chairman who designated him. Exofficio members or their designees on the board shall not be voting members of the board.

Sec. 14. Minnesota Statutes, 1977 Supplement, Section 15.01, is amended to read:

15.01 [DEPARTMENTS OF THE STATE.] The following agencies are designated as the departments of the state government: the department of administration; the department of agriculture; the department of business development; the department of commerce; the department of corrections; (THE DEPARTMENT OF ECONOMIC DEVELOPMENT;) the department of education; the department of economic security; the department of finance; the department of health; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of personnel; the department of public safety; the department of public service; the department of transportation; the department of veterans affairs; the department of vocational rehabilitation; and their successor departments.

Sec. 15. Minnesota Statutes 1976, Section 15.057, is amended to read:

[PUBLICITY REPRESENTATIVES.] No state de-15.057partment, bureau or division, whether the same operates on funds appropriated or receipts or fees of any nature whatsoever, except (THE HIGHWAY DEPARTMENT, THE DE-PARTMENT OF ECONOMIC DEVELOPMENT,) the offices of industrial development and tourism of the department of business development, the game and fish division of the department of natural resources, the department of employment services, the department of transportation and the state agricultural society shall use any of such funds for the payment of the salary or expenses of a publicity representative. The head of any such department, bureau, or division shall be personally liable for funds used contrary to this provision. This act shall not be construed, however, as preventing any such department, bureau, or division from sending out any bulletins or other publicity required by any state law or necessary for the satisfactory conduct of the business for which such department, bureau, or division was created.

Sec. 16. Minnesota Statutes, 1977 Supplement, Section 15.06, Subdivision 1, is amended to read:

15.06 [APPOINTMENT OF DEPARTMENT HEADS; TERMS; DEPUTIES.] Subdivision 1. [APPLICABILITY.] This section applies to the following departments or agencies: the departments of administration, agriculture, business development, corrections, (ECONOMIC DEVELOPMENT,) education, employment services, finance, health, human rights, labor and industry, natural resources, personnel, public safety, public welfare, revenue, transportation, veterans affairs and vocational rehabilitation; the banking, insurance and securities divisions and the consumer services section of the department of commerce; the energy, housing finance and pollution control agencies; the office of commissioner of iron range resources and rehabilitation; the bureau of mediation services; and their successor departments and agencies. The heads of the foregoing departments or agencies are referred to in this section as "commissioners".

Sec. 17. Minnesota Statutes, 1977 Supplement, Section 15A.081, Subdivision 1, is amended to read:

15A.081 [SALARIES AND SALARY RANGES FOR CER-TAIN EMPLOYEES.] Subdivision 1. The following salaries or salary ranges are provided for the below listed employees in the executive branch of government:

. . ..

	Base	Salary	or	Range
Administration, department of commissioner			\$	41,000
Agriculture, department of commissioner		• • • • • • • •	. 2-1	36,000
Attorney general, office of deputy attorney general	· · · · · ·	23,00	0 -	42,000
Business development, department of commissioner		* * * * * * * * *	• • •	32,000
Commerce, department of commissioner of banks				
commissioner of insurance	· · ; • • • • •	• • • • • • • •	•	32,000
commissioner of securities				
executive secretary, commerce commission	on	ه ي. • • • • • • •		27,000
Community college system chancellor		• • • • • • • •		41,000
Corrections, department of commissioner ombudsman Crime prevention and control,	· · · · · ·	•••••	· · ·	36,000 32,000
governor's commission on executive director	• • • • • •			32, 000
(ECONOMIC DEVELOPMENT, DEP COMMISSIONER	ARTN	IENT ()F 8	2,000)
Economic security, department of commissioner	.	· · · · · ·		41,000

71st Day] MONDAY, FEBRUARY 13, 1978	4369
Education, department of commissioner	41,000
Energy agency director	
director	36,000
Finance, department of	
commissioner	45,000
Health, department of	ter an
commissioner	
Hearing examiners office	ing the second
chief hearing examiner	
Higher education coordinating board	
executive director	. 36,000
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Housing finance agency executive director	
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Human rights, department of commissioner	<u>90 AAA</u>
commissioner	
Indian affairs board	05 000
executive director	
Investment, board of	
executive secretary	. 41,000
Iron range resources and rehabilitation board	-0 <u>-</u>
commissioner	. 29,000
Labor and industry, department of	
Labor and industry, department of commissioner	36,000
judge of the workers compensation court of appeals director, mediation services	29,000
Natural resources, department of commissioner	
and a second	
Personnel, department of	
commissioner	41,000
Planning agency	·
director	: 41,000
Pollution control agency director	
	-

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4370	JOURNAL	OF THE	House	[71st Day
Public safety, commissioner	department (of 		36,000
Public service, commissioner, p director	ublic service	commis	sion	
Public welfare commissioner	e, departmen	t of		41,000
Revenue, depa commissioner	rtment of			41,000
State universi chancellor	ty system	. _? .		41,000
Transportation commissioner	n, departmer	nt of	· • • • • • • • • • • • • • • • • • • •	41,000
Veterans affa commissioner	irs, departm	ent of	· · · · · · · · · · · · · · · · · · ·	29,000
Sec. 18. Min	nesota Statu	ites 1976.	Section 16.084	l. is amended

Sec. 18. Minnesota Statutes 1976, Section 16.084, is amended to read:

16.084 [ENCOURAGEMENT OF PARTICIPATION.] The (COMMISSIONERS) commissioner of administration and (ECONOMIC) the commissioner of business development shall publicize the provisions of the set-aside program, attempt to locate small businesses able to perform set-aside procurement awards, and encourage participation. When the commissioner of administration determines that a small business is unable to perform under a set-aside contract, he shall so inform the commissioner of (ECONOMIC) business development who shall assist the small business in attempting to remedy the causes of the inability to perform a set-aside award. In assisting the small business, the commissioner of (ECONOMIC) business development in cooperation with the commissioner of administration shall use any management or financial assistance programs as may be available by or through the department of (ECONOMIC) business development, other state or governmental agencies, or private sources.

Sec. 19. Minnesota Statutes 1976, Section 16.086, is amended to read:

16.086 [REPORTS.] Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioner of administration shall submit an annual report pursuant to section 3.195 to the governor and the legislature with a copy to the commissioner of (ECONOMIC) business development indicating the progress being made toward the objectives and goals of sections 16.081 to 16.086 during the preceding fiscal year. This report shall include the following information:

(a) The total dollar value and number of potential set-aside awards identified during this period and the percentage of total state procurement this figure reflects;

(b) The number of small businesses identified by and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;

(c) The total dollar value and number of set-aside contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the percentages of the total state procurements the figures of total dollar value and the number of set-asides reflect;

(d) The number of contracts which were designated and setaside pursuant to section 16,083 but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to the normal procurement procedures.

Subd. 2. [COMMISSIONER OF BUSINESS DEVELOP-MENT.] The commissioner of (ECONOMIC) business development shall submit an annual report to the governor and the legislature pursuant to section 3.195 with a copy to the commissioner of administration. This report shall include the following information:

(a) The efforts undertaken to publicize the provisions of the set-aside program during the preceding fiscal year;

(b) The efforts undertaken to identify small businesses including those owned and operated by socially or economically disadvantaged persons, and the efforts undertaken to encourage participation in the set-aside program;

(c) The efforts undertaken by the commissioner to remedy the inability of small businesses to perform on potential set-aside awards; and (d) The commissioner's recommendations for strengthening the set-aside program and delivery of services to small businesses.

Sec. 20. Minnesota Statutes, 1977 Supplement, Section 43.09, Subdivision 2a, is amended to read:

Subd. 2a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Notwithstanding any other law to the contrary, the personnel board, upon the request of the governor, is hereby authorized to establish permanent unclassified positions, or to unclassify previously classified positions, provided that:

(1) Positions so established involve only deputy or assistant heads of departments or agencies, or director level positions which are not specifically established by law, and who are appointed by and report directly to a head of a department or agency who is required by law to be appointed by the governor, or by a gubernatorially appointed board; as well as one position for a personal secretary of any head of a department or agency listed in clause (4).

(2) Classified incumbents of such positions, if any, are not removed from that position for a period of one year except under applicable provisions of rules and laws governing classified state employees. An incumbent of a position that is declassified pursuant to this subdivision, if he so requests within 120 days after being removed from that position, shall be appointed to a classified position comparable to the position that was declassified, or if such a position is unavailable, to a position comparable to that which he held immediately prior to being appointed to the position that was declassified. If a position is declassified and the incumbent at the time the position was declassified had no classified status immediately prior to the appointment to the position that was declassified, he shall, if he so requests within 120 days after being removed from that position, be appointed to a comparable or lower classified position within two salary ranges of the position that was declassified.

(3) If an employee in the classified civil service accepts a newly created unclassified position, he shall retain an inactive classified civil service status and, upon his request, shall be reappointed to a classified position comparable to that which he held immediately prior to being appointed to the position that was declassified.

(4) Positions so established are limited in number to six in the departments of administration, corrections, economic security, finance, transportation, natural resources, public safety, public welfare, and revenue; to five in the departments of commerce, education, health, labor and industry, and personnel; to four in the departments of agriculture, and (ECONOMIC) business development; to three in the department of public service, the planning agency, and the pollution control agency; and to two in the departments of human rights and veterans affairs. Departments or agencies not enumerated in this clause shall not be authorized to establish additional unclassified positions under the provisions of this subdivision.

(5) Funds are available.

Sec. 21. Minnesota Statutes 1976, Section 85A.02, Subdivision 12, is amended to read:

Subd. 12. The board shall report to the (DEPARTMENT OF ECONOMIC) commissioner of business development on or before December 1 of each year on the activities of the board and the operation of the zoological garden. The commissioner of (ECONOMIC) business development shall evaluate the activities of the board and the operation of the zoological garden and report thereon to the legislature on or before November 15 of each even numbered year.

Sec. 22. Minnesota Statutes 1976, Section 105.485, Subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER'S DUTIES.] Before April 1, 1974, the commissioner of natural resources shall promulgate, in the manner provided in chapter 15, model standards and criteria, other than a model ordinance, for the subdivision, use, and development of shoreland in municipalities, which standards and criteria shall include but not be limited to those listed below in regard to unincorporated areas. Before July 1, 1970, the commissioner of natural resources shall promulgate, in the manner provided in chapter 15, model standards and criteria for the subdivision, use, and development of shoreland in unincorporated areas, including but not limited to the following: (a) The area of a lot and length of water frontage suitable for a building site; (b) the placement of structures in relation to shorelines and roads; (c) the placement and construction of sanitary and waste disposal facilities; (d) designation of types of land uses; (e) changes in bottom contours of adjacent public waters; (f) preservation of natural shorelands through the restriction of land uses; (g) variances from the minimum standards and criteria; and (h) a model ordinance. The following agencies shall provide such information and advice as may be necessary to the preparation of the rules and regulations, or amendments thereto: The state departments of agriculture, (ECONOMIC) business development, and health; the state planning agency; the pollution control agency; the state soil and water conservation board; and the Minnesota historical society. In addition to other requirements of chapter 15, the model standards and ordinance promulgated pursuant to this section, or amendments thereto, shall not be filed with the secretary of state unless approved by the executive officer of the state board of health and the director of the pollution control agency.

Sec. 23. Minnesota Statutes 1976, Section 114A.03, Subdivision 1, is amended to read:

114A.03 [PURPOSE AND INTENT.] Subdivision 1. The southern Minnesota rivers basin board is hereby established to serve as the regional organization for guiding the creation and implementation of a comprehensive environmental conservation and development plan for the basin. All state departments and agencies are hereby directed to cooperate with the board, and to assist it in the performance of its duties. In cooperation with all federal agencies, including but not limited to the United States departments of agriculture and interior and the corps of engineers, all state agencies, departments, and commissions, including but not limited to the department of natural resources, Minnesota geological survey, water resources board, state plan-ning agency, department of transportation, state soil and water conservation board, pollution control agency, department of (ECONOMIC) business development, department of agriculture, and the institute of agriculture of the University of Minnesota, and local governments and citizens within the basin, the board shall initiate, coordinate and prepare its overall comprehensive environmental conservation and development plan. The Minnesota soil and water conservation board and local soil and water conservation districts and watershed districts within the basin shall provide technical assistance to the board in the creation and implementation of the plan. Upon the request of the board, the governor or the legislature may require any other department or agency of the state to furnish assistance, technical or otherwise, to the board in the performance of its duties or in the exercise of its powers authorized by law. The plan may include, but is not limited to, planning for the following purposes:

(1) Control or alleviation of damages by flood waters;

(2) Improvement of stream channels for handling of surface waters, navigation, and any other public purposes;

(3) Reclaiming or filling of wet and overflowed lands;

(4) Regulating the flow of streams and conserving the waters thereof;

(5) Diverting or changing watercourses in whole or in part;

(6) Providing and maintaining water quality and supply for municipal, domestic, industrial, recreational, agricultural, aesthetic, wildlife, fishery, or other public use: (7) Providing for sanitation and public health and regulating uses of streams, ditches, or watercourses for the purpose of disposing of waste and maintaining water quality;

(8) Repair, improvement, relocation, modification, consolidation or abandonment in whole or in part of previously established public drainage systems within the territory;

(9) Imposition of prevention or remedial measures for the control or alleviation of land and soil erosion and siltation of watercourses or bodies of water affected thereby;

(10) Regulation of improvements and land development by abutting landowners of the beds, banks, and shores of lakes, streams, watercourses, and marshes by permit or otherwise in order to preserve the same for beneficial use; such regulation to be in accordance with state department of natural resource standards and criteria;

(11) Regulation of construction of improvements on and prevention of encroachments in the flood plains of the rivers, and the lakes, marshes and streams of the basin; such regulation to be in accordance with state department of natural resource standards and criteria.

Sec. 24. Minnesota Statutes 1976, Section 160.262, Subdivision 3, is amended to read:

Subd. 3. The following departments and agencies shall cooperate in providing the information and advice for the study by the state planning agency and the promulgation of model standards and amendments thereto by the commissioner of transportation: the departments of agriculture, *business development*, transportation, (ECONOMIC DEVELOPMENT,) natural resources, public service, the state planning agency, and the state soil and water conservation board. The commissioner may cooperate with and enter into agreements with the United States government, any department of the state of Minnesota, any unit of local government and any public or private corporation in order to effect the purposes of this section.

Sec. 25. Minnesota Statutes 1976, Section 160.28, is amended to read:

160.28 [REST AREAS, TOURIST INFORMATION CEN-TERS AND WEIGH STATIONS.] Subdivision 1. The provisions of any other law to the contrary notwithstanding, the commissioner of transportation is hereby authorized to cause to be prepared plans and specifications and detailed designs for the construction of buildings and facilities for rest areas, tourist information centers in combination with rest areas, and weigh stations when he deems such buildings and facilities to be necessary in the interest of safety and convenient public travel on highways.

Subd. 2. On request by the commissioner of business development, the commissioner of transportation shall transfer his responsibility for operation and control of any tourist information facility located in a rest area established or maintained by the department of transportation to the commissioner of business development. The commissioner of transportation shall continue to provide maintenance for any such facility.

Sec. 26. Minnesota Statutes 1976, Section 160.281, Subdivision 2, is amended to read:

Subd. 2. [OPERATION AND MAINTENANCE OF CEN-TER.] The personnel who shall operate the center authorized by subdivision 1, shall be employees of the state of Minnesota. (HOWEVER,) On request by the commissioner of business development, the commissioner of transportation shall transfer his responsibility for operation and control of the tourist information center to the commissioner of business development. The commissioner of transportation shall retain responsibility for maintenance of the facility and may enter into an agreement with the appropriate officials of the state of South Dakota, under which the maintenance to be provided to the center itself and the site in toto may be provided by persons not employees of the state of Minnesota, which persons may be employees of the state of South Dakota. The agreement may provide for reasonable compensation.

Sec. 27. Minnesota Statutes, 1977 Supplement, Section 268.-014, is amended to read:

268.014 [COOPERATION WITH OTHER STATE AGEN-CIES.] To effectively coordinate job training and placement services with future job needs of the state the commissioner shall maintain close liaison, coordination and cooperation with the department of (ECONOMIC) business development and any other state agency involved in employment issues affecting the state.

Sec. 28. Minnesota Statutes 1976, Section 301.75, is amended to read:

301.75 [ADDITIONAL POWERS.] In addition to the powers enumerated in section 300.08, subdivision 1, the corporation may:

(a) Borrow money and otherwise incur indebtedness for any of the purposes of the corporation; to issue its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, therefore and to secure the same by mortgage, pledge, deed or trust or other lien on its property, franchises, rights and privileges of every kind and nature or any part thereof. (b) Lend money to, and to guarantee, endorse, or act as surety on the bonds, notes, contracts or other obligations of, or otherwise assist financially, any person, firm, corporation or association, and to establish and regulate the terms and conditions with respect to any such loans or financial assistance and the charges for interest and service connected therewith.

(c) Purchase, receive, hold, lease, or otherwise acquire, and to sell, convey, mortgage, lease, pledge, or otherwise dispose of, upon such terms and conditions as the board of directors may deem advisable, real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not restricted to, any real or personal property acquired by the corporation from time to time in the satisfaction of debts or enforcement of obligations.

Acquire, by purchase or otherwise, the good will, busi-(d) ness, rights, real and personal property and other assets, or any part thereof, of such persons, firms, corporations, joint stock companies, associations or trusts as may be in furtherance of the corporate purposes provided herein, and to assume, undertake, guarantee or pay the obligations, debts and liabilities of any such person, firm, corporation, joint stock company, association or trust; to acquire improved or unimproved real estate for the purpose of constructing industrial plants or other business establishments thereon or for the purpose of disposing of such real estate to others for the construction of industrial plants or other business establishments, and, in furtherance of the corporate purposes provided herein, to acquire, construct or reconstruct, alter, repair, maintain, operate, sell, lease, or otherwise dispose of industrial plants or business establishments.

(e) Acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the stock, shares, bonds, debentures, notes or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and, while the owner or holder thereof, to exercise all the rights, powers and privileges of ownership, including the right to vote thereon.

(f) Cooperate with and avail itself of the facilities of the department of (ECONOMIC) business development and any similar governmental agencies; and to cooperate with and assist, and otherwise encourage, local organizations in the various communities of the state the purpose of which shall be the promotion, assistance, and development of the business prosperity and economic welfare of such communities and of this state.

Sec. 29. Minnesota Statutes 1976, Section 301.77, Subdivision 1, is amended to read:

301.77 [DIRECTORS.] Subdivision 1. All the corporate powers of the corporation shall be exercised by a board of not less than eight elected directors (but the number of elected directors shall always be an even number) who shall be residents of Minnesota and, except in the case of the first board, representative of the various sections of the state as determined in the bylaws. The commissioner of (THE DEPARTMENT OF ECO-NOMIC) business development or his designee shall be, ex officio, a director with all the authority but without the liability as such, except for gross negligence or wilful misconduct. The number of directors and their term of office shall be determined in the bylaws. If any vacancy occurs in the board of directors through death, resignation, or otherwise, the remaining directors may elect a person to fill the vacancy until the next annual meeting of the corporation.

Sec. 30. Minnesota Statutes 1976, Section 301A.01, Subdivision 1, is amended to read:

301A.01 [REGIONAL TOURISM DEVELOPMENT CREDIT CORPORATIONS.] Subdivision 1. For the purposes of sections 301A.01 to 301A.14, the commissioner of (THE DEPARTMENT OF ECONOMIC) business development (OF THE STATE) upon recommendation by the Minnesota travel council shall divide the state into six tourist regions and shall keep on file in his office and in the office of the secretary of state the legal descriptions and a map of such regions.

Sec. 31. Minnesota Statutes 1976, Section 301A.05, is amended to read:

301A.05 [ADDITIONAL POWERS.] In addition to the powers enumerated in section 300.08, subdivision 1, the corporation may:

(1) Borrow money and otherwise incur indebtedness for any of the purposes of the corporation; to issue its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, therefor and to secure the same by mortgages, pledges, deeds of trust or other lien on its property, franchises, and privileges of every kind and nature or any part thereof.

(2) Lend money to, and to guarantee, endorse, or act as surety on the bonds, notes, contracts or other obligations of, or otherwise assist financially, any person, firm, corporation or association, and to establish and regulate the terms and conditions with respect to any such loans or financial assistance and the charges for interest and service connected therewith; to make working capital loans, take equity positions in corporations, and take second or third position mortgages.

(3) Purchase, receive, hold, lease, or otherwise acquire, and to sell, convey, mortgage, lease, pledge, or otherwise dispose of,

upon such terms and conditions as the board of directors may deem advisable, real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not restricted to, any real property or personal property acquired by the corporation from time to time in the satisfaction of debts or enforcement of obligations.

(4) Acquire, by purchase or otherwise, the good will, business, rights, real and personal property and other assets, or any part thereof, of such persons, firms, corporations, joint stock companies, associations of trust as may be in furtherance of the corporate purposes provided herein, and to assume, undertake, guarantee or pay the obligations, debts, and liabilities of any such person, firm, corporation, joint stock company, association, or trust; to acquire improved or unimproved real estate for the purpose of constructing tourist or recreational business establishments thereon or for the purpose of disposing of such real estate to others for the construction of tourist or recreational business establishments, and, in furtherance of the corporate purposes provided herein, to acquire, construct, or reconstruct, alter, repair, maintain, operate, sell, lease, or otherwise dispose of tourist or recreational business.

(5) Acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the stock, shares, bonds, debentures, notes or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and, while the owner or holder thereof, to exercise all the rights, powers, and privileges of ownership, including the right to vote thereon.

(6) Cooperate with and avail itself of the facilities of the department of (ECONOMIC) business development and any similar government agencies; and to cooperate and avail itself of the facilities of planning and development agencies in the regions, which agencies shall be named in the bylaws as the agencies designated for the region of incorporation; cooperate with and assist and encourage local organizations in the various communities of the state, the purpose of which shall be the promotion, assistance, and development of the tourist and recreational business prosperity and economic welfare of such communities of the state.

Sec. 32. Minnesota Statutes 1976, Section 301A.07, Subdivision 1, is amended to read:

301A.07 [DIRECTORS.] Subdivision 1. All the corporate powers of the corporation shall be exercised by a board of not less than nine elected directors who shall be residents of Minnesota. One-third of the directors shall be elected from persons who are actively engaged in the vacation travel industry in the region of incorporation. The remaining number of directors shall be elected from persons representative of and involved in any of the lending institutions which are nonstockholder members of the corporation. The commissioner of (THE DEPARTMENT OF ECONOMIC) business development (OF THE STATE) or his designated representative and the director or chairman of the regional development or planning agency as designated in the bylaws, or his designated representative, shall be ex officio directors, with all the authority but without the liability as such, except for gross negligence or willful misconduct. The number of directors and their terms of office shall be determined by the bylaws. If a vacancy occurs in the board of directors through death, resignation, or otherwise, the remaining directors may elect a person to fill the vacancy until the next annual meeting of the corporation.

Sec. 33. Minnesota Statutes 1976, Section 362.40, Subdivision 9, is amended to read:

Subd. 9. A reservation resident, desiring to make a loan for the purpose of starting a business enterprise or expanding a going business, shall make application to the (STATE DE-PARTMENT OF ECONOMIC) commissioner of business development. The (DEPARTMENT) commissioner of business development shall prescribe the necessary forms, and advise the prospective borrower as to the condition under which his application may be expected to receive favorable consideration. Thereafter the application shall be forwarded to the tribal council, which is empowered either to approve or reject the application. If the application is approved, the tribal council shall forward the application, together with all relevant documents pertinent thereto, to the commissioner of finance, who shall draw his warrant in favor of the tribal council with appropriate notations identifying the borrower. The tribal council shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by (THE STATE DE-PARTMENT OF ECONOMIC) rule of the commissioner of business development. The tribal council shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent of the amount of the debt owed shall be charged. When any portion of a debt is repaid, the tribal council shall remit the amount so received plus interest paid thereon to the state treasurer. The amount so received shall be credited to such reservation residents loan account. The tribal council shall secure a bond from a surety company, in favor of the state treasurer, in an amount equal to the maximum amount to the credit of such reservation residents loan account during the fiscal year. Ten percent of the total amount made available to any tribal council during the fiscal year shall be paid to such council prior to December 31 for the purpose of financing administrative costs.

Sec. 34. Minnesota Statutes 1976, Section 362.40, Subdivision 10, is amended to read:

Subd. 10. A nonreservation resident desiring to make a loan for the purpose of starting a business enterprise or ex-panding a going business shall make application to the (STATE DEPARTMENT OF ECONOMIC) commissioner of business development, on forms prescribed by the (DEPARTMENT) commissioner. The (DEPARTMENT IS EMPOWERED TO) commissioner may either accept or reject the application, based upon guidelines and conditions essentially similar to those used for the purpose of recommending approval or rejection of reservation residents by the tribal council under subdivision 9. If the application is approved by the (STATE DEPARTMENT OF ECONOMIC) commissioner of business development, the (DEPARTMENT) commissioner shall forward the application, together with all the relevant documents pertinent thereto, to the commissioner of finance, who shall draw his warrant in favor of the commissioner of (ECONOMIC) business development, with appropriate notations identifying the borrower. The (DEPARTMENT OF ECONOMIC) commissioner of business development shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by (THE DEPARTMENT) rules of the commissioner of business development. The (DEPARTMENT OF ECONOMIC) commissioner of business development shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent shall be charged. When any portion of a debt is repaid, the (DEPART-MENT OF ECONOMIC) commissioner of business development shall remit the amount so received plus interest paid thereon to the state treasurer. The amount so received shall be credited to the nonreservation residents loan account.

Sec. 35. Minnesota Statutes, 1977 Supplement, Section 362.41, is amended to read:

362.41 [COMMUNITY DEVELOPMENT CORPORA-Subdivision 1. For the purposes of this section, TIONS. the (FOLLOWING) terms defined in this section shall (HAVE THE MEANINGS GIVEN THEM:) apply.

Subd. 2. "Economic development region" means an area so designated in the governor's executive order number 60, dated June 12, 1970, as amended.

Subd. 3. "Federal poverty level" means the income level established by the United States Community Services Administration in 45 CFR 1060.2-2.

Subd. 4. "Low income" means an annual income below the federal poverty level.

Subd. 5. The (DIRECTOR OF THE STATE PLANNING AGENCY) commissioner of business development shall administer this section and shall enforce the rules related to the community development corporations promulgated by the (DE-PARTMENT OF ECONOMIC) commissioner of business development. The (DIRECTOR) commissioner of business development may amend, suspend, repeal or otherwise modify these rules as provided (FOR) in chapter 15.

Subd. 6. The (DIRECTOR) commissioner of business development shall designate a community development corporation as eligible to receive grants pursuant to this section if the corporation:

(a) Is a non-profit corporation incorporated under chapter 317;

(b) Designates in its articles of incorporation or bylaws a specific geographic community within which it will operate. At least ten percent of the population within the designated community must have low income. Within the metropolitan area as defined in section 473.121, subdivision 2, a designated community shall be an identifiable neighborhood, or a combination of neighborhoods or home rule charter or statutory cities, townships, unincorporated areas or combinations thereof. Outstate designated communities shall to the extent possible not cross existing economic development boundaries;

(c) Limits voting membership to residents of the designated community;

(d) Has a board of directors with 15 to 30 members, unless the corporation can demonstrate to the director that a smaller or larger board is more advantageous. At least 60 percent of the directors shall have low incomes and the remaining directors shall be members of the business or financial community and the community at large. To the greatest extent possible directors shall be residents of the designated community. The low income directors shall be elected by the members of the corporation, and the remaining directors may be elected by the members of the corporation or selected by the low income directors; and

(e) Hires low income residents of the designated community to fill non-managerial and non-professional positions.

Subd. 7. The (DIRECTOR) commissioner of business development shall approve a grant to a community development corporation only for a project carried on within the designated community, except when the corporation demonstrates that a project carried on outside will have a significant impact inside the designated community. Subd. 8. The (DIRECTOR) commissioner of business development may approve a grant to a community development corporation for planning, including organization of the corporation, training of the directors, creation of a comprehensive community economic development plan, and development of a proposal for a venture grant, or for establishment of a business venture, including assistance to an existing business venture, purchase of partial or full ownership of a business venture, or development of resources or facilities necessary for the establishment of a business venture.

Subd. 9. Factors considered by the (DIRECTOR) commissioner of business development in approving a grant to a community development corporation should include the creation of employment opportunities, the maximization of profit and the effect on securing funds from sources other than the state.

Subd. 10. Grants under this section shall not be available for programs conducted by churches or religious organizations or for securing or developing social services.

Subd. 11. A person shall not be excluded from participation in a program funded pursuant to this section because of race, color, religion, sex, age or national origin.

Sec. 36. Minnesota Statutes 1976, Section 362A.06, is amended to read:

362A.06 [APPROVAL BY COMMISSIONER OF BUSI-NESS DEVELOPMENT.] Any authority contemplating the exercise of the powers granted by sections 362A.01 to 362A.08 may apply to the commissioner of (ECONOMIC) business development for information, advice, and assistance. No authority shall undertake any project herein authorized until the commissioner has approved the project, on the basis of such preliminary information as he may require, as tending to further the purposes and policies of sections 362A.01 to 362A.08. The commissioner is authorized to handle such preliminary information in a confidential manner, to the extent requested by the authority. Such approval shall not be deemed to be an approval by the commissioner or the state of the feasibility of the project or the terms of the lease to be executed or the bonds to be issued therefor, and the commissioner shall so state in communicating such approval.

Sec. 37. Minnesota Statutes, 1977 Supplement, Section 473.-556, Subdivision 14, is amended to read:

Subd. 14. [SMALL BUSINESS CONTRACTS.] In exercising its powers to contract for the purchase of services, materials, supplies, and equipment, pursuant to subdivisions 5, 7, 8 and 10, the commission shall designate and set aside each fiscal year for awarding to small businesses approximately ten percent of the value of anticipated contracts and sub-contracts of that kind for that year, in the manner required of the commissioner of administration for state procurement contracts pursuant to sections 16.081 to 16.084. The commission shall follow the rules promulgated by the commissioner of administration pursuant to section 16.085, and shall submit reports of the kinds required of the commissioners of administration and (ECONOMIC) business development by section 16.086.

Sec. 38. Minnesota Statutes 1976, Section 474.01, Subdivision 6, is amended to read:

Subd. 6. In order to further these purposes and policies the commissioner of (ECONOMIC) *business* development shall investigate, shall assist and advise municipalities, and shall report to the governor and the legislature concerning the operation of this chapter and the projects undertaken hereunder, and shall have all of the powers and duties in connection therewith which are granted to him by chapter 362 with respect to other aspects of business development and research.

Sec. 39. Minnesota Statutes, 1977 Supplement, Section 474.01, Subdivision 7, is amended to read:

Subd. 7. Any municipality or redevelopment agency contemplating the exercise of the powers granted by this chapter may apply to the commissioner of (ECONOMIC) business development for information, advice, and assistance. The commissioner is authorized to handle such preliminary information in a confidential manner, to the extent requested by the municipality.

Sec. 40. [TRANSITION PROVISIONS.] On appointment of a commissioner of business development, the commissioner of administration shall make sufficient funds, office space, clerical staff and other support services available to the commissioner of business development to enable him to prepare a plan for organization of his department prior to July 1, 1978 and to employ the staff members authorized by section 1, subdivision 3. The expenses incurred by the commissioner of administration and commissioner of business development pursuant to this section shall be charged against appropriations for the operation of the department of economic development.

Sec. 41. [REPEALER.] Minnesota Statutes 1976, Sections 362.07; 362.08; 362.09, Subdivisions 2, 3 and 4; 362.10; 362.11; 362.12; 362.121; 362.13; 362.15; 362.17; 362.18; 362.19; 362.20; and Minnesota Statutes, 1977 Supplement, Sections 362.09, Subdivision 1; and 362.125 are repealed. Sec. 42. [EFFECTIVE DATES.] Sections 1; 5, subdivision 4; and 40 are effective April 1, 1978. The remaining provisions of this act are effective July 1, 1978.".

Further. strike the title and insert:

"A bill for an act relating to state government; creating a department of business development; abolishing the department of economic development; transferring certain powers, duties and appropriations; prescribing additional powers and duties; providing for encouragement of industrial development, small businesses and tourism; amending Minnesota Statutes 1976, Sections 3.922, Subdivision 1; 15.057; 16.084; 16.086; 85A.02, Subdivision 12; 105.485, Subdivision 3; 114A.03, Subdivision 1; 160.262, Subdivision 3; 160.28; 160.281, Subdivision 2; 301.75; 301.77, Subdivision 1; 301A.01, Subdivision 1; 301A.05; 301A.07, Subdivision 1; 362.40, Subdivisions 9 and 10; 362A.06; 474.01, Subdivision 6; and Minnesota Statutes, 1977 Supplement, Sections 15.01; 15.06, Subdivision 1; 15A.081, Subdivision 1; 43.09, Subdivision 2a; 268.014; 362.41; 473.556, Subdivision 14; and 474.01, Subdivision 7; repealing Minnesota Statutes 1976, Sections 362.07; 362.08; 362.09, Subdivisions 2, 3 and 4; 362.10; 362.11; 362.12; 362.121; 362.13; 362.15; 362.17; 362.18; 362.19; 362.20; and Minnesota Statutes, 1977 Supplement, Sections 362.-09, Subdivision 1; and 362.125.".

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

The report was adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1178 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Wynia, Abeln, Kelly, R., and Casserly introduced:

H. F. No. 2194, A bill for an act relating to insurance; prohibiting certain unfair discriminatory practices in the sale, underwriting and rating of insurance policies; prohibiting certain discrimination on the basis of sex, marital status or occupation as a homemaker; providing remedies; amending Minnesota Statutes 1976, Chapter 72A, by adding a section.

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

Voss, Eckstein and Kalis introduced:

H. F. No. 2195, A bill for an act relating to the division of highway patrol; severing the training funding of the departments of public safety and of transportation; appropriating moneys; amending Minnesota Statutes 1976, Section 299D.03, Subdivision 6.

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

McCarron, Carlson, D., and Arlandson introduced:

H. F. No. 2196, A bill for an act relating to interim claims against the state; appropriating money for the payment thereof.

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

Arlandson, McCarron, Casserly, Kroening and Berg introduced:

H. F. No. 2197, A bill for an act relating to the organization and operation of state government; the payment of claims against the state and its employees; amending Minnesota Statutes 1976, Sections 3.732, Subdivision 1; and 3.736, Subdivision 9, and by adding a subdivision.

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

Voss, Patton, Jacobs, Arlandson and Wenzel introduced:

H. F. No. 2198, A bill for an act relating to agriculture; requiring warnings on certain trees, shrubs or plants; providing a penalty.

The bill was read for the first time and referred to the Committee on Agriculture. Hanson, White and Casserly introduced:

H. F. No. 2199, A bill for an act relating to the organization and operation of state government; restructuring the department of commerce; establishing the position of commissioner of commerce; abolishing the commerce commission; transferring the powers of the commissioners of banks, insurance and securities and the director of consumer services; prescribing certain reporting requirements; soliciting recommendations on necessary statutory changes; amending Minnesota Statutes 1976, Sections 45.01; 45.03; 45.05; 46.08, Subdivision 1; 60A.03, Subdivisions 2, 3 and 5; 80A.19, Subdivision 1; Chapter 45, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 15.06, Subdivision 1; 15A.081, Subdivision 1; and 46.01; repealing Minnesota Statutes 1976, Sections 45.031; 45.032; and 80A.19, Subdivision 3; and Minnesota Statutes, 1977 Supplement, Sections 45.02; 45.15; and 60A.03, Subdivision 1.

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

Wynia, Jaros, Brandl, Casserly and Pleasant introduced:

H. F. No. 2200, A bill for an act relating to the arts; providing artists of works of fine art with a right to a percentage amount on a sale of their work although title to the work is not vested in them.

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

Kroening, Norton, Friedrich, Clark and St. Onge introduced:

H. F. No. 2201, A bill for an act relating to housing; providing funds for housing programs for native Americans; appropriating money; amending Minnesota Statutes 1976, Sections 462A.07, by adding a subdivision; 462A.21, by adding a subdivision.

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

Hanson, Murphy, Welch, White and Casserly introduced:

H. F. No. 2202, A bill for an act relating to public utilities; providing for the financing of installation and operation of 911 emergency telephone service; amending Minnesota Statutes, 1977 Supplement, Chapter 403, by adding a section.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development. Laidig, Jude, Dean, Sieben, M., and Rice introduced:

H. F. No. 2203, A bill for an act relating to education; mentally retarded children and adults; appropriating money for special physical fitness programs.

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

Voss, Jacobs, Tomlinson, Eken and McEachern introduced:

H. F. No. 2204, A bill for an act relating to education; school districts; separate election districts; changing the requirements for petitions for division into and changing boundaries of special election districts; amending Minnesota Statutes 1976, Section 123.32, Subdivisions 10 and 15.

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

Fugina introduced:

H. F. No. 2205, A bill for an act relating to taxation; distribution of taconite taxes to school districts; amending Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1.

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

Albrecht; Anderson, G.; Onnen; Friedrich and Eckstein introduced:

H. F. No. 2206, A bill for an act relating to education; school aids; decreasing the local levy; amending Minnesota Statutes, 1977 Supplement, Section 275.125, Subdivision 2a.

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

Welch, Redalen, Murphy and Anderson, B., introduced:

H. F. No. 2207, A bill for an act relating to education; eliminating the requirement that the commissioner of education approve contracts for the transportation of children to and from school; eliminating aid reductions for disapproved transportation contracts; amending Minnesota Statutes 1976, Sections 123.37, Subdivisions 3 and 4; and 124.15, Subdivisions 2 and 6.

The bill was read for the first time and referred to the Committee on Education. Kostohryz, Stanton, Eken, Knickerbocker and Tomlinson introduced:

H. F. No. 2208, A bill for an act relating to education; establishing a formula for the funding of secondary vocational education programs for handicapped children; transferring and reappropriating money; amending Minnesota Statutes 1976, Chapter 124, by adding a section.

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

Wenstrom, Eken, Braun, Nelsen, M., and Anderson, R., introduced:

H. F. No. 2209, A bill for an act relating to waters; clarifying legislative intent with regard to the designation and use of "public waters"; amending Minnesota Statutes 1976, Section 105.38.

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

Den Ouden; Gunter; Carlson, D.; Fjoslien and Mann introduced:

H. F. No. 2210, A bill for an act relating to power plant siting; rule making powers of the environmental quality board; amending Minnesota Statutes, 1977 Supplement, Section 116C.66.

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

Casserly, Munger, Norton, Novak and Vanasek introduced:

H. F. No. 2211, A bill for an act relating to industrial revenue bonding; creating bonding authority to fund development of solar and other alternative energy sources; amending Minnesota Statutes 1976, Sections 474.01, Subdivision 4; 474.02, Subdivision 1, and by adding a subdivision; and 474.03.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources. Voss, Jacobs, Vanasek, Suss and McCarron introduced:

H. F. No. 2212, A bill for an act relating to insurance; regulating the bidding on certain government insurance contracts; amending Minnesota Statutes, 1977 Supplement, Section 471.616, Subdivision 1.

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

Voss, Abeln, Pehler, McCollar and Murphy introduced:

H. F. No. 2213, A bill for an act relating to no-fault automobile insurance; eliminating medical expense as a basis for recovering damages for non-economic detriment; amending Minnesota Statutes 1976, Section 65B.51, Subdivision 3.

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

Suss, Brinkman and McCollar introduced:

H. F. No. 2214, A bill for an act relating to mutual insurance companies; providing for their conversion into stock companies; protecting the rights of guaranty fund certificate holders; amending Minnesota Statutes 1976, Section 60A.07, Subdivision 8.

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

Voss, Vanasek, Petrafeso, Zubay and Simoneau introduced:

H. F. No. 2215, A bill for an act relating to insurance; providing for the coordination of reparations benefits for automobile losses; amending Minnesota Statutes 1976, Section 65B.49, by adding a subdivision.

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

Kelly, R.; Abeln; Ellingson; Wynia and Heinitz introduced:

H. F. No. 2216, A bill for an act relating to insurance companies; providing for the reporting of certain claims and other information to the commissioner of insurance; amending Minnesota Statutes 1976, Chapter 72A, by adding a section.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance. Kaley, McCarron, Lehto, Kostohryz and Knickerbocker introduced:

H. F. No. 2217, A bill for an act relating to elections; concerning the registration of voters; regarding voter change in domicile or name; amending Minnesota Statutes, 1977 Supplement, Section 201.161.

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

Suss introduced:

H. F. No. 2218, A bill for an act relating to courts; providing for administration of the tax court; amending Minnesota Statutes, 1977 Supplement, Section 271.02.

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

Kempe, R., introduced:

H. F. No. 2219, A bill for an act relating to the city of Eagan; volunteer firemen's service pensions; amending Laws 1975, Chapter 43, Section 1.

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

Tomlinson; Sieben, H.; Laidig; Moe and Samuelson introduced:

H. F. No. 2220, A bill for an act relating to retirement; hospital and medical benefits for retired or disabled state officials and employees; appropriating funds; amending Minnesota Statutes 1976, Chapter 43, by adding a section.

Hokanson, George, Reding, Petrafeso and Kaley introduced:

H. F. No. 2221, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating duplicate, redundant, conflicting and superseded provisions; amending Minnesota Statutes 1976, Sections 6.58; 15.0411, Subdivision 3; 16A.26; 40.072, Subdivision 3; 41.53, Subdivision 2; 44.06, Subdivision 2; 53.03, by adding a subdivision; 84A.55, Subdivision 14; 150A.09, Subdivision 1; 161.09, Subdivision 1; 161.14, Subdivision 19; 251.09; 251.10; 251.11; 251.12; 251.13; 254A.08, Subdivision 3; 270.08; 290.24; 290.49, Subdivision 10; 326.08, Subdivision 2; 366.10; 475.51, Subdivision 1; Minnesota Statutes, 1977 Supplement, Sections 15.0411, Subdivision 2; 15A.083, Subdivision 2; 16A.-129; 50.14, Subdivision 5; 116C.63, Subdivision 4; 214.01, Subdivision 3; 256B.48, Subdivision 1; 290.01, Subdivision 20; 290.09, Subdivision 4; 319A.02, Subdivision 2; 343.08; 517.08, Subdivision 1; 593.42, Subdivision 5; 593.45, Subdivision 4; 593.46, Subdivision 2; Extra Session Laws 1959, Chapter 19, by adding a section; repealing Minnesota Statutes 1976, Sections 33.10; 33.11; 33.12; 33.14; 33.15; 33.171; 270.051, Subdivision 1; 602.04; Minnesota Statutes, 1977 Supplement, Sec-tions 33.13; Laws 1975, Chapters 61, Section 8; 136, Sections 11, 13, 57 and 58; Laws 1976, Chapters 44, Section 18; 163, Section 54; 222, Sections 25, Subdivision 8, and 78; 263, Section 8; Laws 1977, Chapters 264, Section 3; 299, Section 6; 326, Section 8: 346. Section 7.

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

Patton and Zubay introduced:

H. F. No. 2222, A bill for an act relating to reporters; providing a salary range for court reporters; providing fees to be charged for transcripts by court reporters and hearings reporters; amending Minnesota Statutes 1976, Sections 176.421, Subdivision 7; 216A.04, Subdivision 3; 243.50; 486.05, Subdivision 1; 486.06; 488A.05, Subdivisions 2 and 3; 525.111; 525.112; and Laws 1967, Chapter 497, Section 1, Subdivision 1, as amended; repealing Laws 1965, Chapter 709, Section 1, as amended; Laws 1967, Chapter 497, Section 1, Subdivision 2, as amended; and Laws 1971, Chapter 891.

Jude, Enebo, Berg, Heinitz and Arlandson introduced:

H. F. No. 2223, A bill for an act relating to Hennepin county municipal court; authorizing the establishment of three suburban court locations; amending Minnesota Statutes 1976, Section 488A.01, Subdivision 9.

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

Prahl introduced:

H. F. No. 2224, A bill for an act relating to the city of Nashwauk; police relief pensions and widows benefits; officers of association; amending Laws 1943, Chapter 196, Sections 4, as amended; and 8.

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

Faricy, Brinkman, Norton, Abeln and Rose introduced:

H. F. No. 2225, A bill for an act relating to prepaid legal service plans; authorizing creation of nonprofit, legal service plan corporations; providing for their formation and regulation; prescribing penalties.

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

Patton, Osthoff, George, Hanson and Biersdorf introduced:

H. F. No. 2226, A bill for an act relating to retirement; providing survivor annuities for survivors of members of the public employees retirement association; amending Minnesota Statutes 1976, Section 353.30, Subdivisions 1a and 3, and by adding a subdivision.

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

Patton, George, Osthoff, Hanson and Biersdorf introduced:

H. F. No. 2227, A bill for an act relating to retirement; automatic increases in benefits and annuities payable from the Minnesota adjustable-fixed benefit fund; amending Minnesota Statutes 1976, Section 11.25, by adding a subdivision.

Nelsen, M., and Patton introduced:

H. F. No. 2228, A bill for an act relating to retirement; authorizing an annuity for the surviving spouse of a certain deceased former member of the public employees retirement association.

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

Reding, Patton, Schulz, Beauchamp and Sherwood introduced:

H. F. No. 2229, A bill for an act relating to retirement; computation of legislator's retirement allowances; amending Minnesota Statutes, 1977 Supplement, Section 3A.02, Subdivision 1.

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

Anderson, B.; Kelly, R.; Stanton; Wenstrom and Smogard introduced:

H. F. No. 2230, A bill for an act relating to workers' compensation; providing the amount of compensation allowed during retraining; amending Minnesota Statutes, 1977 Supplement, Section 176.101, Subdivision 7.

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

Anderson, B.; Anderson, G.; Stanton; Wenstrom and Smogard introduced:

H. F. No. 2231, A bill for an act relating to workers' compensation; providing the time in which actions or proceedings shall be taken; amending Minnesota Statutes 1976, Section 176.151.

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

Voss, Patton, George, Simoneau and Zubay introduced:

H. F. No. 2232, A bill for an act relating to courts; costs and disbursements; authorizing the awarding of attorney's fees in certain actions or proceedings; amending Minnesota Statutes 1976, Chapter 549, by adding a section.

Anderson, I.; Simoneau; Johnson and Enebo introduced:

H. F. No. 2233, A bill for an act relating to state government; directing the commissioner of administration to grant contract preference to American made products; amending Minnesota Statutes 1976, Section 16.07, by adding a subdivision.

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

Patton introduced:

H. F. No. 2234, A bill for an act relating to retirement; authorizing combined service annuities for tax court judges; amending Minnesota Statutes 1976, Section 356.30, by adding a subdivision.

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

Schulz introduced:

H. F. No. 2235, A bill for an act relating to retirement; calculation of allowance of certain legislators; amending Minnesota Statutes, 1977 Supplement, Section 3A.02, Subdivision 1.

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

Moe, Adams, Brinkman and Heinitz introduced:

H. F. No. 2236, A bill for an act relating to insurance; removing the limitation on the expense factor in setting workers' compensation insurance premiums; referring rates for expenses to the workers' compensation study commission; amending Minnesota Statutes, 1977 Supplement, Section 79.07; Laws 1977, Chapter 342, Section 27, Subdivision 1.

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

Wenstrom, Eken, Braun, Nelsen, M., and Anderson, R., introduced:

H. F. No. 2237, A bill for an act relating to land acquisition for public purposes; providing landowner's bill of rights; amending Minnesota Statutes 1976, Section 117.055.

Berglin, Rice, Clark, McCarron and Clawson introduced:

H. F. No. 2238, A bill for an act relating to public welfare; adjusting eligibility requirements for medical assistance benefits; authorizing the commissioner of public welfare to seek a waiver from federal regulations; amending Minnesota Statutes 1976, Sections 256.935, Subdivision 2; 256B.07; and Minnesota Statutes, 1977 Supplement, Section 256B.06, Subdivision 1.

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

Brandl, Clark, Petrafeso, Swanson and Rice introduced:

H. F. No. 2239, A bill for an act relating to public welfare; establishing uniform eligibility requirements and income disregards for supplemental aid; amending Minnesota Statutes 1976, Section 256D.37, as amended.

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

Brandl, Corbid, Petrafeso, Swanson and Carlson, D., introduced:

H. F. No. 2240, A bill for an act relating to public welfare; disregarding certain income of recipients of general assistance; amending Minnesota Statutes 1976, Section 256D.06, Subdivision 1.

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

Byrne introduced:

H. F. No. 2241, A bill for an act relating to occupational safety and health; children under 16 not to be employed in occupations or places potentially injurious; amending Minnesota Statutes 1976, Section 182.09.

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

Smogard and Den Ouden introduced:

H. F. No. 2242, A bill for an act relating to Yellow Medicine county; authorizing the expenditure of money by the county board to restore county ditch number nine.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs. Kaley, Zubay, Lemke, Friedrich and Schulz introduced:

H. F. No. 2243, A bill for an act relating to the city of Rochester; issuance of licenses for the sale of intoxicating liquor at Mayo civic auditorium.

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

Kaley, Zubay, Lemke and Friedrich introduced:

H. F. No. 2244, A bill for an act relating to the city of Rochester; certain positions in the police department.

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

Voss and Suss introduced:

H. F. No. 2245, A bill for an act relating to sheriffs; abrogating the right to appeal to district court on salary and budget matters; amending Minnesota Statutes 1976, Section 387.20, Subdivision 8; repealing Minnesota Statutes 1976, Section 387.20, Subdivision 7.

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

McEachern, Schulz, Niehaus and Adams introduced:

H. F. No. 2246, A bill for an act relating to counties; concerning the investment of county funds; amending Minnesota Statutes 1976, Section 385.07.

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

Voss, Jacobs, Munger, Lehto and Casserly introduced:

H. F. No. 2247, A bill for an act relating to mosquito control in certain counties in the metropolitan area; repealing provisions of law governing mosquito control; abolishing mosquito control districts; repealing Minnesota Statutes 1976, Sections 473.701 to 473.717.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs. Voss, Jacobs, Johnson, Neisen and McCarron introduced:

H. F. No. 2248, A bill for an act relating to municipal police and fire civil service commissions; requiring that commissioners be appointed by city councils; limiting the commission's power to prescribe employment requirements; amending Minnesota Statutes 1976, Sections 419.02; 419.05; 419.06; 420.06; and 420.07.

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

Adams, Sarna, Friedrich, White and Metzen introduced:

H. F. No. 2249, A bill for an act relating to the legislature; creating a committee on human and economic development; prescribing duties.

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

Kelly, W., introduced:

H. F. No. 2250, A bill for an act relating to taxation; conforming deductions for individual income tax; reducing certain income tax rates; increasing credits available to certain taxpayers; authorizing the commissioner of revenue to prescribe new forms; exempting newsprint and ink from sales tax; repealing employer's excise tax; amending Minnesota Statutes 1976, Sections 290.06, Subdivision 3d; 290.10; 297A.14; 297A.25, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 290.06, Subdivision 2c; 290.09, Subdivisions 4, 5, and 10; and 290.21, Subdivision 3; repealing Minnesota Statutes 1976, Sections 290.031, Subdivisions 1, 2, 3, 5 and 6; 290.21, Subdivision 7; and Minnesota Statutes, 1977 Supplement, Section 290.031, Subdivision 4.

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

Battaglia, Begich and Fugina introduced:

H. F. No. 2251, A bill for an act relating to taxation; distribution of taconite and iron sulphide mining and production tax; amending Minnesota Statutes, 1977 Supplement, Section 298.28, Subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes. Cohen, Metzen, Jaros, Vanasek and Scheid introduced:

H. F. No. 2252, A bill for an act relating to taxation; property taxes; requiring notice to certain delinquent taxpayers before publication of delinquent list; amending Minnesota Statutes 1976, Sections 279.05; 279.09; and 279.10.

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

Voss, Suss, Simoneau and Anderson, D., introduced:

H. F. No. 2253, A bill for an act relating to taxation; removing fees paid for drivers education in certain schools from the income tax deduction for school tuition; amending Minnesota Statutes 1976, Section 290.09, Subdivision 22.

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

Kelly, R.; Kalis; Neisen; Kahn, and Anderson, B., introduced:

H. F. No. 2254, A bill for an act relating to motor vehicles; providing for handicapped license plates on passenger vehicles; establishing motorized bicycle operator permit fees; prohibiting operation of motor vehicles during periods of license cancellation, suspension or revocation; removing certain restrictions relating to issuance of a limited license; amending Minnesota Statutes 1976, Sections 171.20, Subdivision 2; 171.24; and 171.80, Subdivision 1; and Minnesota Statutes, 1977 Supplement, Sections 168.021, Subdivision 1; and 171.02, Subdivision 3.

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

Voss and Jacobs introduced:

H. F. No. 2255, A bill for an act relating to motor vehicles; providing for suspension of drivers license; amending Minnesota Statutes 1976, Section 171.16, Subdivision 3.

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

Lemke, Fudro, Birnstihl, Jude and Anderson, D., introduced:

H. F. No. 2256, A bill for an act relating to highway traffic regulation; concerning accident reports; making reports available for accident prevention purposes to additional agencies; concealing the identity of involved persons; amending Minnesota Statutes 1976, Section 169.09, Subdivision 13.

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

Anderson, D.; Fudro; Anderson, G., and Voss introduced:

H. F. No. 2257; A bill for an act relating to highways; changing the procedure for designation of highways to carry 80,000 pounds gross weight; amending Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 11; repealing Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 12.

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

Kaley and Heinitz introduced:

H. F. No. 2258, A bill for an act relating to highway traffic regulation; concerning authorized emergency vehicles; expanding the definition to include a licensed land emergency ambulance service; amending Minnesota Statutes 1976, Section 169.01, Subdivision 5.

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

Kaley and Heinitz introduced:

H. F. No. 2259, A bill for an act relating to traffic regulation; allowing an authorized emergency vehicle to use an oscillating white light; amending Minnesota Statutes 1976, Section 169.55, Subdivision 1.

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

Kaley and Heinitz introduced:

H. F. No. 2260, A bill for an act relating to highway traffic regulation; allowing ambulances to use studded tires; amending Minnesota Statutes 1976, Section 169.72, Subdivision 1.

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 Advisory was introduced:

Pleasant introduced:

H. A. No. 69, A proposal to study the certification and licensing of driver education instructors.

The advisory was referred to the Committee on Education.

CONSENT CALENDAR

H. F. No. 1812, A bill for an act relating to the city of St. Cloud in Stearns county; authorizing the establishment of detached facilities under certain conditions.

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 109 yeas and 5 nays as follows:

Those who voted in the affirmative were:

		21		
Adams	Carlson, L.	Hokanson	McEachern	Sherwood
Albrecht	Clark	Jacobs	Metzen	Sieben, H.
Anderson, B.	Clawson	Jensen	Munger	Sieben, M.
Anderson, D.	Cohen	Johnson	Murphy	Simoneau
Anderson, G.	Cummiskey	Jude	Neisen	Skoglund
Anderson, I.	Dean	Kaley	Nelsen, B.	Smogard
Anderson, R.		Kalis	Nelson	Spanish
Arlandson	Eckstein	Kelly, R.	Niehaus	Stanton
Battaglia	Ellingson	Kelly, W.	Novak	Stoa
Beauchamp	Enebo	Kempe, A.	Osthoff	Suss
Begich	Erickson	Kempe, R.	Pehler	Tomlinson
Berg	Esau	King	Petrafeso	Voss
Berglin	Evans	Kvam	Pleasant Cont	Waldorf
Berkelman	Faricy	Laidig	Redalen	Welch
Biersdorf	Fjoslien	Langseth	Reding	Wenstrom
Birnstihl	Forsythe	Lehto	Rose	Wenzel
Brandl	Friedrich	Lemke	Samuelson	White
Braun	Fudro	Mangan	Sarna	Wieser
Brinkman	Fugina	Mann	Savelkoul	Wynia
Byrne	George	McCarron	Scheid	Zubay
Carlson, A.	Gunter	McCollar	Schulz	Speaker Sabo
Carlson, D.	Hanson	McDonald	Searles	
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Those who voted in the negative were:

Kroening Rice Searle Eken Jaros The bill was passed and its title agreed to.

H. F. No. 2003 was reported to the House.

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There being no objection, H. F. No. 2003 was continued on the Consent Calendar for one day.

H. F. No. 1744, A bill for an act relating to mobility disabled persons; requiring installation and use of wheelchair securement devices in vehicles used for transporting wheelchair users; providing for inspection of wheelchair securement devices; requiring other safety measures in vehicles used for transporting wheelchair users; authorizing the admissibility of certain evidence in litigation; providing penalties.

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 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Clark Jensen Moe Searle	mson

The bill was passed and its title agreed to.

H. F. No. 1879, A bill for an act relating to the trunk highway system; discontinuing and removing certain routes therefrom; adding a new route in substitution of an existing route.

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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

The bill was passed and its title agreed to.

S. F. No. 417 was reported to the House.

Biersdorf moved to amend S. F. No. 417, the unofficial engrossment, as follows:

Page 2, line 5, delete "claims" insert "insurance".

The motion prevailed and the amendment was adopted.

Kempe, A., moved to amend S. F. No. 417, the unofficial engrossment, as follows:

Page 2, line 2, delete "24" insert "72".

The motion prevailed and the amendment was adopted.

S. F. No. 417, A bill for an act relating to highway traffic regulations; accidents; requiring certain information to be given; raising the amount of property damage required before an accident must be reported to the commissioner of public safety; providing penalties; amending Minnesota Statutes 1976, Section 169.09, Subdivisions 3, 7, and 14.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

CALENDAR

Sieben, H., as Speaker Pro Tempore, was called to the Chair.

H. F. No. 1791, A resolution memorializing the President and Congress to pass the Humphrey-Hawkins full employment bill.

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 101 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Adams Anderson, B.	Braun Brinkman	Faricy Fudro	King Kostohryz	Nelson
Anderson, D.	Byrne	Fugina	Kroening	Novak
Anderson, G.		George	Laidig	Osthoff
Anderson, I.	Carlson, L.	Hanson	Langseth	Patton
Anderson, R.	Casserly	Hokanson	Lehto	Pehler
Arlandson	Clark	Jacobs	Lemke	Petrafeso
Battaglia	Clawson	Jaros	Mangan	Reding
Beauchamp	Cohen	Jensen	Mann	Rice
Begich	Cummiskey	Johnson	McCarron	Rose
Berg	Eckstein	Jude	McCollar	St. Onge
Berglin	Eken	Kalis	McEachern	Samuelson
Berkelman	Ellingson	Kelly, R.	Metzen	Sarna
Biersdorf	Enebo	Kelly, W.	Moe	Scheid
Birnstihl	Esau	Kempe, A.	Munger	Schulz
Brandl	Evans	Kempe, R.	Murphy	Searles

Sherwood		Smogard
Sieben, H.		Spanish
Sieben, M.	-	Stanton
Simoneau		Stoa
Skoglund		Suss
DECENTIC		Guas

Voss Waldorf Welch

Swanson Wenstrom Tomlinson Wenzel White Williamson Wynia

2 Barris

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Speaker Sabo

Those who voted in the negative were:

The bill was passed and its title agreed to.

S. F. No. 975, A bill for an act relating to counties; authorizing appointment of county administrators and executive secretaries without referendum; amending Minnesota Statutes 1976, Sections 375.48, Subdivision 1; and 375A.06, by adding a subdivision.

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 91 yeas and 25 nays as follows:

Those who voted in the affirmative were:

6. X. 111. N	e este est	W. N	A COLOR CONTRACT
Adams Cun	amiskey Jude	Nelsen, B.	Skoglund
Anderson, B. Dea	n Kaley	Nelson	Smogard
Anderson, G. Eck	stein Kalis	Niehaus	
Anderson, I. Eke	n Kelly.V		Stoa
Arlandson Elli		Onnen	Suss
Beauchamp Ene	bo Kostohi		Swanson
Berg Eva	ns Kroenii	ng Patton	
Berglin Far		Pehler	Voss
	slien Langse		Welch
	edrich Lehto	Reding	Wenstrom
Brandl Fud			White
	rina Mangai		Williamson
Brinkman Geo			Wynia
Byrne Han			Zubay
	anson McEach		Speaker Sabo
Carlson, L. Jaco			
Casserly Jaro		Sieben, H.	
Clark Jena	sen Munger	Sieben, M.	
Clawson John	nson Neisen	Simoneau	

Those who voted in the negative were:

Anderson, D. Battaglia Begich	Carlson, A. Cohen Den Ouden Erickson Forsythe	Kelly, R. Kempe, A. Kempe, R. Kvam McDonald	Murphy Pleasant Samuelson Savelkoul Searle	Sherwood Spanish Waldorf Wenzel Wieser
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The bill was passed and its title agreed to.

Speaker Sabo resumed the Chair.

H. F. No. 1297, A bill for an act relating to wild animals; prescribing nonresident license fees for taking of raccoon; requiring tagging of raccoon taken by nonresidents; clarifying the use of lights when taking raccoon; amending Minnesota Statutes 1976, Sections 98.45, Subdivision 3; 98.46, Subdivision 22, and by adding a subdivision; 100.29, Subdivision 10; and Minnesota Statutes, 1977 Supplement, Sections 98.46, Subdivision 14; and 98.52, Subdivision 1.

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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, I.EcksteinKelAnderson, R.EkenKerArlandsonEllingsonKerBattagliaEneboKinBeauchampEricksonKosBegichEsauKroBergEvansKysBerglinFaricyLaitBerkelmanFjoslienLanBrandlFriedrichLenBraunFudroMaiBrinkmanFuginaMaiByrneGeorgeMcCCarlson, A.HansonMcI	y Neisen Sieben, i Nelsen, B. Simones N. Nelson Skoglum Y. W. Niehaus Smogar pe, A. Novak Spanish pe, R. Onnen Stanton Osthoff Stoa ohryz Patton Suss ning Pehler Swanson n Petrafeso Tomlins g Pleasant Voss seth Reding Waldorf Neice Welch ke Rose Wenstro gan St. Onge Wenzel n Samuelson White arron Sarna Wieser ollar Savelkoul William onald Scheid Wynia achern Schulz Zubay	M. uu d d son
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The bill was passed and its title agreed to.

H. F. No. 1661, A bill for an act relating to pollution control; providing for publication in the state register of certain behind schedule and substandard wastewater treatment projects.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Adams Albrecht Anderson, B. Anderson, D. Anderson, G. Anderson, I. Anderson, R. Arlandson Battaglia Beauchamp Begich Berg Berglin Berkelman Biersdorf Birnstihl Brandl Brandl Brandl Brann Byrne Carlson, A. Carlson, D.	Clark Clawson Cohen Cummiskey Dean Den Ouden Eckstein Eken Ellingson Erickson Esau Evans Faricy Fjoslien Forsythe Friedrich Fudro Fugina George Hanson Hokanson	Jensen Johnson Jude Kaley Kalis Keily, R. Kelly, W. Kempe, A. Kempe, R. King Kostohryz Kroening Kvam Laidig Langseth Lehto Lemke Mangan Mann McCarron McCollar McConlad	Moe Munger Murphy Neisen, B. Nelson Niehaus Novak Onnen Osthoff Patton Pehler Petrafeso Pleasant Reding Rice Rose St. Onge Samuelson Sarna Savelkoul Scheid	Searles Sherwood Sieben, H. Sieben, M. Simoneau Skoglund Smagard Spanish Stanton Stoa Suss Swanson Tomlinson Voss Waldorf Welch Wenstrom Wenzel White Wieser Williamson Wynia
Carlson, D.	Hokanson	McDonald	Scheid	Wynia
Carlson, L. Casserly	Jacobs Jaros	McEachern Metzen	Schulz Searle	Zubay Speake r Sab o

The bill was passed and its title agreed to.

H. F. No. 1813, A bill for an act relating to the town of Leota in Nobles county; authorizing the establishment of detached banking facilities.

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 109 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Those who voted in the negative were:

Anderson. G. Jaros Rice McCarron Searle

The bill was passed and its title agreed to.

GENERAL ORDERS

There being no objection, the bills on General Orders for today were continued on General Orders one day.

MOTIONS AND RESOLUTIONS

Berglin moved that the name of Kaley be added as an author on H. F. No. 2098. The motion prevailed.

Jacobs moved that the names of McEachern and Sarna be added as authors on H. F. No. 1962. The motion prevailed.

Anderson, I., moved that the name of Sarna be added as second author on H. F. No. 2233. The motion prevailed.

Hanson moved that the name of George be added as an author on H. F. No. 2199. The motion prevailed.

Zubay introduced:

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House Concurrent Resolution No. 7, A house concurrent resolution urging the Food and Drug Administration and the National Cancer Institute to proceed with scientific testing of laetrile on terminally ill humans. 1. 1. 1. 1. 1.

The resolution was referred to the Committee on Health and Welfare. Se grand

ADJOURN MENT

Anderson, I., moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, February 15, 1978. The mo-tion 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, February 15, 1978.

EDWARD A. BURDICK, Chief Clerk, House of Representatives