

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

SEVENTY-SIXTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 11, 1980

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

Prayer was offered by the Chaplain.

The roll was called and the following members were present:

Aasness	Drew	Kahn	Nelson	Sherwood
Adams	Eken	Kaley	Niehauus	Sieben, H.
Ainley	Elioff	Kalis	Norman	Sieben, M.
Albrecht	Ellingson	Kelly	Novak	Simoneau
Anderson, B.	Erickson	Kempe	Nysether	Stadum
Anderson, D.	Esau	Knickerbocker	Olsen	Stoa
Anderson, G.	Evans	Kostohryz	Onnen	Stowell
Anderson, I.	Ewald	Kroening	Otis	Swiggum
Anderson, R.	Faricy	Kvam	Patton	Swanson
Battaglia	Fjoslien	Laidig	Pehler	Thiede
Begich	Forsythe	Lehto	Peterson, B.	Tomlinson
Berglin	Friedrich	Levi	Peterson, D.	Valan
Berkelman	Fritz	Long	Piepho	Valento
Biersdorf	Fudro	Ludeman	Pleasant	Vanasek
Blatz	Greenfield	Luknic	Prahl	Voss
Brinkman	Halberg	Mann	Redalen	Waldorf
Byrne	Haukoos	McCarron	Reding	Weaver
Carlson, D.	Heap	McDonald	Rees	Welch
Carlson, L.	Heinitz	McEachern	Reif	Welker
Casserly	Hoberg	Mehrkens	Rice	Wenzel
Clark	Hokanson	Metzen	Rodriguez	Wieser
Clawson	Jacobs	Minne	Rose	Wigley
Corbid	Jaros	Moe	Rothenberg	Wynia
Crandall	Jennings	Munger	Sarna	Zubay
Dean	Johnson, C.	Murphy	Schreiber	Spkr. Norton
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Searles	

A quorum was present.

Osthoff was excused until 4:45 p.m.

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

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 2314, 2374 and 2369 and S. F. Nos. 1054, 1653, 1725, 1759, 364 and 1296 have been placed in the members' files.

S. F. No. 1054 and H. F. No. 1031, which had been referred to the Chief Clerk for comparison, were examined and found to be identical, with certain exceptions.

SUSPENSION OF RULES

Wenzel moved that the rules be so far suspended that S. F. No. 1054 be substituted for H. F. No. 1031 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 808, A bill for an act relating to mental health services; providing county responsibility for mental health services; requiring county mental health plans; providing for funding for mental health services; prescribing duties of the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1978, Section 253A.03, Subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CITATION.] Sections 1 to 9 may be cited as the "mental health services act".

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 9 the terms defined in this section shall have the meanings given them.

Subd. 2. "Mental health services" means services which are provided to assist a person experiencing mental or emotional disturbance including a "mentally ill person" as defined in Minnesota Statutes, Section 253A.02. Mental health services shall also include services to persons with a primary diagnosis of "mentally retarded person" as defined in section 252A.02 or "drug dependent person" as defined in section 254A.02.

Subd. 3. "Community mental health center" means community mental health programs and clinics established pursuant to Minnesota Statutes, Section 245.62.

Subd. 4. "Mental health plan" means the community social services plan as defined in Minnesota Statutes, Section 256E.09.

Subd. 5. "Residential care" means care provided in a residential setting, including a state institution, that incorporates therapeutic environments with a living arrangement for the purpose of enhancing, enabling, and encouraging an individual diagnosed as mentally ill, mentally retarded or drug dependent toward emotional and social self reliance.

Subd. 6. "State institution" means any of nine institutions operated by the state pursuant to section 246.01 for the purpose of providing care for the mentally ill, mentally retarded, and chemically dependent.

Subd. 7. "County board" means the county board of commissioners.

Subd. 8. "Commissioner" means the commissioner of public welfare.

Sec. 3. [DUTIES OF COUNTY BOARDS.] Subdivision 1. Each county board shall have the responsibility of planning and budgeting for all mental health services for children and adults.

Subd. 2. The county board of each county shall determine the method for administering mental health services in accordance with standards promulgated by the commissioner of public welfare assuring a minimum level of services, including services for those who are chronically mentally ill.

Subd. 3. The county board shall provide services directly or through contractual arrangements with new or existing private or public agencies, including human service boards and community mental health centers, established pursuant to Minnesota Statutes, Section 402.02; Laws 1974, Chapter 293; Laws 1976, Chapter 340; or Minnesota Statutes, Section 245.66.

Sec. 4. [INTERCOUNTY COOPERATION.] Intercounty cooperation shall be in accord with Minnesota Statutes, Section 256E.08, Subdivision 10.

Sec. 5. [MENTAL HEALTH SERVICES PLAN.] The minimum components of the county mental health plan for children and adults shall include the following:

- (a) Inpatient programs;
- (b) Outpatient and diagnostic services;
- (c) Individual service planning and case management;

(d) *Pre-petition screening and diagnostic services for persons considered for commitment to a state facility for inpatient treatment, except persons committed to a state facility as mentally ill and dangerous pursuant to Minnesota Statutes, Section 253A.07, Subdivision 17, Clause (c);*

(e) *Pre-admission screening for persons considered for voluntary or informal admission to a state facility for inpatient treatment;*

(f) *Consultative services as requested by public and private agencies;*

(g) *Services for the prevention of mental illness, chemical dependency, and mental retardation;*

(h) *Mental health education;*

(i) *Crisis intervention services;*

(j) *Detoxification services; and*

(k) *Rehabilitative services and aftercare for patients who have received prior treatment in an inpatient facility, including an individualized plan for treatment, vocational assistance, employment, shelter and supportive services directed at prevention of the need for further hospitalization.*

Sec. 6. [LOCAL PLAN.] *A proposed plan for the provision of mental health services shall be prepared biennially by the county board in accord with provisions of Minnesota Statutes, Section 256E.09.*

Sec. 7. *In addition, the county shall provide for public discussion of the proposed plan by providers and users of services planned. The health systems agency, designated pursuant to 42 U.S.C., Section 300m, shall be invited to comment regarding the consistency of the mental health plan with planning objectives. The proposed plan shall be made available for review at least 60 days prior to the final approval by the county board.*

Sec. 8. [PLAN SUBMISSION.] *The county board shall submit the mental health plan, either separately or as part of the community social services plan, to the commissioner, as provided in Minnesota Statutes, Section 256E.09.*

Sec. 9. [DUTIES OF THE COMMISSIONER.] *Subdivision 1. [GENERAL SUPERVISION.] The commissioner of public welfare shall supervise the provision of mental health services mandated by section 5 in the manner provided for by Minnesota Statutes, Section 256E.05, through standard-setting,*

technical assistance to the counties, and approval of county plans. The commissioner is therefore authorized to promulgate rules as necessary to effectuate sections 1 to 9.

Subd. 2. [PLAN APPROVAL.] *The commissioner shall review each county mental health plan and approve the plan pursuant to Minnesota Statutes, Section 256E.05, Subdivision 2.*

Subd. 3. [PROGRAM EVALUATION.] *Evaluation shall be according to procedures outlined in Minnesota Statutes, Section 256E.10.*

Subd. 4. [STATE MENTAL HEALTH PLAN.] *The commissioner of public welfare shall biennially publish as part of the state social services plan a statewide plan of mental health services which describes the levels and types of mental health services that must be available to each resident of Minnesota. The plan shall include details of ongoing training programs to be provided by the commissioner of public welfare for employees of state hospitals. Particular emphasis shall be placed on the training of personnel who serve (a) the chronically mentally ill and (b) mentally ill persons committed pursuant to the Minnesota rules of criminal procedure.*

Subd. 5. [REPORT.] *The commissioner of public welfare shall biennially report to the governor and the legislature on the content of county plans, identifying areas of deficiency, if any, and making recommendations to rectify any deficiencies that exist.*

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 252.-21, is amended to read:

252.21 [COUNTY BOARDS MAY MAKE GRANTS FOR DEVELOPMENTAL ACHIEVEMENT CENTERS FOR THE MENTALLY RETARDED AND CEREBRAL PALSIED.] *In order to (ASSIST IN THE ESTABLISHMENT OF) provide necessary funds to establish and operate developmental achievement centers for (THE MENTALLY RETARDED AND CEREBRAL PALSIED) persons who are or may be mentally retarded or cerebral palsied, the county board or boards are hereby authorized and directed to make grants, within the limits of the money appropriated, to developmental achievement centers for the mentally retarded and cerebral palsied.*

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 252.-22, is amended to read:

252.22 [APPLICANTS FOR ASSISTANCE; TAX LEVY.] *Any city, town, or non-profit corporation or any combination thereof, may apply to the county board for assistance in establishing and operating a developmental achievement center*

and program (FOR MENTALLY RETARDED AND CEREBRAL PALSIED PERSONS) *in accordance with section 252.21.* Application for such assistance shall be on forms supplied by the board. Each applicant shall annually submit to the board its plan and budget for the next fiscal year. No applicant shall be eligible for a grant hereunder unless its plan and budget have been approved by the board.

Any city, town, or county is authorized, at the discretion of its governing body, to make grants from special tax revenues or from its general revenue fund to any nonprofit organization, governmental or corporate, within or outside its jurisdiction, that has established a developmental achievement center (FOR THE MENTALLY RETARDED AND CEREBRAL PALSIED) *under section 252.21.* Nothing contained herein shall in any way preclude the use of funds available for this purpose under any existing statute or charter provision relating to cities, towns and counties.

Sec. 12. Minnesota Statutes 1978, Section 252.23, is amended to read:

252.23 [ELIGIBILITY REQUIREMENTS.] A developmental achievement center shall satisfy all of the following requirements to be eligible for assistance under sections 252.21 to 252.26:

(1) Provide (DAYTIME ACTIVITIES) *individualized developmental training for any or all of the following classes of persons who have been referred to the developmental achievement center by the social service agency of the county of financial responsibility:*

(MENTALLY RETARDED AND CEREBRAL PALSIED CHILDREN WHO CAN BENEFIT FROM THE PROGRAM OF SERVICES, INCLUDING THOSE SCHOOL AGE CHILDREN WHO HAVE BEEN EXCUSED OR EXCLUDED FROM SCHOOL;)

(MENTALLY RETARDED AND CEREBRAL PALSIED CHILDREN AND ADULTS WHO ARE UNABLE TO ATTEND SCHOOL BECAUSE OF THEIR CHRONOLOGICAL AGE AND ARE UNABLE TO INDEPENDENTLY ENGAGE IN ORDINARY COMMUNITY ACTIVITIES) *Infants or children who are or may become mentally retarded or cerebral palsied who are not the responsibility of the local school district;*

Adults who are or may be mentally retarded or cerebral palsied who are unable to engage independently in community activities;

(2) Provide *referral, assessment, evaluation and counseling services (TO PARENTS OR GUARDIANS OF MENTALLY RETARDED AND CEREBRAL PALSIED PERSONS WHO MAY REGISTER) as an incidental but integral part of the overall service plan for participants enrolled at the center;*

(3) Provide or arrange for transportation to and from the center of all persons admitted to the center who fulfill the eligibility requirements of section 252.23, clause (1).

((3)) (4) Comply with all rules duly promulgated by the commissioner of public welfare.

Sec. 13. Minnesota Statutes, 1979 Supplement, Section 252.-24, Subdivision 1, is amended to read:

252.24 [DUTIES OF COUNTY BOARDS.] Subdivision 1. [SELECTION OF DEVELOPMENTAL ACHIEVEMENT CENTERS.] The county board shall select those applicants for assistance and grant them assistance, as provided in subdivision 3, whose developmental achievement center location and program is licensed under the provisions of sections 252.28 and 245.781 to 245.813 (AND 257.175,) and in the board's opinion, best provides (DAYTIME ACTIVITIES FOR MENTALLY RETARDED AND CEREBRAL PALSIED PERSONS) *developmental instruction for persons eligible for service under section 252.23, clause 1, within the appropriation made available for this purpose.*

Sec. 14. Minnesota Statutes, 1979 Supplement, Section 252.-24, Subdivision 4, is amended to read:

Subd. 4. [FEES.] The board of directors of a developmental achievement center may, with the approval of the county board and the commissioner, charge a reasonable attendance fee, based on the ability of the (MENTALLY RETARDED OR CEREBRAL PALSIED) person, his guardian or family to pay such a fee. No (MENTALLY RETARDED OR CEREBRAL PALSIED) *otherwise eligible* person shall be denied participation in the activities of such a center because of an inability to pay such a fee.

Sec. 15. Minnesota Statutes, 1979 Supplement, Section 252.-25, is amended to read:

252.25 [BOARD OF DIRECTORS.] Every city, town, or non-profit corporation, or combination thereof, establishing a developmental achievement center for the mentally retarded and cerebral palsied shall, before it comes under the terms of sections 252.21 to 252.26, appoint a board of directors for the *developmental achievement* center program. When any city or town singly establishes such a center, such board shall be

appointed by the chief executive officer of the city or the chairman of the governing board of the town. When any combination of cities, towns, or non-profit corporations, establishes such a center, the (CHIEF EXECUTIVE OFFICERS OF THE CITIES OR NON-PROFIT CORPORATIONS AND THE) chairman of the governing bodies of the towns shall appoint the board of directors. If a non-profit corporation singly establishes such a center, its chief executive officer shall appoint the board of directors of the *developmental achievement center*. (MEMBERSHIP ON A BOARD OF DIRECTORS WHILE NOT MANDATORY, SHOULD BE REPRESENTATIVE OF LOCAL HEALTH, EDUCATION AND WELFARE DEPARTMENTS, MEDICAL SOCIETIES, MENTAL HEALTH CENTERS, ASSOCIATIONS CONCERNED WITH MENTAL RETARDATION AND CEREBRAL PALSY, CIVIC GROUPS AND THE GENERAL PUBLIC) *The board shall be composed of representatives of parents and guardians, community and professional persons working in, or with an interest in, mental retardation or cerebral palsy.* Nothing in sections 252.21 to 252.26 shall be construed to preclude the appointment of elected or appointed public officials or members of the board of directors of the sponsoring non-profit corporation to such board of directors.

Sec. 16. Minnesota Statutes, 1979 Supplement, Section 252.-26, is amended to read:

252.26 [DUTIES OF BOARD OF DIRECTORS.] Subject to the provisions of sections 252.21 to 252.26 and the rules of the commissioner of public welfare, each board of directors of a developmental achievement center shall:

(1) *Identify on an on-going basis problem areas and unmet agency and community needs, within the jurisdiction assigned to the agency;*

(2) *Establish agency philosophy, mission, and priorities as related to identified needs;*

(3) *Establish, review, and revise operating policies which assure implementation of identified priorities;*

((1)) (4) *Recruit and promote financial support for the center from sources such as business, labor, (INDUSTRIAL AND PRIVATE) industry, charitable foundations, (VOLUNTARY) volunteer agencies, and the general public;*

((2)) **PROMOTE AND ENTER INTO WORKING AGREEMENTS WITH OTHER SOCIAL SERVICE AND EDUCATIONAL AGENCIES, BOTH PUBLIC AND PRIVATE, WHICH PROVIDE SERVICE TO THE MENTALLY RETARDED AND CEREBRAL PALSID;**)

((3) ADVISE THE COUNTY BOARD ON THE ADOPTION AND IMPLEMENTATION OF POLICIES TO STIMULATE EFFECTIVE COMMUNITY RELATIONS;)

((4)) (5) Review and approve the annual center budget (AND PLAN OF THE CENTER AND MAKE RECOMMENDATIONS THEREON);

((5) REVIEW AND EVALUATE PERIODICALLY THE SERVICES PROVIDED BY THE CENTER AND REPORT THEREON TO THE COUNTY BOARD, AND WHEN INDICATED TO THE PUBLIC;)

(6) *Enter into working agreements with appropriate local social service and other agencies, which provide service to those persons eligible under section 252.23, clause 1; and*

(PROVIDE FOR TRANSPORTATION TO AND FROM THE CENTER OF ALL PERSONS WHO FULFILL THE ELIGIBILITY REQUIREMENTS OF SECTION 252.23, CLAUSE (1) AND WHO ATTEND THE CENTER, IF PROVISION FOR THIS TRANSPORTATION IS NOT UNREASONABLY BURDENSOME TO THE CENTER AND IF A MORE EFFICIENT, REASONABLE, ALTERNATIVE MEANS OF TRANSPORTATION DOES NOT EXIST);

(7) *Monitor and evaluate priorities, goals, and methods utilized in achieving its missions.*

Sec. 17. Minnesota Statutes 1978, Section 253A.03, Subdivision 1, is amended to read:

253A.03 [INFORMAL HOSPITALIZATION BY CONSENT; VOLUNTARY HOSPITALIZATION FOR DRUG DEPENDENT PERSONS.] Subdivision 1. Any person may (, IF HE SO REQUESTS AND THE HEAD OF THE HOSPITAL CONSENTS,) be admitted to a hospital as an informal patient for observation, evaluation, diagnosis, care, and treatment, without making formal written application *if he so requests and the head of the hospital consents and if the petitioner submits to pre-admission screening as provided for in section 5, clause (d).* (SUCH) The person shall not be admitted to the hospital if he objects thereto and shall be free to leave the hospital within 12 hours of his request unless held under another provision of sections 253A.01 to 253A.21.

Sec. 18. [APPROPRIATION.] Subdivision 1. *There is appropriated from the general fund to the department of public welfare the sum of \$..... for the purposes of sections 1 to 9. This sum shall be available until June 30, 1981.*

Subd. 2. There is appropriated from the general fund to the department of public welfare the sum of \$..... for the purpose of adding 353 additional staff members to bring the state hospitals into compliance with court mandated minimum staffing requirements. In hiring this staff, the department of public welfare shall de-emphasize use of personnel available under the comprehensive employment and training act (CETA). The sum appropriated under this subdivision is available until June 30, 1981.

Sec. 19. [EFFECTIVE DATE.] *This act is effective the day following its final enactment."*

Further, delete the title and insert:

"A bill for an act relating to public welfare; providing county responsibility for mental health services; requiring county mental health plans; providing for funding for mental health services; prescribing duties of the commissioner of public welfare with respect to mental health services; providing for the establishment of developmental achievement centers; increasing the number of positions authorized for state hospitals in order to comply with certain requirements; appropriating money; amending Minnesota Statutes 1978, Sections 252.23; 253A.03, Subdivision 1; and Minnesota Statutes, 1979 Supplement, Sections 252.21; 252.22; 252.24, Subdivisions 1 and 4; 252.25; and 252.26."

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

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 887, A bill for an act relating to commerce; registering and regulating continuing care facilities; providing a lien; providing for disclosure; providing a penalty; amending Minnesota Statutes 1978, Section 82.18.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [SHORT TITLE.] *Sections 1 to 16 may be cited as the Continuing Care Facility Registration Act.*

Sec. 2. [DEFINITION.] *Subdivision 1. As used in sections 1 to 16, the terms defined in this section have the meanings given them.*

Subd. 2. "Continuing care" means the furnishing to an individual, other than an individual related by consanguinity or affinity to the person furnishing the care, of board and lodging together with nursing service, medical service or other health related service, regardless of whether or not the lodging and service are provided at the same location, pursuant to a written agreement effective for the life of the individual or for a period in excess of one year but does not include care furnished in a nursing home licensed pursuant to chapter 144A.

Subd. 3. "Commissioner" means the commissioner of securities.

Subd. 4. "Entrance fee" means an initial or deferred transfer to a provider of a sum of money or other property made or promised to be made as full or partial consideration for acceptance of a specified individual as a resident in a facility.

Subd. 5. "Facility" means the place in which a person undertakes to provide continuing care to an individual.

Subd. 6. "Living unit" means a room, apartment, cottage or other area within a facility set aside for the exclusive use or control of one or more identified individuals.

Subd. 7. "Provider" means a person undertaking to provide continuing care in a facility.

Subd. 8. "Resident" means an individual entitled to receive continuing care in a facility.

Subd. 9. "Minimum deposit" means a deposit equal to or greater than five percent of the entrance fee.

Subd. 10. "Subscription agreement" means a document prepared by the provider that is given to a prospective resident for signing and which (a) discloses the financial obligation of the prospective resident, and (b) requires the payment of a deposit, and (c) imposes an obligation on the signer to sign a residency agreement.

Sec. 3. [REGISTRATION.] Unless a facility is registered under this section, no provider shall enter into a contract to provide continuing care in the facility, if the contract requires or permits the payment of an entrance fee to any person, and either the facility is or will be located in this state, or the provider or a person acting on the provider's behalf solicits the contract within this state and the person to be provided with continuing care under the contract resides within this state at the time of the solicitation.

(a) A contract to provide continuing care is solicited in this state if, during the 12 month period preceding the date the contract is signed or accepted by either party, information concerning the facility or availability of the contract is given:

(1) By personal, telephone or mail contact or other communication directed to and received by a person at a location in this state; or

(2) In a paid advertisement published or broadcast from within this state other than in a periodical more than two-thirds of the circulation of which is outside this state.

(b) An application for registration shall be filed with the commissioner by the provider on forms containing information prescribed by the commissioner, including:

(1) The names and business addresses of the officers, directors, trustees, managing or general partners, and any person having a ten percent or greater equity or beneficial interest in the provider, and a description of the person's interest in or occupation with the provider;

(2) With respect to the provider, any person named pursuant to clause (b), (1), and the proposed manager if the facility will be managed on a day to day basis by a person other than an individual directly employed by the provider:

(i) A description of the business experience of the person, if any, in the operation or management of similar facilities.

(ii) The name and address of any professional service, firm, association, trust, partnership or corporation in which the person has, or which has in the person, a ten percent or greater interest and which will or may provide goods, leases or services to the facility of a value of \$500 within any year, including a description of the goods, leases or services and the probable or anticipated cost thereof to the facility or provider or a statement that the cost cannot presently be estimated.

(iii) A description of any matter in which the person has been convicted of a felony or pleaded nolo contendere to a felony charge, or been held liable or enjoined in a civil action by final judgment if the felony or civil action involved fraud, embezzlement, fraudulent conversion or misappropriation of property; or is subject to a currently effective injunctive or restrictive order of a court of record, or within the past five years has had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or relating to business activity or health care, including without limitation actions affecting a license to operate a foster care facility, nursing home, retire-

ment home, home for the aged or facility registered under this section or a similar act in another state.

(3) A proposed disclosure statement meeting the requirements of section 4.

Upon receipt of an application for registration in proper form, the commissioner shall issue an acknowledgment of application to the applicant. Within 30 days after the date of the acknowledgment, unless the applicant has consented in writing to a delay, the commissioner shall register the facility or shall notify the applicant of specific deficiencies in the application or conditions which will be imposed on registration of the facility and that the facility will be registered upon correction of the deficiencies and compliance with the conditions.

Sec. 4. [DISCLOSURE STATEMENT.] At the time of or prior to the execution of a contract to provide continuing care, or at the time of or prior to the transfer of any money or other property to a provider by or on behalf of a prospective resident, whichever occurs first, the provider shall deliver a disclosure statement to the person with whom the contract is to be entered into the text of which shall contain, to the extent not clearly and completely set forth in the contract for continuing care attached as an exhibit thereto, at least the following information:

(a) The name and business address of the provider and a statement of whether the provider is a partnership, corporation, or other type of legal entity;

(b) The names of the officers, directors, trustees, or managing or general partners of the provider;

(c) A description of the business experience of the provider, and of the manager of the facility if the facility will be managed on a day to day basis by an organization other than the provider, in the operation or management of similar facilities;

(d) A statement as to whether or not the provider is, or is affiliated with, a religious, charitable or other nonprofit organization; the extent of the affiliation, if any; the extent to which the affiliate organization is responsible for the financial and contract obligations of the provider; and the provision of the federal internal revenue code under which the provider or affiliate is exempt from the payment of income tax;

(e) The location and description of the physical property of the facility, existing or proposed; and to the extent proposed, the estimated completion date or dates, whether or not construction has begun and the contingencies subject to which construction may be deferred;

(f) *The services provided or proposed to be provided under contracts for continuing care at the facility, including the extent to which medical care is furnished. The disclosure statement shall clearly state which services are included in basic contracts for continuing care and which services are made available at or by the facility at extra charge;*

(g) *A description of all fees required of residents, including the entrance fee and periodic charges, if any. The description shall include:*

(1) *A statement of the fees that will be charged if the resident marries while at the facility, and a statement of the terms concerning the entry of a spouse to the facility and the consequences if the spouse does not meet the requirement for entry;*

(2) *The circumstances under which the resident will be permitted to remain in the facility in the event of possible financial difficulties of the resident;*

(3) *The terms and conditions under which a contract for continuing care at the facility may be canceled by the provider or by the resident; and the conditions, if any, under which all or any portion of the entrance fee will be refunded in the event of cancellation of the contract by the provider or by the resident or in the event of the death of the resident prior to or following occupancy of a living unit;*

(4) *The conditions under which a living unit occupied by a resident may be made available by the facility to a different or new resident other than on the death of the original resident; and*

(5) *The manner by which the provider may adjust periodic charges or other recurring fees and the limitations on these adjustments, if any. If the facility is already in operation, or if the provider or manager operates one or more similar facilities within this state, there shall be included tables showing the frequency and average dollar amount of each increase in periodic rates at each facility for the previous five years or for whatever period that the provider or manager has operated the facility if this period is less than five years;*

(h) *The health and financial conditions required for an individual to be accepted as a resident and to continue as a resident once accepted, including the effect of any change in the health or financial condition of a person between the date of entering a contract for continuing care and the date of initial occupancy of a living unit by that person;*

(i) *The provisions that have been made or will be made, if any, to provide reserve funding or security to enable the provider to fully perform its obligations under contracts to provide continuing care at the facility, including the establishment of escrow accounts, trusts or reserve funds, together with the manner in which the funds will be invested and the names and experience of persons who will make the investment decisions;*

(j) *Certified financial statements of the provider, including a balance sheet as of the end of the most recent fiscal year and income statements for the three most recent fiscal years of the provider or for whatever period the provider has operated the facility if this period is less than three years. If the provider's fiscal year ended more than 90 days prior to the date the application is filed, interim financial statements as of a date not more than 90 days prior to the filing shall be included, but need not be certified;*

(k) *If operation of the facility has not yet commenced, a statement of the anticipated source and application of the funds used or to be used in the purchase or construction of the facility, including:*

(1) *An estimate of the cost of purchasing or constructing and equipping the facility including such related costs as financing expense, legal expense, land costs, occupancy development costs, and all other similar costs which the provider expects to incur or become obligated for prior to the commencement of operations;*

(2) *A description of any mortgage loan or other long term financing intended to be used for the financing of the facility, including the anticipated terms and costs of the financing;*

(3) *An estimate of the total entrance fees to be received from residents at or prior to commencement of operation of the facility; and*

(4) *An estimate of the funds, if any, which are anticipated to be necessary to fund start-up losses and provide reserve funds to assure full performance of the obligations of the provider under contracts for the provision of continuing care.*

(l) *Pro forma annual income statements for the facility for a period of not less than five fiscal years, including:*

(1) *A beginning cash balance consistent with the certified income statement required by clause (j) or, if operation of the facility has not commenced, consistent with the statement of anticipated source and application of funds required by clause (k);*

- (2) *Anticipated earnings on cash reserves, if any;*
- (3) *Estimates of net receipts from entrance fees, other than entrance fees included in the statement of source and application of funds required by clause (k), less estimated entrance fee refunds, if any. A description of the actuarial basis and method of calculation for the projection of entrance fee receipts shall be included;*
- (4) *An estimate of gifts or bequests to be relied on to meet operating expenses;*
- (5) *A projection of estimated income from fees and charges other than entrance fees, showing individual rates presently anticipated to be charged and including a description of the assumptions used for calculating the estimated occupancy rate of the facility and the effect on the income of the facility of government subsidies for health care services to be provided pursuant to the contracts for continuing care;*
- (6) *A projection of estimated operating expenses of the facility, including a description of the assumptions used in calculating the expenses, and separate allowances, if any, for the replacement of equipment and furnishings and anticipated major structural repairs or additions; and*
- (7) *An estimate of annual payments of principal and interest required by any mortgage loan or other long term financing.*
- (m) *Other material information concerning the facility or the provider that is required by the commissioner or that the provider wishes to include;*
- (n) *The cover page of the disclosure statement shall state, in a prominent location and type face, the date of the disclosure statement and that registration of the facility does not constitute approval, recommendation or endorsement of the facility by the commissioner, nor does the registration evidence the accuracy or completeness of the information set out in the disclosure statement;*
- (o) *A copy of the standard form or forms of contract for continuing care used by the provider shall be attached as an exhibit to each disclosure statement. Each contract shall provide that:*
- (1) *The party contracting with the provider may rescind the contract within seven days following the later of the execution of the contract or the receipt of the disclosure statement, in which event any money or property transferred to the provider shall be returned in full. The resident to whom the contract*

pertains is not required to move into the facility before the expiration of the ten day period; and

(2) If a resident dies before occupying a living unit in the facility, or if on account of illness, injury or incapacity would be precluded from occupying a living unit in the facility under the terms of the contract for continuing care, the contract is automatically canceled and the resident or legal representative of the resident shall receive a refund of all money or property transferred to the provider, less (a) those costs specifically incurred by the provider or facility at the request of the resident and described in the contract or an addendum thereto signed by the resident; and (b) a reasonable service charge, if set out in the contract, not to exceed the greater of \$350 or two percent of the entrance fee;

(p) With the prior approval of the commissioner, in lieu of the disclosure statement required by this section a provider may deliver a disclosure statement or similar document containing substantially the information required by this section and prepared in compliance with laws of another state or of the United States;

(q) (1) The disclosure statement required by this section shall be in a form approved by the commissioner.

(2) The statement shall be written in language easily readable and understandable by a person of average intelligence and education.

(3) In determining whether a statement is readable, the commissioner shall consider at least the following factors:

(i) the simplicity of the sentence structure and the shortness of the sentences used;

(ii) the extent to which commonly used and understood words are employed;

(iii) the extent to which legal terms are avoided;

(iv) the extent to which references to other sections or provisions of the statement are minimized;

(v) the extent to which definitional provisions are incorporated in the text of the statement; and

(vi) any additional factors relevant to the readability or understandability of the statement which the commissioner prescribes by rule.

Sec. 5. [ENTRANCE FEE ESCROW.] As a condition of registration under section 3, the commissioner shall require that the provider establish an escrow account with a bank, trust company or other escrow agent approved by the commissioner, and that any entrance fees received by the provider prior to the date the resident is permitted to occupy a living unit in the facility be placed in the escrow account, subject to release as follows:

(a) If the entrance fee applies to a living unit which has been previously occupied in the facility, the entrance fee shall be released to the provider at the time the living unit becomes available for occupancy by the new resident, or shall be returned to the resident or the resident's personal representative under the conditions described in section 4, clause (o);

(b) If the entrance fee applies to a living unit which has not previously been occupied by any resident, the entrance fee shall be returned to the resident or the resident's personal representative under the conditions described in section 4, clause (o) or shall be released to the provider at the time the commissioner is satisfied that:

(1) The facility has 65 percent of its units reserved as determined by signed subscription agreements and minimum deposits received; or if the subscription agreement requires a minimum deposit of more than one-third of the entrance fee, then the facility may have 50 percent of the units reserved and 50 percent of the facility must be completely constructed; and

(2) Aggregate entrance fees received or receivable by the provider pursuant to binding contracts for continuing care, plus the anticipated proceeds of any first mortgage loan or other long-term financing commitment, plus funds from other sources in the actual possession of the provider, are equal to not less than 90 percent of the aggregate cost of constructing or purchasing, equipping and furnishing the facility plus not less than 90 percent of the funds estimated in the statement of anticipated source and application of funds submitted by the provider as part of its permit application, to be necessary to fund start-up losses of the facility plus not less than 90 percent of the amount of the reserve fund escrow, if any, required to be maintained by the provider pursuant to section 6; and

(3) A commitment has been received by the provider for any permanent mortgage loan or other long term financing described in the statement of anticipated source and application of funds submitted by the provider as part of its registration application, and any conditions of the commitment prior to disbursement of funds thereunder, other than completion of the construction or closing of the purchase of the facility, have been substantially satisfied; and either

(4)(i) If construction of the facility has not been substantially completed, all governmental permits or approvals necessary prior to the commencement of construction have been obtained; and a maximum price contract has been entered into between the provider and a general contractor responsible for construction of the facility, and a bond covering the faithful performance of the construction contract by the general contractor and the payment of all obligations arising thereunder has been issued by an insurer authorized to do business in this state with the provider as obligee; and a loan agreement has been entered into by the provider for an interim construction loan in an amount which, when combined with the amount of entrance fees then held in escrow under the provisions of this section plus the amount of funds from other sources then in the actual possession of the provider, will equal or exceed the estimated cost of constructing, equipping and furnishing the facility, and not less than ten percent of the amount of the construction loan has been disbursed by the lender for physical construction or site preparation work completed; and orders at firm prices have been placed by the provider for not less than 50 percent in value, including installation charges if applicable, of items necessary for equipping and furnishing the facility in accordance with the description set forth in the disclosure statement required by section 4; or

(ii) If construction or purchase of the facility has been substantially completed, an occupancy permit covering the living unit has been issued by the local government having authority to issue these permits; or

(iii) The aggregate amount of entrance fees which may be released to the provider pursuant to clause (b) prior to the date on which any reserve fund escrow under section 6 is established shall not exceed an amount equal to the aggregate amount of entrance fees then received or receivable by the provider pursuant to binding contracts for continuing care less the amount of the entrance fees received or receivable which will be required to be initially maintained in the reserve fund escrow;

(iv) If the funds in an escrow account to which clause (b) applies are not released pursuant thereto within a period of 36 months or a greater time that has been specified by the provider with the consent of the commissioner, or any extensions thereof approved by the commissioner in writing, then the funds shall be returned by the escrow agent to the persons who had made payment thereof to the provider;

(v) Nothing in this section shall be interpreted as requiring the escrow of any nonrefundable application fee, not to exceed two percent of the entrance fee, clearly designated as such in the contract for continuing care;

(vi) In lieu of any escrow which may be required by the commissioner under this section, a provider may post a bond issued by an insurer authorized to do business in this state. The bond shall be filed with the commissioner with the state as obligee, conditioned for the prompt payment to persons who are entitled to a refund of entrance fees from the provider.

Any interest accrued on entrance fees or deposits held in escrow is the property of the provider.

Sec. 6. [RESERVE FUND ESCROW.] As a condition of initial or continuing registration under section 3, the commissioner shall require the provider to establish at the time the facility is first occupied by any resident and thereafter, to maintain on a current basis, in escrow with a bank, trust company or other escrow agent approved by the commissioner, a portion of all entrance fees received by the provider in an aggregate amount of up to the total of all principal and interest payments due during the next 12 months on account of any first mortgage loan or other long term financing of the facility. The funds in the escrow account may be invested with the earnings thereon payable to the provider. If the provider requests in writing, the escrow agent shall release up to one-twelfth of the original principal balance of the escrow account. A release of funds shall not be made more than once during any calendar month, and then only after the escrow agent has given written notice to the commissioner at least ten days prior to the release.

The provider shall notify the commissioner ten days prior to the withdrawal. Any corporation, partnership, trust, association, firm or professional service which controls any reserve fund comprised in part or totally of funds removed from the providers resources, is liable for the debts of the provider up to the amount of the providers contribution to the fund plus any prorated interest the fund may earn.

Sec. 7. [ENTRANCE FEE REIMBURSEMENT AFTER OCCUPANCY.] Any resident may terminate his residency agreement at any time after he has assumed residency. A residency agreement may not require more than 120 days written notice; nor any additional fees for termination of residency.

The termination terms and provisions for reimbursement shall be stated in the residency agreement.

Sec. 8. [LIEN ON BEHALF OF RESIDENTS.] The provider shall notify the commissioner at the time the facility is ready for occupancy. Upon receiving this notification the commissioner shall file a lien on the real and personal property of the provider or facility to secure the obligations of the provider pursuant to existing and future contracts for continuing care. A lien filed under this section is effective for a period of ten years following the filing and may be extended by the commis-

sioner upon a finding that the extension is advisable for the protection of residents of the facility. The lien may be foreclosed upon the liquidation of the facility or the insolvency or bankruptcy of the provider, and in that event the proceeds thereof shall be used in full or partial satisfaction of obligations of the provider pursuant to contracts for continuing care then in effect. The lien provided for in this section shall be subordinate to the lien of any first mortgage on the real property of the facility and may be subordinated with the written consent of the commissioner to the claims of other persons if the commissioner determines the subordination to be advisable for the efficient operation of the facility.

Sec. 9. [ANNUAL REPORT.] *The registration of a facility under section 3 shall remain effective until withdrawn by the provider or revoked or suspended by the commissioner under section 12. Annually within 120 days following the end of the provider's fiscal year, unless the time is extended with the written consent of the commissioner, the provider shall file with the commissioner an annual report which includes a revised disclosure statement setting forth, as of the end of the fiscal year, information meeting the requirements of section 4. The annual report shall be accompanied by a narrative describing any material differences between (a) the pro forma income statements filed in response to section 4, clause (l) as a part of the most immediately preceding registration application or annual report and (b) the actual results of operations during the fiscal year together with the revised pro forma income statements being filed as a part of the current annual report. A provider may amend its disclosure statement on file with the commissioner at any other time if, in the opinion of the provider, an amendment is necessary to prevent the disclosure statement from containing a material misstatement of fact or omitting to state a material fact required to be stated therein.*

Sec. 10. [FEES.] *The fee for filing an application for registration of a facility under section 3 is \$250. The fee for filing an annual report or amendment to a disclosure statement for a facility which has been registered is \$50.*

Sec. 11. [REHABILITATION OR LIQUIDATION.] *Subdivision 1. If the commissioner determines, after notice and an opportunity for the provider to be heard, that (a) a portion of a reserve fund escrow required under section 6 has been or is proposed to be released, or (b) a provider has been or will be unable, in a manner as may endanger the ability of the provider to fully perform its obligations pursuant to contracts for continuing care or to meet the pro forma income or cash flow projections previously filed by the provider, or (c) a provider is bankrupt or insolvent or in imminent danger of becoming bankrupt or insolvent, then the commissioner may apply to a district court of this state, or to the federal bankruptcy court which may have previously taken jurisdiction over the provider or facility for an order directing the commissioner, or authorizing the commissioner to appoint a trustee, to rehabilitate or liquidate a facility.*

Subd. 2. An order to rehabilitate a facility shall direct the commissioner or trustee to take possession of the property of the provider and to conduct the business thereof, including the employment of such managers or agents as the commissioner or trustee may deem necessary, and to take steps as the court may direct toward removal of the causes and conditions which have made rehabilitation necessary.

Subd. 3. If the court finds, upon petition of the commissioner, trustee or the provider, or on its own motion, that the objectives of an order to rehabilitate a provider have been accomplished and that the facility can be returned to the provider's management without further jeopardy to the residents of the facility, creditors, owners of the facility, and to the public, the court may, upon a full report and accounting of the conduct of the facility's affairs during the rehabilitation and of the facility's current financial condition, terminate the rehabilitation and by order return the facility and its assets and affairs to the provider's management.

Subd. 4. If, at any time, the commissioner determines that further efforts to rehabilitate the provider would be useless, it may apply to the court for an order of liquidation.

Subd. 5. An order to liquidate a facility may be issued upon application of the commissioner whether or not there has been issued a prior order to rehabilitate the facility. The order shall act as a revocation of the registration of the facility under section 3, and shall order the commissioner or a trustee to marshal and liquidate all of the provider's assets located within this state.

Subd. 6. In applying for an order to rehabilitate or liquidate a facility, the commissioner shall give due consideration in the application to the manner in which the welfare of persons who have previously contracted with the provider for continuing care may be best served. In furtherance of this objective, the proceeds of any lien obtained by the commissioner pursuant to section 8 may be used in full or partial payment of entrance fees, on behalf of residents of a facility being liquidated, to other facilities registered under section 3.

Subd. 7. An order for rehabilitation under this section shall be refused or vacated if the provider posts a bond issued by an insurer authorized to do business in this state. The bond shall be filed with the commissioner, with the state as obligee, conditioned for the prompt payment to persons who are entitled to a refund of entrance fees from the provider or for the prompt payment of other damages, in the event the provider is unable to fulfill its contracts to provide continuing care at the facility. The bond shall be in an amount determined by the court to be equal to the reserve funding which would otherwise be needed to fulfill the obligations.

Sec. 12. [REVOCAION OF REGISTRATION.] *A registration of a facility under section 3 shall be revoked or suspended by the commissioner if the provider fails to file an annual report as required by section 9 or if, after notice to the provider and an opportunity for all interested parties to be heard, the commissioner determines that (a) the provider has established a pattern of failure to deliver the disclosure statement as required by section 4, or (b) has delivered a disclosure statement which contains a material misstatement of fact or which omits to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading, if the provider, at the time of delivery, had actual knowledge of the misstatement or omission.*

Sec. 13. [CIVIL LIABILITY.] *Subdivision 1. Any person who, as or on behalf of a provider, enters into a contract for continuing care at a facility which is not registered under section 3, or enters into a contract for continuing care at a facility without having first delivered a disclosure statement meeting the requirements of section 4 to the person contracting for the continuing care, or enters into a contract for continuing care at a facility with a person who has relied on a disclosure statement which omits to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading, is liable to the person contracting for the continuing care for damages and repayment of all fees paid to the provider, facility or person violating sections 1 to 12, less the reasonable value of care and lodging provided to the resident by or on whose behalf the contract for continuing care was entered into prior to discovery of the violation, misstatement or omission or the time the violation, misstatement or omission should reasonably have been discovered, together with interest thereon at the legal rate for judgements, and court costs and reasonable attorney fees.*

Subd. 2. Liability under this section exists regardless of whether or not the provider or person liable had actual knowledge of the misstatement or omission.

Subd. 3. Nothing contained in sections 1 to 16 shall be construed to limit the remedies a person has under any other law.

Sec. 14. [INVESTIGATIONS AND SUBPOENAS.] *The commissioner may make public or private investigations within or outside of this state as necessary to determine whether any person has violated or is about to violate any provision of sections 3 to 16 or any rule hereunder, or to aid in the enforcement of sections 3 to 16 or in the prescribing of rules and forms hereunder, and may publish information concerning any violation of sections 3 to 16 or any rule hereunder.*

For the purpose of any investigation or proceeding under sections 3 to 16, the commissioner may require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to any of the facts and circumstances concerning the matter to be investigated.

For the purpose of any investigation or proceeding under sections 3 to 16, the commissioner or any officer designated by it may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, agreements or other documents or records which the commissioner deems relevant or material to the inquiry, all of which may be enforced in any court of this state which has appropriate jurisdiction.

Sec. 15. [CEASE AND DESIST ORDERS, INJUNCTIONS.] *Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of sections 3 to 16 or any rule hereunder, the commissioner may:*

(a) Issue an order directed at any person requiring the person to cease and desist from engaging in the act or practice; or

(b) Bring an action in any court which has appropriate jurisdiction to enjoin the acts or practices and to enforce compliance with sections 3 to 16 or any rule hereunder. Upon a proper showing a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted and a receiver or conservator may be appointed for the defendant or the defendant's assets. The commissioner is not required to post a bond.

Sec. 16. [CRIMINAL PENALTIES.] *Any person who willfully and knowingly violates any provision of sections 3 to 16, or any rule under this act, shall upon conviction be fined not more than \$10,000 or imprisoned not more than one year, or both.*

The commissioner may refer such evidence concerning violations of this act or of any rule hereunder to the attorney general or the proper county attorney who may, with or without such a reference, institute the appropriate criminal proceedings under this act.

Nothing in this act limits the power of the state to punish any person for any conduct which constitutes a crime under any other statute.

Sec. 17. Minnesota Statutes 1978, Section 82.18, is amended to read:

82.18 [EXCEPTIONS.] Unless a person is licensed or otherwise required to be licensed under this chapter, the term real estate broker does not include:

(a) A licensed practicing attorney acting solely as an incident to the practice of law, provided, however, that the attorney complies in all respects with the trust account provisions of this chapter;

(b) A receiver, trustee, administrator, guardian, executor, or other person appointed by or acting under the judgment or order of any court;

(c) Any person owning and operating a cemetery and selling lots therein solely for use as burial plots;

(d) Any custodian, janitor, or employee of the owner or manager of a residential building who leases residential units in such building;

(e) Any bank, trust company, savings and loan association, public utility, or any land mortgage or farm loan association organized under the laws of this state or the United States, when engaged in the transaction of business within the scope of its corporate powers as provided by law;

(f) Public officers while performing their official duties;

(g) Employees of persons enumerated in clauses (b), (e) and (f), when engaged in the specific performance of their duties;

(h) Any person who acts as an auctioneer bonded in conformity with section 330.02, when he is engaged in the specific performance of his duties as an auctioneer;

(i) Any person who acquires such real estate for the purpose of engaging in and does engage in, or who is engaged in the business of constructing residential, commercial or industrial buildings for the purpose of resale, provided that no more than 25 such transactions occur in any 12 month period and that the person complies with section 82.24;

(j) Any person who offers to sell or sells an interest or estate in real estate which is a security registered pursuant to chapter 80A, when acting solely as an incident to the sale of such securities;

(k) Any person who offers to sell or sells a business opportunity which is a franchise registered pursuant to chapter 80C, when acting solely to sell the franchise(.);

(l) *Any person who contracts with or solicits on behalf of a provider a contract with a resident or prospective resident to provide continuing care in a facility which is registered pursuant to the continuing care facility registration act, when acting solely as incident to the contract.*

Sec. 18. [RULES.] *The commissioner shall promulgate rules as are necessary to implement sections 3 to 16.*

Sec. 19. [EFFECTIVE DATE.] *This act is effective November 1, 1980."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Johnson, C., from the Committee on Education to which was referred:

H. F. No. 908, A bill for an act relating to education; establishing a procedure for transferring certain territory from one school district to another; permitting a district from which territory was transferred to enroll certain students from the transferred territory under certain conditions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [TRANSFER OF TERRITORY.] Subdivision 1. The provisions of this section shall apply to that territory within the city limits of Edina south of Maloney Avenue and an eastward extension of Maloney Avenue which is part of Independent School District No. 274, Hopkins, on the effective date of this section.

Subd. 2. Upon a resolution of the school board of a district which would gain or lose territory in a proposed transfer, or upon receipt of a petition for transfer of territory executed by 25 percent of the voters resident in the territory proposed for transfer, the county auditor of the county which contains the

land area of the territory proposed for transfer shall prepare a plat. The plat shall be prepared within 30 days of receipt of the resolution or petition, unless the county auditor finds that proceedings are pending for the dissolution of a district which would gain or lose territory through the proposed transfer or for a consolidation which would include either of the districts or any part of either of the districts. If such proceedings are pending, the county auditor shall prepare the plat within 30 days of the conclusion of the proceedings, and the plat shall reflect boundary changes resulting from those proceedings. The plat shall show:

- (a) Boundaries of the territory proposed for transfer;
- (b) Boundaries of the school districts which would gain or lose territory through the transfer;
- (c) The location of school buildings in the school districts which would gain or lose territory through the proposed transfer;
- (d) The location of residences in the territory proposed for transfer;
- (e) The location of roads and rivers, lakes and other natural barriers in the territory proposed for transfer and in the school districts which would gain or lose territory through the proposed transfer; and
- (f) Any other information deemed pertinent by the county auditor.

Subd. 3. The county auditor shall also prepare a supporting statement to accompany the plat. The statement shall contain:

- (a) The assessed and adjusted assessed valuation of property in the territory proposed for transfer and in the school districts which would gain or lose territory through the proposed transfer;
- (b) The number of pupils residing in the territory proposed for transfer and in the school districts which would gain or lose territory through the proposed transfer;
- (c) The reasons for the proposed transfer;
- (d) Any other information deemed pertinent by the county auditor; and

(e) The signature of the county auditor.

Subd. 4. The county auditor shall submit the plat and supporting statement to the state board and a copy of each to the boards of the districts which would gain or lose territory through the proposed transfer. The auditor shall immediately notify the county board of the county of which he is auditor about the plat and supporting statement. While the transfer proceedings are pending or for a period of six months after notification of transfer proceedings, whichever is shorter, the county board may not take action to dissolve a district which would gain or lose territory through the proposed transfer or to detach and annex any land which is within the territory proposed for transfer or which is within the district to which the transfer is proposed to be made.

Subd. 5. The board of the district which would gain territory through the proposed transfer shall within 60 days of receipt of the plat either accept or reject the proposed transfer. If it rejects the proposed transfer, the transfer proceedings are terminated. If it accepts the proposed transfer, it shall notify the state board and the board of the district which would lose territory through the transfer of its acceptance within five days of the decision.

Subd. 6. The state board shall approve, disapprove or modify a proposed transfer of territory within 60 days of being notified of the acceptance of the transfer by the board of the district which would gain territory through the transfer; provided, if while the transfer proceedings are pending, the state board receives a consolidation plat which would include either of the districts which would gain or lose territory through the proposed transfer or any part of either district, it may delay action on the transfer plat until 30 days after it has taken action on the consolidation plat. If within 20 days of the state board's notification of the acceptance of the transfer by the board of the district which would gain territory through the transfer, a hearing is requested by the board of a district which would gain or lose territory through the proposed transfer or by 20 voters resident in either district, the state board or its designee shall hold a hearing on the transfer upon reasonable notice to the boards and residents of both districts at a location in a district which would gain or lose territory through the transfer. The hearing shall be held before the state board acts on the proposed transfer. The state board shall base its decision on the transfer on the following considerations:

(a) The compatibility of the transfer with any consolidation plat which it has approved;

(b) The effect of the transfer on the participating districts' transportation patterns and distances which pupils travel to school;

- (c) The effect of the transfer on the use of the participating districts' building and staff;
- (d) The effect of the transfer on the educational programs available to pupils in the participating districts;
- (e) The effect of the transfer on the financial condition of the participating districts; and
- (f) Any other issues deemed relevant by the state board.

The state board shall send the plat or a copy of the plat and a statement of its reasons for its actions to the county auditor who submitted the plat and to the board of each district which would gain or lose territory through the transfer.

Subd. 7. The proposed transfer of territory as approved by the state board shall be submitted to the voters who reside or own land in the territory proposed for transfer for their approval at an election. The county auditor who prepared the plat shall call the election within 30 days of the state board's approval of the plat, according to the procedures specified in Minnesota Statutes, Section 122.23, Subdivisions 11 and 12, except that the ballot shall be in the following form:

For transfer

Against transfer

Subd. 8. If 60 percent of the votes cast on the question at the election approve the transfer, the transfer shall become effective on the next July 1 after the election; otherwise, the transfer proceedings are terminated.

Subd. 9. The property in the transferred territory shall remain subject to taxation for any outstanding bonded indebtedness of the district from which it was transferred which existed on the effective date of the transfer. It shall not become subject to taxation for any outstanding bonded indebtedness of the district to which it was transferred which existed on the effective date of the transfer.

Subd. 10. Upon the request of a parent or guardian who resides in the transferred territory and who has a child who has completed tenth grade by the effective date of the transfer, the board of the district from which the territory was transferred may enroll a child of that parent or guardian, and while the child is enrolled in a school of that district, the child shall be considered a resident of that district for all school purposes until the child completes secondary school or reaches age 21, whichever occurs first.

Sec. 2. [APPLICABILITY.] On its effective date, section 1 applies to Independent School Districts No. 273, Edina, and 274, Hopkins.

Sec. 3. [EFFECTIVE DATE.] Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), section 1 is effective without local approval the day following final enactment."

Further, delete the title and insert:

"A bill for an act relating to Independent School Districts No. 273, Edina, and 274, Hopkins; establishing a procedure for transferring certain territory from one school district to the other; permitting a district from which territory was transferred to enroll certain students from the transferred territory under certain conditions."

With the recommendation that when so amended the bill pass.

The report was adopted.

Prahl from the Committee on Commerce, Economic Development and Housing to which was referred:

H. F. No. 1035, A bill for an act relating to trade regulation; prohibiting certain unfair and deceptive practices and unreasonable restraints of trade in the business of motion picture distribution; prescribing penalties.

Reported the same back with the following amendments:

Page 1, line 9, delete "7" and insert "6"

Page 3, after line 16 insert a new subdivision to read:

"Subd. 4. No exhibitor may bid on a motion picture for exhibition within the state unless the exhibitor or his representative have attended a trade screening."

Renumber the remaining subdivisions accordingly.

Page 4, after line 17 insert:

"Sec. 4. [REFUNDS.] Any person who has paid admission to an exhibition of a motion picture shall be entitled to have refunded to him or her by the exhibitor the full admission charge, provided that the following conditions are met: (a) the motion picture has been trade screened; and (b) at any time during the first 30 minutes of the motion picture the person requesting a refund advises the exhibitor that he is not satisfied with the quality or subject matter of the motion picture."

Renumber the remaining sections accordingly.

Pages 4 and 5, delete sections 5 and 6.

With the recommendation that when so amended the bill pass.

The report was adopted.

Johnson, C., from the Committee on Education to which was referred:

H. F. No. 1090, A bill for an act relating to education; authorizing the state board for community colleges to contract for certain insurance coverage for students; amending Minnesota Statutes 1978, Section 136.62, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, after line 14, insert:

"Sec. 2. Minnesota Statutes 1978, Section 121.21, is amended by adding a subdivision to read:

Subd. 11. The state board for vocational education may contract for hospital benefits and medical benefits coverage for students in the same manner as authorized by section 43.45 for state employees."

Renumber remaining section

Amend the title as follows:

Line 2, delete "board" and insert "boards"

Line 3, after "colleges" insert "and for vocational education"

Line 5, delete "Section" and insert "Sections"

Line 6, after "subdivision" insert "; and 121.21, by adding a subdivision"

With the recommendation that when so amended the bill pass. and be placed on the Consent Calendar.

The report was adopted.

Johnson, C., from the Committee on Education to which was referred:

H. F. No. 1305, A bill for an act relating to education; authorizing the state board for community colleges to purchase cer-

tain insurance and to reimburse members of local advisory committees for expenses; making a substitution for a masculine pronoun; amending Minnesota Statutes 1978, Sections 136.62, by adding a subdivision; 136.63, Subdivision 1; and 136.70, Subdivision 1.

Reported the same back with the following amendments:

After the enacting clause insert:

"Section 1. Minnesota Statutes 1978, Section 121.21, is amended by adding a subdivision to read:

Subd. 11. Notwithstanding section 15.38 the state board for vocational education may purchase the following insurance coverage:

(a) Personal professional liability and accident and health insurance for a student when required by a clinical training institution as a condition for the student's use of the clinical facilities for training purposes;

(b) Accident and health insurance for a student participating in an intercollegiate, intramural or extramural program;

(c) Blanket personal property insurance for fine arts displays, including but not limited to displays of paintings, photographs and sculptures, loaned to and exhibited on a community college campus; and

(d) Property insurance for auxiliary enterprise assets including inventory, to be paid for from auxiliary enterprise proceeds."

Renumber the succeeding sections.

Page 3, line 13, delete "and 3" and insert ", 2 and 4"

Page 3, line 14, delete "2" and insert "3"

Page 3, line 15, delete "1979" and insert "1980"

Amend the title as follows:

Line 2, delete "board" and insert "boards"

Line 3, after "colleges" insert "and for vocational education"

Line 7, after "Sections" insert "121.21, by adding a subdivision;"

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

The report was adopted.

Vanasek from the Committee on Criminal Justice to which was referred:

H. F. No. 1362, A bill for an act relating to crimes; providing that the status of marriage or an ongoing voluntary sexual relationship of cohabiting adults shall not be a defense to prosecution for criminal sexual conduct; amending Minnesota Statutes 1978, Section 609.349.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [REPEALER.] Minnesota Statutes 1978, Section 609.349, is repealed.

Sec. 2. This act is effective the day after final enactment and applies to all crimes committed on or after that date."

Further, amend the title as follows:

Page 1, line 6, delete "amending" and insert "repealing"

With the recommendation that when so amended the bill pass.

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 1408, A bill for an act relating to motor vehicles; providing for the proration of taxes on certain vehicles on the basis of the registration period; providing for the issuance and use of certain motor vehicle dealer plates; adjusting the bond provisions for certain dealers; authorizing dealers' licenses for the sale of motorized bicycles; specifying grounds for suspension and revocation of dealers' licenses; amending Minnesota Statutes 1978, Sections 168.013, Subdivision 2; and 168.27, Subdivisions 2, 12, 20, 22 and 24.

Reported the same back with the following amendments:

Page 5, line 30, strike the second "in the"

Page 5, line 31, strike the old language and delete the new language

Page 5, line 32, strike "the amount of \$2,500;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Johnson, C., from the Committee on Education to which was referred:

H. F. No. 1410, A bill for an act relating to education; establishing a study commission on area vocational-technical institutes; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [AREA VOCATIONAL-TECHNICAL INSTITUTE STUDY COMMISSION.] Subdivision 1. There is hereby created an area vocational-technical institute study commission. The commission shall have the following duties:

(a) to develop a statement of the mission of area vocational-technical institutes;

(b) to determine the basic facilities and services to be offered by a typical area vocational-technical institute;

(c) to recommend a governing structure for area vocational-technical institutes;

(d) to study the financing structure of the area vocational-technical institute system; and

(e) to make a report of its findings to the legislature by February 1, 1981.

Subd. 2. [MEMBERS.] The commission shall consist of the following voting members: the governor or the governor's designee; three senators, who shall be appointed by the presiding officer of the senate; three representatives, who shall be appointed by the speaker of the house; three superintendents from school districts that have an area vocational-technical institute or that participate in a cooperating agreement which provides for an area vocational-technical institute, who shall be selected by the Minnesota Association of School Administrators; and three area vocational-technical institute directors, who shall be selected by the area vocational-technical institute director's association. It shall also consist of the following nonvoting members: the executive director of the higher education coordinating board; a member of the state board for vocational education, who

shall be selected by the state board; one staff person from senate research, who shall be appointed by the director of senate research; and one staff person from house research, who shall be appointed by the director of house research. In each case in which there are three members from a group, at least one of the members shall be from the seven county metropolitan area and at least one of the members shall be from outside that area. The members of the commission shall be appointed no later than July 1, 1980. The commission shall select its own chairperson from among the legislative members of the commission.

Subd. 3. [MEETINGS.] The commission shall hold meetings at the times and places it may designate. It may meet in the capital group of buildings.

Subd. 4. [COMMISSION EXPENSES; COMPENSATION OF MEMBERS.] The commission may incur expenses to accomplish the purposes of this section. Members of the commission shall be compensated at the rate of \$35 a day spent on commission activities, when authorized by the commission, plus expenses in the same manner and amount as state employees. Members who are state employees or employees of political subdivisions shall not receive the \$35 a day if the major part of their activities occur during normal working hours for which they are also compensated by the state or political subdivision. A member who is an employee of the state or a political subdivision shall not suffer a loss in compensation or benefits from the state or political subdivision as a result of service on the commission. Members who are full time state employees or full time employees of the political subdivisions of the state may receive the expenses provided for in this section unless the expenses are reimbursed by another source.

Subd. 5. [HIGHER EDUCATION COORDINATING BOARD; EXECUTIVE DIRECTOR'S DUTIES.] The executive director of the higher education coordinating board, under the direction of the full commission, shall conduct research, compile data, and prepare the final commission draft which, when approved by the commission, shall be presented to the legislature.

Subd. 6. [SCHOOL DISTRICT COOPERATION.] All state departments and school districts shall comply with a request for information from the area vocational-technical institute study commission.

Subd. 7. [EXPIRATION OF THE COMMISSION.] The commission shall expire February 2, 1981.

Sec. 2. [APPROPRIATION.] The sum of \$28,000 is appropriated from the general fund to the area vocational-technical institute study commission for the purposes of section 1 and shall be available until February 2, 1981. Any funds not expended or encumbered on that date shall revert to the general fund.

Sec. 3. [EFFECTIVE DATE.] This act is effective the day following final enactment."

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

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1441, A bill for an act relating to hospitalization and commitment; requiring committing courts to establish result oriented evaluation programs for committed persons; appointment of counsel guardians for committed persons; establishing a central agency within the department of public welfare which shall develop a program of statistical analysis relating to treatment of committed persons.

Reported the same back with the following amendments:

Page 1, line 15, delete "establish a result" and insert "participate in a statewide results—"

Page 3, line 5, after the period, insert "The panel shall include consultation with a recognized state medical psychiatric organization prior to dissemination of the data amongst the two professions, law and medicine."

Sec. 2. There is appropriated from the general fund to the commissioner of public welfare, for the purposes of section 1, the sum of \$ for the remainder of the biennium."

Further, amend the title as follows:

Page 1, line 9, after "persons" insert "; appropriating money"

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

The report was adopted.

Prahl from the Committee on Commerce, Economic Development and Housing to which was referred:

H. F. No. 1459, A bill for an act relating to cooperatives; providing for open cooperative meetings; amending Minnesota Statutes 1978, Section 308.09, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 308.09, is amended by adding a subdivision to read:

Subd. 3. [MEETINGS OPEN.] All meetings of an electrical distribution cooperative association where general rate charges, member services and projects affecting future costs are to be considered by the cooperative shall be open to stockholders and their spouses. Meetings related to labor disputes, litigation, and non-payment of bills shall be excluded from the provisions of this subdivision. Notice of all open board meetings must be made to stockholders no less than 30 days prior to the meeting.

Sec. 2. *This act is effective the day following its final enactment."*

Delete the title in its entirety and insert:

"A bill for an act relating to cooperatives; providing for certain open meetings of electrical distribution cooperatives; amending Minnesota Statutes 1978, Section 308.09, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 1668, A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; amending Minnesota Statutes 1978, Chapter 171, by adding sections.

Reported the same back with the following amendments:

Page 4, after line 12, insert a new section as follows:

"Sec. 4. The sum of \$16,600 is appropriated from the general fund to the commissioner of public safety for purposes of administering the provisions of this act, to be available until June 30, 1981."

Further amend the title as follows:

Line 4, after "penalty;" insert "appropriating money;"

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

The report was adopted.

Nelson from the Committee on Energy and Utilities to which was referred:

H. F. No. 1753, A bill for an act relating to energy; creating the Minnesota state energy fund; authorizing the Minnesota energy agency to administer and supervise programs of loans and grants for public improvements of a capital nature relating to the construction of energy systems utilizing from renewable resources and for efficient energy delivery and use; creating a program of aid to small businesses and low and moderate incomes to assist in the large scale conversion to energy systems using renewable resources and otherwise making the use of existing systems more efficient; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota Constitution; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116H.50] [MINNESOTA STATE ENERGY FUND; FINDINGS AND PURPOSES.] The economy of Minnesota developed using fossil fuels as principal energy sources. Some of those sources will, in the foreseeable future, be in critically short supply or may no longer be available in all parts of the state. Unless significant changes are made in the energy sources available and the distribution of available energy sources, future development will be impossible and existing development will stagnate. The problem is further complicated by the fact that Minnesota's climate and geography make a large and reliable supply of fuel essential for residential and commercial space heating, transportation, agriculture, and industry. Yet, existing supplies of fuel are increasingly costly and unreliable. In view of these problems, it is essential to establish the economic viability of supplementing traditional energy supplies with alternative and renewable energy sources. It is also necessary to change from scarce traditional fuels to more plentiful fuels and to ensure that all fuels are efficiently used. The change to non-traditional energy sources or more plentiful traditional energy sources or making existing energy systems more efficient must be broadly based. However, persons of low and moderate income and small business enterprises are financially unable to finance improvements for more efficient use of energy and for conversion to non-traditional energy sources or conversion to energy sources that are more plentiful. Only the state government possesses the power to supervise, coordinate, motivate and finance the energy programs sufficient in scope to meet these needs.

It is intended by sections 1 to 15 to provide funds through appropriations and the incurring of public debt for a variety of energy programs. Public debt will be incurred to provide energy

programs which are public improvements of a capital nature. Appropriated funds are provided for assistance to allow persons of low or moderate income to convert to the use of renewable energy sources or traditional sources that are more plentiful and for energy conservation.

Sec. 2. [116H.51] [DEFINITIONS.] Subdivision 1. As used in sections 1 to 14, the following terms shall have the meanings given.

Subd. 2. "Agency" means the Minnesota energy agency except that in section 14 "agency" means the Minnesota housing finance agency.

Subd. 3. "Energy bond account" means the account created in the state bond fund by section 12, subdivision 4.

Subd. 4. "Energy fund" means the Minnesota state energy fund created by section 3.

Subd. 5. "Energy system" means all equipment and related accessories necessary to convert conventional or renewable energy sources or peat to useful heat and to distribute that heat to its point of end use.

Subd. 6. "Low and moderate income persons" means those persons whose income and other financial resources are insufficient to finance the improvements and changes sought by sections 1 to 14. The term shall be more fully defined by rule, but during calendar year 1980 only persons having an annual household income between 125 percent of the United States office of management and budget poverty guideline level and \$30,000 as determined pursuant to Minnesota Statutes Section 290A.03, Subdivision 5, shall be considered low and moderate income persons. The income limits may be adjusted for inflation, by not more than 5 percent each year, for years subsequent to 1980.

Subd. 7. "Municipality" means any county, city, town, school district, public or private institution of higher education, the Metropolitan Council, the Region 7 Development Commission, a municipal power agency, or any group or combination of those units operating under an agreement to jointly undertake projects authorized by sections 1 to 13. If operating by joint agreement, any action taken to legally obligate the municipality shall be approved by the governing body of each member of the joint agreement.

Subd. 8. "Renewable energy source" includes energy from the following sources:

- (a) solar radiation;

- (b) wind;
- (c) water power;
- (d) geothermal;
- (e) wood and timber, including wastes;
- (f) biomass of all types; and,
- (g) agricultural or urban wastes.

Specifically excluded from this definition are fossil fuels such as petroleum, coal and natural gas and their derivatives.

Subd. 9. "Small business" means "small business concern," as defined by 15 U.S.C. section 632 and 15 C.F.R. section 121.3-10 and other regulations defining small business concern for purposes of federal small business administration loans.

Subd. 10. "Total estimated cost of a qualifying municipal project" includes:

- (a) Preliminary planning to determine the economic, engineering, and environmental feasibility of the project;
- (b) Engineering, architectural, legal, fiscal, economic, and project administrative costs of the agency and the municipality, and other necessary investigations and studies;
- (c) Surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the planning, design, and construction of the project;
- (d) Erection, building, acquisition, alteration, remodeling, improvement, and extension of qualifying energy systems;
- (e) Inspection and supervision of construction; and,
- (f) All other expenses of the types enumerated in Minnesota Statutes, Section 475.65.

Feasibility studies performed pursuant to clauses (a) and (b) shall in no case exceed five percent of total estimated cost of a project.

Subd. 11. "Traditional fuel" includes energy from the following sources:

- (a) fuel oil;

- (b) gasoline;
- (c) natural gas;
- (d) coal;
- (e) liquified petroleum gas (LPG or propane); and
- (f) any other fossil fuels or their derivatives.

Within this definition, the agency shall designate those traditional fuels which are scarce. Until a rule shall provide to the contrary, fuel oil, natural gas, and gasoline are designated scarce fuels.

Sec. 3. [116H.52] [ESTABLISHMENT OF MINNESOTA STATE ENERGY FUND.] The commissioner of finance shall maintain a Minnesota state energy fund debt account. The account shall receive the proceeds of state bonds and disburse money from the fund to municipalities for the purposes of and in the manner provided by sections 1 to 14.

The commissioner of finance shall also maintain a Minnesota state energy fund appropriation account. The account shall receive any money appropriated and money from any source, other than from the proceeds of state bonds, and disburse money to low and middle income persons in the manner provided in section 14.

Sec. 4. [116H.53] [RULES FOR ADMINISTRATION OF FUND.] The agency shall promulgate rules for the administration of loans authorized to be made from the state energy fund debt account. The rules shall not apply to the issuance of bonds. The rules shall contain as a minimum:

- (1) Application procedures for municipalities;
- (2) Conditions governing the administration of loans;
- (3) Criteria for eligibility for loans, including:
 - (a) the financial capability of the municipality,
 - (b) the feasibility of the project, and
 - (c) the adequacy of provisions to assure proper and efficient operation and maintenance of the project after the construction is completed; and,
- (4) Priorities for the evaluation of loan applications, including:

(a) the quantities and costs of scarce fuels estimated to be saved by the project;

(b) the environmental benefits of the project;

(c) the type and extent of employment created by the project;

(d) the extent to which the project has obtained additional financial support from federal, private, or other sources; and

(e) other matters the director finds necessary for the proper ranking of proposals submitted by qualified municipal applicants.

(5) A limit of five percent of total project cost for feasibility studies.

Sec. 5. [116H.54] [RECEIPTS.] Subdivision 1. The commissioner of finance and the state treasurer shall deposit in the energy fund debt account all proceeds of Minnesota energy bonds, except accrued interest and premiums received upon the sale of the bonds.

Subd. 2. The commissioner of finance and the state treasurer shall deposit in the energy fund appropriation account all money appropriated by law for loans to low and moderate income persons and all money granted to the state for this purpose by the federal government, any federal agency or by any other entity.

Subd. 3. Receipts of the energy funds are annually appropriated from each account of the funds to the Minnesota energy agency and the Minnesota housing finance agency for the purposes of the funds and shall remain available until expended.

Sec. 6. [116H.55] [DISBURSEMENTS.] Disbursements from the energy fund debt account shall be made at the times and in the amounts authorized by the director of the agency in accordance with applicable state laws and agency rules.

Sec. 7. [116H.56] [TOTAL FUNDING OF MUNICIPAL PROJECTS REQUIRED.] Subdivision 1. No loan of state funds for any project shall be disbursed to any municipality until the agency has determined the total estimated cost of a qualified municipal project and ascertained that financing of the project is assured by:

(1) A loan or grant of funds authorized by state law;

(2) A grant of funds to the municipality by an agency of the federal government which is within the amount of funds appropriated to that agency and allocated by it to the project;

- (3) A grant of funds from any other public or private entity;
- (4) The appropriation of the proceeds of bonds or other funds of the municipality; or,
- (5) Any combination of the sources referred to in clauses (1) to (4).

Subd. 2. In addition to the requirements of subdivision 1, no loan of state funds shall be disbursed until the governing body of the municipality has adopted a resolution agreeing to utilize not only all funds it allocates specifically for the qualifying project, but also to pay any additional amount by which the cost of the project exceeds those allocated funds. The resolution shall agree to obtain the additional amounts which are necessary to fully fund the project from either the appropriation of additional municipal funds or the appropriation of the proceeds of additional bonds to be issued by the municipality.

Sec. 8. [116H.57] [PROJECTS FUNDED BY MUNICIPALITIES.] Subdivision 1. The agency may make loans from the state energy fund debt account to municipalities for public improvements which are energy system projects of a capital nature. The projects include:

- (1) Neighborhood solar heating or heating and cooling;
- (2) Hydroelectric generation and distribution;
- (3) Wind electric generation and distribution;
- (4) Extraction of gaseous or liquid fuels from biomass sources by biological or physical-chemical processes;
- (5) Alcohol fuel production;
- (6) District heating projects using waste materials, peat, or renewable energy resources for not less than 80 percent of the thermal input;
- (7) Electric generation using peat or renewable energy resources for not less than 80 percent of the thermal input; or
- (8) District heating using cogeneration techniques.

Subd. 2. No loans shall be made to municipalities, pursuant to subdivision 1, unless the agency determines that the project is feasible; energy efficient and cost effective in comparison with scarce traditional fuels; and that it has a reasonable prospect of generating revenue in excess of its costs within an acceptable period of time. The acceptable time may be in excess of the time required to repay a loan from the agency.

Subd. 3. [MUNICIPAL LOANS TO SMALL BUSINESSES.] (a) The agency, in consultation with the department of economic development, may make loans from the state energy fund debt account to municipalities for the purpose of funding programs of loans and grants to small businesses. To the extent possible, loans and grants made for these purposes shall constitute at least 25 percent of loan monies disbursed pursuant to sections 1 to 13 in each year. Loans and grants pursuant to these programs shall be made only for purposes of assisting small businesses with the expenses incurred in connection with (a) installing or converting to energy systems utilizing renewable energy resources, (b) converting energy systems using relatively scarce fossil fuels to systems using more plentiful fossil fuels or peat, and (c) installing energy conserving components, materials, or equipment as defined by the agency.

(b) Each loan made pursuant to this subdivision shall be secured by a resolution adopted by the governing body of the municipality. The resolution shall obligate the municipality to make annual payments to the energy bond account. The payments of principal shall be in amounts sufficient to pay the principal amount of the loan within the period required by the agency. The payments of principal are not required to be equal or at a regular increasing rate. The rate on the loan shall be calculated on the declining balance at a rate not less than the average annual interest rate on the state bonds of the issue from which proceeds the loan was made.

(c) Prior to issuing any bonds for the purposes of this subdivision, the commissioner of finance shall obtain either a revenue ruling from the Internal Revenue Service or other adequate assurance that the bonds' interest payments will be exempt from taxation under section 103(a) of the internal revenue code.

(d) Section 10 shall not apply to loans made pursuant to this subdivision.

Sec. 9. [116H.59] [APPLICATION FOR, ACCEPTANCE AND PAYMENT OF LOAN BY MUNICIPALITY.] Applications by municipalities for loans from the fund shall be made to the agency on forms provided by the agency. The agency shall review all applications for completeness and shall award loans on the basis of the criteria and priorities established by rule and in this act.

Each loan made to a municipality shall be secured by a resolution adopted by the governing body of the municipality. The resolution shall obligate the municipality to pay the energy bond account in annual installments including both principal and interest. The payments of principal shall be in an amount sufficient to pay the principal amount within the period required by the agency. However, it is not required that payments of the principal be equal or at a regular increasing rate. The interest on

the loan shall be calculated on the declining balance at a rate not less than the average annual interest rate on the state bonds of the issue from which proceeds of the loan were made. The resolution shall obligate the municipality to provide money for the repayment from user charges, special assessments or any other funds pledged for the support of the project.

Sec. 10. [116H.60] [LOCAL FUNDING OF PROJECTS.]
Subdivision 1. [FIXING RATES ON ENERGY SERVICE.]
The municipality, by resolution of its governing body, may fix reasonable rates and reasonable charges for the service and products of the energy system projects funded by a loan.

The municipality may also enter into contracts with other municipalities, or with corporations or persons who are located outside the jurisdictional area of the municipality, to furnish them with service or products of the energy system in exchange for the payment of reasonable rates and reasonable charges.

Rates and charges may be imposed with respect to energy system facilities made available by agreement with other municipalities, as well as those owned and operated by the municipality itself.

Rates and charges shall be as nearly as possible proportionate to the cost of furnishing the services or products or by reference to a reasonable classification of the types of premises to which services or products are furnished, or on any other equitable basis. Minimum charges for the availability of the energy system services or products may be imposed on all premises located in the municipality. Rates and charges for connections to the energy system may, in the discretion of the municipality, be fixed by reference to the portion of the cost which has been paid by assessment of the premises to be connected, in comparison with other premises, as well as the cost of making or supervising the connection. The municipality may make any charges a charge against the owner, lessee, occupant or all of them and may provide for certifying unpaid charges to the county auditor with taxes against the property served for collection as other taxes are collected. The municipality may fix and levy taxes for the payment of reasonable charges for the use and availability of the energy system and for maintaining it in public buildings and other public places.

In determining the reasonableness of the charges to be imposed, the municipality may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the system, and of improvements, enlargements and extensions necessary to serve adequately the territory of the municipality including the principal and interest to become due on obligations issued or to be issued by the municipality. When net revenues have been appropriated to the payment of the cost of the establishment, or of any specified re-

placement, improvement, enlargement or extension, or to pay the principal and interest due on obligations issued or to be issued, no charges imposed are unreasonable because the project to be financed has not been commenced or completed, if proceedings are taken with reasonable dispatch and the project, when completed, may be expected to make service available to the premises charged which will have a value reasonably commensurate with such charges. All charges, when collected, and all funds received from the sale of any energy system facilities or equipment or any services or products, shall be placed in a separate fund, and shall be used first to pay the normal, reasonable and current costs of operating and maintaining the energy system. The net revenues received in excess of costs may be pledged by resolutions of the municipality, or may be used though not pledged, for the payment of principal and interest on obligations issued by the municipality. Net revenues derived from any energy system facilities, whether or not financed by the issuance of obligations of the municipality, may be pledged or used to pay principal and interest on obligations issued for energy system facilities.

In resolutions authorizing the issuance of either general or special obligations and pledging net revenues, the municipality may make covenants for the protection of holders of the obligations and taxpayers of the municipality as are necessary. The covenants permitted include a covenant that the municipality will impose and collect charges of the nature authorized at the times and in the amounts required to produce, together with any taxes or special assessments designated as a primary source of payment of the obligations, net revenues adequate to pay all principal and interest when due on the bonds and to create and maintain reserves securing the payments. When a covenant is made it shall be enforceable by appropriate action on the part of any holder of the obligations of the municipality or any taxpayer of the municipality in a court of competent jurisdiction. The obligations are payable wholly from the income of the energy system whose revenues are pledged, within the meaning of sections 475.51 and 475.58.

Subd. 2. [LEVY ASSESSMENTS.] The municipality may (a) levy assessments against property within the limits benefited by the energy system under the procedure authorized by law or charter with reference to other assessments for benefits of local improvements; (b) transfer and use for the purposes of the project any surplus funds of the municipality not specifically dedicated to any other purpose; and (c) levy taxes of up to one mill but not in excess of \$30 per capita on property within the municipal limits, except that the one mill and \$30 per capita limits shall not apply if higher limits are approved by a referendum. Any taxes levied on property within the limits of the municipality, pursuant to this subdivision, are not subject to the limitations of section 275.11 and shall be treated as a special levy pursuant to section 275.50, subdivision 5, clause (f).

Subd. 3. [PAYMENTS FOR CONSTRUCTION OF THE FACILITIES.] Any municipality may contract with a person, including a company or corporation, for the payment by the person, in whole or part, of the cost of construction, maintenance, or use of the energy system facilities. The payment may be made to the municipality in a lump sum or installments of the portion of the cost of the construction, maintenance, or use as may be agreed upon or contracted for with the municipality. The municipality shall devote the money so received for the purpose of construction, maintenance, or use. The proportionate cost of construction, maintenance, or use of the energy system facilities to be paid by the person may be made payable in installments due at not greater than annual intervals for a period not to exceed 30 years. Any person who pays any part of the cost of construction, maintenance or use of the energy system facilities shall have the right to use the facilities upon the payment of reasonable charges for the use of the facilities or the charges contracted for in case there is a contract.

Subd. 4. [LOANS CONDITIONAL ON RATES AND CHARGES.] The agency may condition any loans upon the establishment of rates and charges sufficient to produce the revenue to meet or exceed the cost of the project including the repayment of any loans from the state bond fund.

Sec. 11. [116H.63] [DISBURSEMENTS TO OTHER STATE AGENCIES.] Funds appropriated to the energy fund for expenditure by other state agencies or departments may only be disbursed for renewable energy source projects approved by the energy agency. Funds appropriated may be combined with proceeds of bonds of other agencies and with funds appropriated to the other agencies for similar purposes.

Sec. 12. [116H.64] [MINNESOTA STATE ENERGY BONDS.] Subdivision 1. [AUTHORITY TO ISSUE BONDS.] The commissioner of finance shall sell bonds of the state of Minnesota and deposit the proceeds in the Minnesota state energy fund. The full faith, credit, and taxing powers of the state are irrevocably pledged for the prompt and full payment of the bonds together with interest. Bonds shall be sold only upon request of the agency and in the amount authorized by section 13 or as may subsequently be authorized by a subsequently enacted law which authorizes the sale of additional bonds and the deposit of the proceeds in the state energy fund. Any authorized amount of bonds in this law or any subsequently enacted law authorizing the issuance of bonds for the purposes of the state energy fund, together with this section, constitute complete authority for the issue. The bonds shall not be subject to restrictions or limitations contained in any other law.

Subd. 2. [ISSUANCE OF BONDS.] Upon request by the agency and upon authorization as provided in subdivision 1, the

commissioner of finance shall sell Minnesota state energy bonds. The bonds shall be in the aggregate amount requested, and sold upon sealed bids upon the notice, at the price, in the form and denominations, bearing interest at the rate or rates, maturing in the amounts and on the dates (without option of prepayment or subject to prepayment upon the notice and at the times and prices), payable at the bank or banks within or outside the state (with provisions for registration, conversion, and exchange and for the issuance of notes in anticipation of the sale or delivery of definitive bonds), and in accordance with any further provisions as the commissioner of finance shall determine. The sale is subject to the approval of the attorney general, but not subject to the provisions of Minnesota Statutes, Sections 15.0411 to 15.0422. The bonds shall be executed by the commissioner of finance and attested by the state treasurer under their official seals. The signatures of the officers on the bonds and any interest coupons and their seals may be printed, lithographed, engraved, or stamped, except that each bond shall be authenticated by the manual signature on its face of one of the officers or of an officer of a bank designated by them as authenticating agent. The commissioner of finance shall ascertain and certify to the purchasers of the bonds the performance and existence of all acts, conditions, and things necessary to make them valid and binding general obligations of the state of Minnesota, subject to the approval of the attorney general.

Subd. 3. [EXPENSES.] All expenses incidental to the sale, printing, execution, and delivery of bonds pursuant to this section, including actual and necessary travel and subsistence expenses of state officers and employees for these purposes, and any expenses of litigation relating to the validity of the bonds, shall be paid from the energy fund, and the amounts necessary are appropriated from that fund.

Subd. 4. [ENERGY BOND ACCOUNT IN THE STATE BOND FUND.] The commissioner of finance shall maintain in the state bond fund established by the Minnesota Constitution, Article XI, Section 7, a separate account to be called the state energy bond account. The account shall record receipts of premium and accrued interest, loan repayments, or other money transferred to the fund and income from the investment of the money. It shall also record any disbursements to pay Minnesota the principal and interest on energy bonds. Income from investment shall be credited to the account in each fiscal year. The amount credited shall be equal to the average return that year on all funds invested by the state treasurer, as determined by the treasurer, times the average balance in the account that year.

Subd. 5. [APPROPRIATIONS TO STATE BOND FUND; APPROPRIATION FROM FUND TO PAY DEBT SERVICE.] The premium and accrued interest received on each issue of Minnesota energy bonds, and all payments received in repayment of loans are appropriated to the energy bond account of the state

bond fund. All income from the investment of the Minnesota state energy fund is also appropriated to the account. In order to reduce the amount of taxes otherwise required to be levied, there is annually appropriated to the account from the general fund on November 1 in each year, a sum of money sufficient in amount, when added to the balance then on hand, to pay all principal and interest on Minnesota energy bonds due and to become due before July 1 in the second ensuing year. So much of the account as is necessary to pay principal and interest on energy bonds is annually appropriated from the account for the payment of principal and interest of the energy bonds. All funds appropriated by this subdivision shall be available in the account prior to any levy of the tax in any year required by the Minnesota Constitution, Article XI, Section 7.

Subd. 6. [TAX LEVY.] On or before December 1 in each year the state auditor shall levy on all taxable property within the state whatever tax may be necessary to produce an amount sufficient, with all money currently credited to the energy bond account of the state bond fund, to pay the entire amount of principal and interest currently due and the principal and interest to become due before July 1 in the second year thereafter on Minnesota energy bonds. This tax shall be levied upon all real property used for the purposes of a homestead, as well as other taxable property, notwithstanding the provisions of Minnesota Statutes, Section 273.13, Subdivisions 6 and 7, and shall be subject to no limitation of rate or amount until all the bonds and interest thereon are fully paid. The proceeds of this tax are appropriated to the energy bond account of the state bond fund. The principal of and interest on the bonds are payable from the proceeds of this tax.

If the proceeds of the tax is insufficient to pay the principal and interest due on the energy bonds, there is annually appropriated to the account from the general fund a sum of money sufficient in amount, when added to the balance then on hand, to pay all principal and interest on Minnesota energy bonds when due.

Sec. 13. [BOND AUTHORIZATION AND APPROPRIATION OF PROCEEDS.] The commissioner of finance is authorized, upon request of the energy agency, to sell Minnesota state energy bonds in the amount of up to \$ in the manner and upon the conditions prescribed in section 12 and in the Minnesota Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, except as provided in section 12, subdivision 5, are appropriated to the Minnesota state energy fund. The amount of bonds issued pursuant to this authorization shall not exceed at any time the amount needed to produce a balance in the energy fund equal to the aggregate amount of the municipal loans and grants then approved and not previously disbursed, plus the amount of the loans and grants to be approved in the current and the following fiscal year, as estimated by the energy agency.

Sec. 14. [462A.27] [LOANS PROGRAM FOR LOW AND MODERATE INCOME PERSONS.] Subdivision 1. For purposes of this section only, the term "agency" shall mean the Minnesota housing finance agency.

Subd. 2. The agency shall establish a program of loans for persons of low and moderate income to improve the energy efficiency of their principal residences or to equip their principal residences for the use of renewable energy sources or traditional fuels that are less costly and more plentiful. Both renters and homeowners are eligible for loans offered under this program.

Subd. 3. Expenses that qualify for loans under this section shall be established by rule but shall include:

(a) weatherization retrofit materials or materials and labor on residences constructed prior to January 1, 1980,

(b) structural or building envelope repairs essential for proper weatherization,

(c) improvements in the efficiency of existing energy systems, and

(d) the installation of or conversion to energy systems using peat, renewable energy sources, or more plentiful fossil fuels. Any solar energy system financed wholly or in part by this program shall comply with solar energy system standards of performance promulgated pursuant to Minnesota Statutes 1978, Section 116H.127.

Subd. 4. Notwithstanding other provisions of section 2 and this section, households having an annual income at or below 125 percent of the U.S. office of management and budget poverty guideline levels shall be eligible for loans from this program for purposes of:

(a) improvements in the efficiency of existing energy systems; and

(b) the installation of or conversion to energy systems using peat, renewable energy sources, or more plentiful fossil fuels. Any solar energy system financed wholly or in part by this program shall comply with solar energy system standards of performance promulgated pursuant to Minnesota Statutes 1978, Section 116H.127.

Subd. 5. Loans may be issued under this section directly by the agency or by housing and redevelopment authorities or local lenders that meet qualifications established by rule. Qualified local lenders participating in the program shall be provided with application forms prepared by the agency. Loans originated by

a housing and redevelopment authority or a local lender shall be assumed by the agency at full loan value plus an origination fee.

Subd. 6. Loans made pursuant to this section need not be secured by a lien on personal or real property. Loans may be in amounts no larger than \$5,000. The interest rate on loans, within the range of 8 percent to 11 percent, shall be established by rule and based on household income.

Subd. 7. No loan shall be issued to an applicant until the applicant has certified at least the following:

(a) that principal and interest on the loan will be paid in full as provided by the terms of the loan agreement,

(b) the household income of the applicant,

(c) the intended use of loaned money, and

(d) that no outstanding balance remains on any previous loan authorized by this section.

Subd. 8. The obligation to repay a loan issued to a homeowner or renter under this program may be assumed by a subsequent owner or renter of the residential property improved, regardless of the household income of the subsequent owner or renter. The agency shall make no charge for the assumption of a loan.

Sec. 15. [APPROPRIATION FOR ENERGY LOANS TO PERSONS OF LOW AND MODERATE INCOME.] The sum of \$1,500,000 is appropriated from the general fund to the housing development fund established pursuant to Minnesota Statutes, Section 462A.21, Subdivision 10 for the purpose of loans to persons of low and moderate income as provided by section 14.

Sec. 16. [APPROPRIATION TO MINNESOTA ENERGY AGENCY.] The sum of \$..... is appropriated from the general fund to the Minnesota energy agency for the purpose of administration of the programs provided by sections 1 to 13. These funds are available until July 1, 1981."

Further, amend the title as follows:

Page 1, line 5, delete "and grants"

Page 1, line 7, delete "from"

Page 1, line 9, delete "creating" and insert "allowing municipalities to create"

Page 1, line 9, delete "and"

Page 1, line 10, delete "low and moderate incomes to assist"

Page 1, line 13, after the semicolon, insert "establishing a loan program for persons of low and moderate income;"

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

The report was adopted.

Johnson, C., from the Committee on Education to which was referred:

H. F. No. 1757, A bill for an act relating to education; providing free tuition at post-secondary vocational-technical schools for certain veterans; amending Minnesota Statutes 1978, Section 124.565, by adding a subdivision; and Minnesota Statutes, 1979 Supplement, Section 124.565, Subdivision 3.

Reported the same back with the following amendments:

Page 2, line 14, after "States" insert "*after July 1, 1961; and*"

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

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1769, A bill for an act relating to public welfare; providing access to criminal conviction data of certain applicants for licenses; amending Minnesota Statutes 1978, Section 245.783, Subdivision 3.

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

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 1824, A bill for an act relating to driver's licenses; providing for the disposition of the county fee in Dakota County.

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

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 1906, A bill for an act relating to highways; providing a penalty for certain unlawful uses of or actions on public highways; prohibiting the erection of a fence on the right of way of a town road; amending Minnesota Statutes 1978, Section 160.27, Subdivision 5.

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

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 1925, A bill for an act relating to motor vehicles; clarifying penalty provisions for certain traffic violations; clarifying provisions which prohibit the operation of a motor vehicle while a driver's license is revoked or suspended; amending Minnesota Statutes 1978, Sections 169.141, Subdivision 2; 169.89, Subdivision 1; 171.20, Subdivision 2; and 171.24.

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

The report was adopted.

Vanasek from the Committee on Criminal Justice to which was referred:

H. F. No. 1929, A bill for an act relating to corrections; providing for licensing of correctional facilities; regulating inmate earnings; providing for the investment of funds in the correctional industries revolving account; prohibiting the introduction of contraband into other state institutions; prescribing penalties; amending Minnesota Statutes 1978, Sections 241.021, Subdivision 1; 243.24, Subdivision 1; Minnesota Statutes, 1979 Supplement, Sections 241.27, Subdivision 2; and 243.55, Subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 241.021, Subdivision 1, is amended to read:

241.021 [LICENSING AND SUPERVISION OF INSTITUTIONS AND FACILITIES.] Subdivision 1. [SUPERVISION OVER CORRECTIONAL INSTITUTIONS; ADVISORY TASK FORCES.] (1) The commissioner of corrections shall inspect and license all correctional facilities throughout the state, whether public or private, established and operated for the detention and confinement of persons detained or confined therein according to law except to the extent that they are inspected or licensed by other state regulating agencies. He shall promulgate pursuant to chapter 15, rules establishing minimum standards for these facilities with respect to their management, operation, physical condition, and the security, safety, health, treatment and discipline of persons detained or confined therein. Commencing September 1, 1980, no individual, corporation, partnership, voluntary association or other private organization legally responsible for the operation of a correctional facility may operate the facility unless licensed by the commissioner of corrections. (THE COMMISSIONER MAY PROVIDE BY RULE FOR PROVISIONAL LICENSES WHICH AUTHORIZE THE OPERATION OF A CORRECTIONAL FACILITY ON A TEMPORARY BASIS WHERE THE OPERATOR IS TEMPORARILY UNABLE TO COMPLY WITH ALL OF THE REQUIREMENTS FOR A LICENSE. NOTWITHSTANDING THE PROVISIONS OF SECTIONS 15.0412 AND 15.0413, RULES SETTING STANDARDS FOR GROUP HOMES ESTABLISHED UNDER THE DIRECTION OF THE JUVENILE COURT SHALL NOT TAKE EFFECT UNTIL SEPTEMBER 1, 1979) *The commissioner shall annually review the correctional facilities described in this subdivision, except as otherwise provided herein, to determine compliance with the minimum standards established pursuant to this subdivision. The commissioner shall grant a license to any facility found to conform to minimum standards or to any facility which, in his judgment, is making satisfactory progress toward substantial conformity and the interests and well-being of the persons detained or confined therein are protected. The commissioner shall have access to the buildings, grounds, books, records, staff and to persons detained or confined in these facilities. He may require the officers in charge of these facilities to furnish all information and statistics he deems necessary, upon forms furnished by him.*

(2) Any state agency which regulates, inspects, or licenses certain aspects of correctional facilities shall, insofar as is possible, ensure that the minimum standards it requires are substantially the same as those required by other state agencies which regulate, inspect, or license the same aspects of similar types of correctional facilities, although at different correctional facilities.

(3) Nothing in this section shall be construed to limit the commissioner of corrections' authority to promulgate rules establishing standards of eligibility for counties to receive funds under sections 401.01 to 401.16, or to require counties to comply with operating standards the commissioner establishes as a condition precedent for counties to receive that funding.

(4) When the commissioner finds that any facility described in clause (1) of this subdivision, except foster care facilities for delinquent children and youth as provided in subdivision 2, does not *substantially* conform to the minimum standards established by (LAW OR BY) the commissioner *and is not making satisfactory progress toward substantial conformance*, he shall promptly notify the chief executive officer and the governing board of the facility of the deficiencies and order that they be remedied within a reasonable period of time. The commissioner may by written order restrict the use of any facility which does not substantially conform to minimum standards to prohibit the detention of any person therein for more than 72 hours at one time. When, after due notice and hearing, the commissioner finds that any facility described in this subdivision, except county jails and lockups as provided in sections 641.26, 642.10, and 642.11, does not conform to minimum standards, or is not making satisfactory progress toward substantial compliance therewith, he may issue his order revoking the license of that facility. After revocation of its license, that facility shall not be used until its license is renewed. When the commissioner is satisfied that satisfactory progress towards substantial compliance with minimum standard is being made, he may, at the request of the appropriate officials of the affected facility supported by a written schedule for compliance, grant an extension of time for a period not to exceed one year.

(5) As used in this subdivision, "correctional facility" means any facility, including a group home, having a residential component, the primary purpose of which is to serve persons placed therein by a court, court services department, parole authority, or other correctional agency having dispositional power over persons charged with, convicted or adjudicated to be guilty or delinquent.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 241.27, Subdivision 2, is amended to read:

Subd. 2. [REVOLVING FUND; USE OF FUND.] There is established in the department of corrections under the control of the commissioner of corrections the Minnesota correctional industries revolving fund to which shall be transferred the revolving funds established by sections 243.41, (243.85, CLAUSE (F),) and any other industrial revolving funds heretofore established at any state correctional facility under the control of the commissioner of corrections. The revolving fund established shall be used for the conduct of the industrial and commercial activities now or hereafter established at any state correctional facility, including but not limited to the purchase of equipment, raw materials, the payment of salaries, wages and other expenses necessary and incident thereto. Additionally, the expenses of inmate vocational training and the inmate release fund may be financed from the correctional industries revolving fund in an amount to be determined by the commissioner. The proceeds and

income from all industrial and commercial activities conducted at state correctional facilities shall be deposited in the correctional industries revolving fund subject to disbursement as hereinabove provided. *The commissioner of corrections may request that money in the fund be invested pursuant to section 11.10; the proceeds from the investment not currently needed shall be accounted for separately and credited to the fund.*

Sec. 3. Minnesota Statutes 1978, Section 243.24, Subdivision 1, is amended to read:

243.24 [MONEYS, HOW USED; FORFEITURE.] Subdivision 1. [SOLE BENEFIT OF INMATE.] Any money arising under section 243.23 shall be and remain under the control of the commissioner of corrections and shall be for the sole benefit of the (PRISONER) inmate, unless by special order of the commissioner of corrections it shall be used for rendering assistance to his family or dependent relatives, under such regulations as to time, manner and amount of disbursements as the commissioner of corrections may prescribe. Unless ordered disbursed as hereinbefore prescribed or for an urgency determined (,) in each case (,) by the (WARDEN OR SUPERINTENDENT, AT LEAST ONE-HALF) *chief executive officer of the facility, a portion* of such earnings (, BUT NOT TO EXCEED A MAXIMUM) *in an amount* to be determined by the commissioner, shall be set aside and kept by the (INSTITUTION) *facility* in the public welfare fund of the state for the benefit of the (PRISONER) inmate and for the purpose of assisting him when he leaves the (INSTITUTION) *facility* and if released on parole said sum to be disbursed to the (PRISONER) inmate in such amounts and at such times as the commissioner of corrections may authorize and on final discharge, if any portion remains undisbursed, it shall be transmitted to the (PRISONER) inmate.

Sec. 4. Minnesota Statutes 1978, Section 243.88, Subdivision 2, is amended to read:

Subd. 2. Any corporation operating a factory or other business or commercial enterprise under this section may employ selected inmates of the correctional institution upon whose grounds it operates and persons conditionally released subject to the provisions of section 241.26. Persons conditionally released as provided in this subdivision shall be deemed to be parolees within the purview of 49 United States Code, Section 60.

Except as prohibited by applicable provisions of the United States Code, inmates of state correctional institutions may be employed in the manufacture and processing of goods, wares and merchandise for introduction into interstate commerce, provided that they are paid no less than the prevailing minimum wages for work of a similar nature performed by employees with similar skills in the locality in which the work is being performed.

Under rules prescribed by the commissioner of corrections a portion of the wages of each inmate employed as authorized by this subdivision, in an amount to be determined by the commissioner, shall be set aside and kept by the chief executive officer of the facility in the public welfare fund of the state for the benefit of the inmate and for the purpose of assisting him when he leaves the facility on conditional release or by final discharge. At the time of the inmate's final discharge any portion remaining undisbursed shall be given to the inmate.

Sec. 5. [TEMPORARY PROVISION.] Pursuant to section 15.0412, subdivision 5, the commissioner of corrections may amend existing rules 11 MCAR, sections 2.401 to 2.440 to comply with the amendments to section 241.021, subdivision 1, clauses (1) and (4) contained in sections 1 to 4.

Sec. 6. Sections 1 to 5 are effective the day following final enactment."

Further, amend the title as follows:

Page 1, delete lines 2 to 11 and insert:

"relating to corrections; providing for licensing of correctional facilities; regulating inmate earnings; providing for the investment of money in the correctional industries revolving account; authorizing the commissioner of corrections to amend 11 MCAR, sections 2.401 to 2.440; amending Minnesota Statutes 1978, Sections 241.021, Subdivision 1; 243.24, Subdivision 1; 243.88, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 241.27, Subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Prahl from the Committee on Commerce, Economic Development and Housing to which was referred:

H. F. No. 1941, A bill for an act relating to mobile homes; permitting the sale of mobile homes from a residence; amending Minnesota Statutes 1978, Section 327.55, Subdivision 1.

Reported the same back with the following amendments:

Page 2, line 13, reinstate "residence,"

Page 2, line 15, after the semicolon insert "provided that the owner of a licensed mobile home park who resides in or adjacent to the park may use his residence as the established place of

business required by this section, unless prohibited by local zoning ordinance;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 1957, A bill for an act relating to drivers licenses; authorizing instruction permit holders to operate a motor vehicle while receiving behind the wheel training when accompanied by licensed adults; amending Minnesota Statutes 1978, Section 171.05, Subdivision 2.

Reported the same back with the following amendments:

Page 1, line 23, delete "*adult driver*" and reinsert the stricken language and insert "*or licensed adult driver authorized by the parent or guardian*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1981, A bill for an act relating to public welfare; authorizing certain payments to shelter facilities for battered women; requiring direct payments to shelter facilities from general assistance; amending Minnesota Statutes 1978, Section 256D.05, Subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1978, Chapter 256, is amended by adding a section to read:

[256.012] [MINNESOTA MERIT SYSTEM.] *Subdivision 1. The commissioner of public welfare shall promulgate by rule personnel standards on a merit basis in accordance with federal standards for a merit system of personnel administration for all employees of county boards engaged in the administration of community social services or income maintenance programs, all employees of human service boards which have*

adopted the rules of the Minnesota merit system, and all employees of county welfare boards. Excluded from these rules are:

(a) All employees of institutions, sanitariums and hospitals under the jurisdiction of the aforementioned boards;

(b) All employees of Hennepin and Ramsey Counties;

(c) All nonprofessional employees of St. Louis County;

(d) All employees covered by a federally approved county personnel administration system under Minnesota Statutes, Sections 375.56 to 375.71;

(e) Those positions which, upon the request of the appointing authority, the commissioner in his discretion exempts, provided the exemption accords with the federal standards;

(f) Duly appointed or elected members of the aforementioned boards; and

(g) The director of community social services.

Subd. 2. Rules of the Minnesota merit system shall provide for:

(a) Recruitment, examination and advancement of employees on the basis of skill, knowledge and ability;

(b) Job related selection procedures which shall include methods for the certification and appointment of qualified applicants;

(c) A compensation plan, to be adjusted annually, which includes equitable and adequate ranges of permissible salaries for those employees not represented by an exclusive representative, as provided in Minnesota Statutes, Chapter 179;

(d) A current position classification plan;

(e) Employee performance training as needed;

(f) Retention of employees on the basis of adequacy of performance;

(g) Appeal procedures for applicants, employees and employers;

(h) Equal employment opportunity; and

(i) *Other rules necessary to meet federal standards and insure proper and efficient personnel administration.*

Subd. 3. The commissioner of public welfare shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with Minnesota merit system personnel standards. The board having the responsibility of employing individuals under the rules of the Minnesota merit system shall set individual salaries and select ranges of permissible salaries, within the commissioner's compensation plan, for those employees not covered by an exclusive representative."

Renumber subsequent sections

Page 1, line 15, after "maintenance" insert "costs"

Page 1, line 16, after "costs" insert "which are related to providing 24-hour staff coverage at the facility"

Page 2, line 18, delete "and" and insert ","

Page 2, line 18, after "2" insert "and 3"

Further, amend the title as follows:

Page 1, delete lines 2 to 6 and insert:

"relating to public welfare; directing the commissioner of public welfare to establish and maintain personnel standards on a merit basis for certain employees of county boards, county welfare boards and human services boards; authorizing certain payments to shelter facilities for battered women; requiring direct payments to shelter facilities from general assistance; amending Minnesota Statutes 1978, Chapter 256, by adding a section; and Section 256D.05, Subdivision 3."

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

The report was adopted.

Prahl from the Committee on Commerce, Economic Development and Housing to which was referred:

H. F. No. 2046, A bill for an act establishing the Minnesota small business conference; providing for its organization, meetings and procedures; appropriating money.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2075, A bill for an act relating to health; requiring certain immunizations for children; requiring certain schools to maintain immunization records and make certain reports; amending Minnesota Statutes 1978, Section 123.70.

Reported the same back with the following amendments:

Page 3, after line 15 insert:

"Subd. 4. A child who is enrolling or enrolled in a public, private or parochial elementary school may substitute a statement signed by a parent or guardian in lieu of the statement signed by a physician or public clinic which provides immunizations. If the statement is signed by a parent or guardian, the statement shall indicate the month and year of each immunization given. In order for the statement to be acceptable it must indicate that the following was given: no less than one dose of vaccine each for measles, mumps, and rubella given separately or in combination, and no less than three doses of vaccine for poliomyelitis, and no less than four doses of vaccine for diphtheria, tetanus, and pertussis. If the commissioner of health finds that any of the above requirements are not necessary to protect the public's health, he may suspend for one year that requirement."

Page 3, line 16, strike "4" and insert "5"

Page 3, line 22, strike "5" and insert "6"

Page 3, line 27, delete "6" and insert "7"

Page 4, line 3, delete "15" and insert "30"

Page 4, line 4, delete "7" and insert "8"

Page 4, line 18, delete "8" and insert "9"

Page 4, line 8, delete *"distributed"* and insert *"developed jointly by the commissioner of health and the commissioner of education and be distributed to the local school districts"*

Page 4, line 17, after the period insert, *"The report pursuant to this subdivision shall not be required of any day care facility."*

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 2101, A bill for an act relating to financial institutions; establishing a maximum lawful rate of interest chargeable on loans made by credit unions; amending Minnesota Statutes 1978, Section 52.14.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 48.153, is amended to read:

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

Subd. 2. Notwithstanding the provisions of subdivision 1 to the contrary, any bank organized under the laws of this state or any national banking association doing business in this state, making any loan of money not exceeding \$25,000 repayable in installments, may, at the time the loan is made, charge the rate of interest authorized by section 334.011 upon the unpaid balance of the amount financed. If the rate of interest charged is per-

mitted by section 334.011 at the time the loan was made, such rate does not later become usurious because of a fluctuation in the federal discount rate.

Installment loans made under this subdivision shall in all other respects comply with the provisions of subdivision 1.

Sec. 2. Minnesota Statutes 1978, Section 51A.21, is amended by adding a subdivision to read:

Subd. 19. [OPEN END LOAN ACCOUNT ARRANGEMENTS.] Any savings association or savings and loan association subject to the provisions of sections 51A.01 to 51A.57, and any savings and loan association chartered under the laws of the United States, and any wholly owned subsidiary of any such financial institution, may extend credit through an open end loan account arrangement with a debtor, pursuant to which the debtor may obtain loans from time to time by cash advances, purchases or satisfaction of the obligations of the debtor incurred pursuant to a credit card or other open end loan account plan, or otherwise under a credit card or overdraft plan, pursuant and subject to the provisions of section 48.185, subdivisions 3, 4, 4a, 5, 6 and 7 that are applicable to banks, national banking associations, and savings banks. The extension of credit pursuant to this subdivision may be unsecured or may be secured in whole or in part by an assignment or pledge of a savings account or savings certificate.

Sec. 3. Minnesota Statutes 1978, Section 52.14, is amended to read:

52.14 [INTEREST ON LOANS.] *Subdivision 1. Interest rates on loans made by a credit union shall not exceed one per cent a month on unpaid balances.*

Subd. 2. Notwithstanding the provisions of subdivision 1 to the contrary, interest rates on unpaid balances of loans made by a credit union shall not exceed the rate of interest authorized in section 334.011. If the rate of interest charged is permitted by section 334.011 at the time the loan was made, the rate does not later become usurious because of a fluctuation in the federal discount rate.

Sec. 4. Sections 1, subdivision 2; 2; and 3, subdivision 2; are repealed June 30, 1982.

Sec. 5. Sections 1, 2, and 3 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to financial institutions; providing for interest rates on certain installment loans and open end loan

account arrangements; granting certain lending powers to savings associations and savings and loan associations; amending Minnesota Statutes 1978, Sections 48.153; 51A.21, by adding a subdivision; and 52.14."

With the recommendation that when so amended the bill pass.

The report was adopted.

Prahl from the Committee on Commerce, Economic Development and Housing to which was referred:

H. F. No. 2132, A bill for an act relating to securities; providing for improved regulation of the sale of securities and the licensing of broker-dealers, agents and investment advisers; making miscellaneous clarifications and revisions; prescribing certain fees; amending Minnesota Statutes 1978, Sections 80A.05, Subdivision 1; 80A.07, Subdivision 1; 80A.12, Subdivision 3; 80A.14; 80A.15, Subdivision 2; 80A.16; 80A.21, Subdivision 1; 80A.28, Subdivisions 2, 7, and by adding a subdivision; and 80A.30, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 80A.15, Subdivision 1.

Reported the same back with the following amendments:

Page 19, line 9, before "a" insert "(1)"

Page 19, lines 9 to 10, strike "has been filed under both sections 80A.01 to 80A.31 and the" and insert "*under the*"

Page 19, line 10, before the comma insert: "*or a notification pursuant to Section 3(b) of that Act has been filed with the Securities and Exchange Commission and (2) a registration statement has been filed under Sections 80A.01 to 80A.31*"

Page 23, line 32, delete Section 13 and insert:

"Sec. 13. Minnesota Statutes 1978, Section 83.23, Subdivision 4, is amended to read:

Subd. 4. If additional subdivided lands of the same subdivider are subsequently to be offered for disposition, the registration thereof may be consolidated with any earlier registration offering subdivided lands for disposition under the same promotional plan, if the additional subdivided lands are adjacent to those previously registered. (AN APPLICATION FOR CONSOLIDATION SHALL BE ACCOMPANIED BY AN AMENDMENT FEE OF \$50.) The filing fee requirements of subdivision 2 shall apply unless the maximum filing fee has been previously paid.

Sec. 14. Minnesota Statutes 1978, Section 83.26, is amended to read:

83.26 [EXEMPTIONS.] Subdivision 1. Unless the method of disposition is adopted for the purpose of evasion of sections 83.20 to 83.42, sections 83.20 to 83.42 do not apply to offers or dispositions of interests in land:

(a) By a purchaser of subdivided lands for his own account in a single or isolated transaction;

(b) To any person who acquires such land for the purpose of engaging in and who does use such land to engage in the business of constructing residential, commercial or industrial buildings thereon for the purpose of resale or constructing commercial or industrial buildings for his own use;

(c) Pursuant to an order of a court of competent jurisdiction of this state;

(d) As cemetery lots or interests;

(e) If they are leases of apartments, stores, offices, or similar space in a building;

(f) If they are mortgages or deeds of trust of real estate securing evidences of indebtedness (.) ;

(g) If the land is located within the corporate limits of a municipality as defined in section 462.352, subdivision 2, or within any subdivision located within a town or municipality located within 20 miles of the city limits of a city of the first class or within three miles of the city limits of a city of the second class, or within two miles of the city limits of a city of the third or fourth class in this state. The commissioner may, by written rule or order, suspend, wholly revoke, or further condition this exemption, or may require, prior to the first disposition of subdivided lands, such further information with respect thereto as may be necessary for the protection of purchasers consistent with the provisions hereof; or

(h) *By the United States, any state, any political subdivision of a state or any corporate or other instrumentality of one or more of the foregoing.*

Subd. 2. The provisions of sections 83.23 and 83.24 with respect to the registration of subdivided lands and the public offering statement, shall not apply to offers or dispositions of interests in land (:)

((A) IF FEWER THAN TEN SEPARATE LOTS, PARCELS, UNITS OR INTERESTS IN SUBDIVIDED LANDS ARE OFFERED OR TO BE OFFERED IN ANY PERIOD OF 12 CONSECUTIVE MONTHS;)

((B)) involving the offering of not more than 50 separate lots, parcels, units or interests within any period of 12 consecutive months, if the subdivider or his agent shall have furnished to the commissioner, not less than 20 days prior to the consummation of any such disposition, a filing fee of (\$10) \$100 and a statement of the subdivider on forms prescribed by the commissioner containing the following information:

(1) The subdivider's name and address, and the form, date of organization and jurisdiction of its organization; and the name and address of each of its offices and agents in this state;

(2) A general description of the subdivided lands stating the total number of lots, parcels, units or interests to be offered;

(3) A statement in a form acceptable to the commissioner of the condition of the title to the subdivided lands including all encumbrances, deed restrictions and covenants applicable thereto;

(4) Copies of instruments which will be delivered to a purchaser to evidence his interest in the subdivided lands and of the contracts or other agreements which a purchaser will be required to agree to or sign, together with the range of selling prices, rates or rentals at which it is proposed to dispose of the lots, units, parcels or interests in the subdivisions, and a list of mandatory fees the purchaser may be required to pay for membership in groups including but not limited to home owners' associations, country clubs, golf courses and other community organizations;

(5) A statement of and evidence showing compliance with zoning and other governmental laws, ordinances and regulations affecting the use of the subdivided lands and adjacent properties;

(6) A statement asserting that the subdivision is in compliance with federal, state and local environmental quality standards. If the subdivision is not in compliance, a listing of the steps to be taken (, IF ANY,) to insure compliance;

(7) A statement of the permits required to be obtained from various federal, state and local agencies stating which have been obtained and which have been applied for. If any permit has been refused, the reasons for the refusal and the effect such refusal will have on subsequent development of the subdivision;

(8) A statement of the existing provisions of access to the subdivision, the availability of sewage disposal facilities and other public utilities including but not limited to water, electricity, gas and telephone facilities in the subdivision, the proximity in miles of the subdivision to nearby municipalities, the

availability and scope of community fire and police protection, and the location of primary and secondary schools; a statement of the improvements to be installed, including off-site and on-site community and recreational facilities, by whom they are to be installed, maintained and paid and an estimated schedule for completion (:).

(PROVIDED, HOWEVER, THAT THE COMMISSIONER MAY BY RULE OR ORDER, AS TO THE OFFER OR DISPOSITION OF ANY SUBDIVIDED LANDS, WITHDRAW OR FURTHER CONDITION THIS EXEMPTION, OR REQUIRE ADDITIONAL INFORMATION, OR INCREASE OR DECREASE THE NUMBER OF LOTS, PARCELS, UNITS OR INTERESTS IN SUBDIVIDED LANDS PERMITTED.)

Subd. 3. The commissioner may by order exempt from the provisions of sections 83.20 to 83.42 interests in subdivided lands which are registered as securities pursuant to the provisions of chapter 80.

Subd. 4. The provisions of sections 83.23, 83.24, and 83.28 to 83.32 shall not apply to offers or dispositions of interests in land if fewer than ten separate lots, parcels, units or interests in subdivided lands are offered in the aggregate during any period of 12 consecutive months.

Subd. 5. The commissioner may by rule or order, as to the offer or disposition of any subdivided lands, withdraw or further condition the exemptions enumerated in subdivision 2 or 4 or require additional information, or increase or decrease the number of lots, parcels, units or interests in subdivided lands permitted.

Sec. 15. Minnesota Statutes 1978, Section 83.27, is amended to read:

83.27. [INQUIRY AND EXAMINATION.] The commissioner may investigate any subdivision (REQUIRED TO BE REGISTERED UNDER) *subject to the provisions of sections 83.20 to 83.42 for the purpose of verifying statements contained in the application for registration or exemption and in the public offering statement. For the purpose of such investigation, the commissioner may:*

(a) Use and rely upon any relevant information or data concerning a subdivision obtained by him from the federal housing administration, the United States veterans administration, or any state or federal agency having supervisory duties over real estate subdivisions which are comparable to those of the commissioner;

(b) Require the subdivider to submit reports prepared by an independent licensed or registered engineer concerning any

hazard to which, in the opinion of the commissioner, any subdivision offered for disposition is subject, or concerning any other factor which affects the utility of lots, units, parcels or interests within the subdivision and may require evidence of compliance to remove or minimize all hazards stated by competent engineering reports;

(c) Conduct an on site inspection of each subdivision. The subdivider shall defray all actual and necessary expenses incurred by the inspector in the course of the inspection;

(d) Conduct an annual on site reinspection of each subdivision for each of the three years after registration and thereafter make periodic on site inspections. The developer shall defray all actual and necessary expenses incurred by the inspector in the course of such inspection;

(e) Require the subdivider to deposit the expenses to be incurred in any inspection or reinspection, in advance, based upon an estimate by the commissioner of the expenses likely to be incurred. All such deposits shall be paid into the state treasury and credited to the commissioner's investigation fund, from which fund the commissioner shall have power to make disbursements to pay such expenses. Any unexpended portion shall be refunded. On field examinations made by the commissioner or his employee away from the office of the commissioner a per diem of \$10 for each such person may be charged in addition to the actual expenses. Where additional technical, expert, or special services are used, the actual cost of such services may be charged in addition to actual expenses;

(f) Where an on site inspection of any subdivision has been made under sections 83.20 to 83.42, an inspection of adjacent subdivided lands for which a subsequent application for registration is filed may be waived and an inspection thereof may be made at the time of the next succeeding on site inspection.

Sec. 16. Minnesota Statutes 1978, Section 83.29, Subdivision 1, is amended to read:

83.29 [NOTICE OF FILING AND REGISTRATION.] Subdivision 1. Upon compliance with all the provisions of sections 83.20 to 83.42 applicable to the application for registration or exemption and with the requirements of the commissioner, and if the commissioner finds no grounds for denial of the application, the commissioner shall register or exempt the subdivided lands. The commissioner shall have power to place such conditions, limitations, and restrictions on any registration as may be necessary to carry out the purposes of sections 83.20 to 83.42. Registration or exemption shall be by entry in a book called Register of Subdivided Lands, which entry shall show the subdivided lands registered or exempted and (FOR WHOM REGISTERED) on whose behalf, and shall specify the condi-

tions, limitations, and restrictions upon such registration, if any, or shall make proper reference to a formal order of the commissioner on file showing such conditions, limitations, and restrictions.

Sec. 17. Minnesota Statutes 1978, Section 83.30, Subdivision 2, is amended to read:

Subd. 2. (THE COMMISSIONER MAY PERMIT THE FILING OF ANNUAL REPORTS WITHIN 30 DAYS AFTER THE ANNUAL ANNIVERSARY DATE OF A CONSOLIDATED REGISTRATION IN LIEU OF THE ANNUAL ANNIVERSARY DATE OF THE ORIGINAL REGISTRATION.) *The commissioner may order the continuation of any exemption pursuant to section 83.26, subdivision 2, upon the filing of a report in the form prescribed by rule of the commissioner at least 30 days prior to the anniversary date of the original order and payment of a fee of \$25.*

Sec. 18. Minnesota Statutes 1978, Section 83.31, is amended to read:

83.31 [CHANGES SUBSEQUENT TO REGISTRATION.] Subdivision 1. All advertising not accompanying the original application *for registration or exemption* shall be submitted to and approved by the commissioner prior to its use in this state.

Subd. 2. The subdivider or his agent shall immediately report any material changes in the information contained in an application (FOR REGISTRATION) or the exhibits appended thereto *on file with the commissioner, by submitting an application to amend accompanied by a fee in the amount of \$25 for registrations and \$10 for exemptions. The commissioner by rule may define what shall be considered a material change for such purposes and prescribe the form by which application to amend is to be made. The amendment shall become effective when so ordered by the commissioner.*

Sec. 19. Minnesota Statutes 1978, Section 83.35, Subdivision 1, is amended to read:

83.35 [ENFORCEMENT; POWERS OF COMMISSIONER.] Subdivision 1. After notice and hearing, the commissioner may suspend or revoke a registration *or exemption*, and may issue a cease and desist order to any subdivider or other person if he finds that the subdivider or person has:

(1) Violated any provision of sections 83.20 to 83.42 or any lawful order or rule of the commissioner;

(2) Directly or through an agent or employee knowingly engaged in any false, deceptive or misleading advertising, pro-

motional or sales methods to offer to dispose of an interest in subdivided lands;

(3) Made any material change in the advertising, plan of disposition or development of the subdivided lands subsequent to the order of registration without obtaining prior approval from the commissioner;

(4) Offered or disposed of any subdivided lands which have not been registered with the commissioner unless the subdivided lands or dispositions thereof are exempt from registration pursuant to section 83.26;

(5) Been convicted, or if any of the subdivider's officers, directors, partners, principals or agents has been convicted, of a crime involving fraud, deception, false pretenses, misrepresentation, false advertising or dishonest dealing in real estate transactions, subsequent to the time of the filing of the application for registration;

(6) Disposed of, concealed or diverted any funds or assets of any person so as to defeat the rights of subdivision purchasers;

(7) Failed faithfully to perform any stipulation or agreement made with the commissioner as an inducement to grant any registration, to reinstate any registration or to permit any promotional plan or public offering statement;

(8) Made misrepresentations or concealed material facts in an application for registration;

(9) Permanently or temporarily been enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of land sales; or

(10) Failed to pay any filing or inspection fee required by sections 83.20 to 83.42.

Sec. 20. Minnesota Statutes 1978, Section 83.35, Subdivision 2, is amended to read:

Subd. 2. (WHEN INITIATING A PROCEEDING UNDER SUBDIVISION 1, THE COMMISSIONER SHALL SERVE UPON THE SUBDIVIDER OR OTHER PERSON BY PERSONAL SERVICE OR BY CERTIFIED MAIL, A WRITTEN NOTICE OF HEARING SETTING THE DATE, TIME AND PLACE OF THE HEARING AND A STATEMENT OF THE ALLEGATIONS UPON WHICH THE CEASE AND DESIST ORDER, SUSPENSION OR REVOCATION WILL BE BASED.) *Upon entry of an order under subdivision 1, the commissioner shall serve a copy of the order upon the subdivider*

or other person by personal service or by certified mail. The order shall state the reasons for its issuance and shall either order a hearing, which shall be set for no later than 20 days from the date of the order, or specify that upon the written request of the subdivider or other person, the matter will be set for hearing within seven days after receipt of the request; provided that with the consent of the subdivider or other person a hearing may be held subsequent to the expiration of either period specified herein. If no hearing is requested within 30 days of service of the order and none is ordered by the commissioner, the order will remain in effect until it is modified or vacated by the commissioner. If a hearing is requested or ordered, the commissioner, after notice and hearing in accordance with the provisions of chapter 15, shall affirm, modify or vacate the order.

Sec. 21. Minnesota Statutes 1978, Section 83.35, Subdivision 3, is amended to read:

Subd. 3. (IF THE COMMISSIONER DETERMINES THAT THE PUBLIC INTEREST MAY BE HARMED BY DELAY IN ISSUING AN ORDER UNDER THIS SECTION, HE MAY ISSUE A TEMPORARY CEASE AND DESIST ORDER OR A TEMPORARY ORDER SUSPENDING THE REGISTRATION. PRIOR TO ISSUING SUCH AN ORDER, THE COMMISSIONER SHALL WHENEVER POSSIBLE BY TELEPHONE OR OTHERWISE GIVE NOTICE TO THE SUBDIVIDER OR OTHER PERSON OF HIS INTENTION TO ISSUE THE ORDER.) *As an alternative to the procedure prescribed in subdivision 2, the commissioner may issue an order to show cause setting a hearing and requiring a subdivider or other person to appear and show cause why a cease and desist order should not be issued, or why an order suspending or revoking a registration, amendment or exemption should not be issued. The order to show cause shall give reasonable notice of the time and place for hearing thereon and shall state the reasons for the entry of the order. The hearing shall be conducted in accordance with the provisions of chapter 15. After the hearing, the commissioner shall enter an order making such disposition of the matter as the facts require.*

Sec. 22. Minnesota Statutes 1978, Section 83.37, Subdivision 1, is amended to read:

83.37 [PENALTIES; CIVIL REMEDIES.] Subdivision 1. Any person who knowingly authorizes, directs, or aids in the publication, advertisement, distribution, or circularization of any false statement or representation concerning any subdivided lands required to be registered under sections 83.20 to 83.42 and every such person who, with knowledge that any advertisement, pamphlet, prospectus, or letter concerning any such lands contains any written statement that is false or fraudulent, issues, circulates, publishes, or distributes the same, or shall cause the same to be issued, circulated, published or distributed, shall be

(GUILTY OF A GROSS MISDEMEANOR) *fined not more than \$5,000 or imprisoned not more than five years, or both.*

Sec. 23. [REPEALER.] *Minnesota Statutes 1978, Section 83.35, Subdivision 5, is repealed.*

Sec. 24. [EFFECTIVE DATE.] *Sections 1 to 23 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 6, after "revisions;" insert:

"regulating the sale of subdivided lands; prescribing certain registration and exemption procedures and requirements; modifying the enforcement powers and procedures of the commissioner of securities; providing certain penalties;"

Page 1, line 12, after the semicolon insert:

"83.23, Subdivision 4; 83.26; 83.27; 83.29, Subdivision 1; 83.30, Subdivision 2; 83.31; 83.35, Subdivisions 1, 2 and 3; and 83.37, Subdivision 1;"

Page 1, line 3, before the period insert " ; repealing Minnesota Statutes 1980, Section 83.35, Subdivision 5"

With the recommendation that when so amended the bill pass.

The report was adopted.

Casserly from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2134, A bill for an act relating to the city of Bloomington; permitting the establishment of a port authority.

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

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2135, A bill for an act relating to public welfare; providing that certain relatives of children receiving aid to families with dependent children are not responsible for contributions; amending Minnesota Statutes 1978, Section 256.87, Subdivision 1.

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

The report was adopted.

Vanasek from the Committee on Criminal Justice to which was referred:

H. F. No. 2141, A bill for an act relating to crimes; requiring inclusion of information on presentence investigation reports deemed necessary by the sentencing guidelines commission; amending Minnesota Statutes, 1979 Supplement, Section 609.115, Subdivision 1.

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

The report was adopted.

Vanasek from the Committee on Criminal Justice to which was referred:

H. F. No. 2142, A bill for an act relating to crimes; requiring sentencing courts to submit information as the sentencing guidelines commission requires which is reasonably related to monitoring application of sentence guidelines; amending Minnesota Statutes 1978, Section 244.09, Subdivision 6.

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

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 2148, A bill for an act relating to transportation; providing for statewide park and ride facilities; amending Minnesota Statutes 1978, Chapter 174, by adding sections; appropriating money.

Reported the same back with the following amendments:

Page 1, line 10, delete "GRANT"

Page 2, delete lines 25 to 29

Page 3, line 3, delete "state"

Page 3, line 4, after the first "program" insert "throughout the state"

Page 3, delete lines 9 to 11

Page 3, line 12, delete "(c)" and insert "(b)"

Page 3, line 13, delete "clauses" and insert "clause" and delete "and (b)"

Page 3, line 20, delete "(d)" and insert "(c)"

Page 3, line 23, delete "(e)" and insert "(d)"

Page 3, line 25, delete "(f)" and insert "(e)"

Page 4, delete lines 5 to 21

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

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2149, A bill for an act relating to public welfare; clarifying duties of the commissioner of public welfare regarding approval of public and private mental health centers and clinics for certain purposes; mandating additional rulemaking; amending Minnesota Statutes, 1979 Supplement, Section 245.69.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 245.69, is amended to read:

245.69 [ADDITIONAL DUTIES OF COMMISSIONER.]
Subdivision 1. In addition to the powers and duties already conferred upon him by law the commissioner of public welfare shall:

(a) Promulgate rules prescribing standards for qualification of personnel and quality of professional service and for in-service training and educational leave programs for personnel, governing eligibility for service so that no person will be denied service on the basis of race, color or creed, or inability to pay, providing for establishment, subject to the approval of the commissioner, of fee schedules which shall be based upon ability to pay (AND THE GUIDING PRINCIPLE OF WHICH SHALL BE THAT NO ONE WHO CAN AFFORD TO PAY FOR HIS OWN TREATMENT AT THE RATE CUSTOMARILY CHARGED IN PRIVATE PRACTICE SHALL BE TREATED IN THE COMMUNITY MENTAL HEALTH SERVICES CLINIC EXCEPT AS HEREINAFTER PROVIDED, REGULATING FEES FOR CONSULTATION AND DIAGNOSTIC SERVICES WHICH SERVICES MAY BE PROVIDED TO ANYONE

WITHOUT REGARD TO HIS FINANCIAL STATUS WHEN REFERRED BY THE COURTS, SCHOOLS, OR HEALTH OR WELFARE AGENCIES WHETHER PUBLIC OR PRIVATE), and such other rules and regulations as he deems necessary to carry out the purposes of sections 245.61 to 245.69.

(b) Review and evaluate local programs and the performance of administrative and psychiatric personnel and make recommendations thereon to county boards and program administrators;

(c) Provide consultative staff service to communities to assist in ascertaining local needs and in planning and establishing community mental health programs; and

(d) Employ qualified personnel to implement sections 245.61 to 245.69.

Subd. 2. The commissioner of public welfare has the authority to approve or disapprove public and private mental health centers and public and private mental health clinics for the purposes of Minnesota Statutes 1978, Section 62A.152, Subdivision 2. For the purposes of this subdivision the commissioner has the authority to promulgate both temporary and permanent rules, and may amend, suspend or repeal the rules, in accordance with sections 15.0411 to 15.052. The rules shall require each applicant to pay a fee to cover costs of processing applications and determining compliance with the rules. The commissioner shall direct that any of the payments collected under this subdivision be transferred to the state agency, individual, corporation or association to which he shall delegate all but final approval and disapproval authority to determine compliance or noncompliance.

Sec. 2. [EFFECTIVE DATE.] *Section 1 is effective the day following its final enactment."*

Further, amend the title as follows:

Page 1, line 6, delete "mandating" and insert "providing for"

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

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2153, A bill for an act relating to health; authorizing the commissioner of health to issue orders concerning well water quality; amending Minnesota Statutes 1978, Section 156A.05, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 16, delete "*when consumed by humans*"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Johnson, C., from the Committee on Education to which was referred:

H. F. No. 2188, A bill for an act relating to education; providing for training teachers and producers in the method of producing agriculturally derived alcohol fuels; appropriating money.

Reported the same back with the following amendments:

Page 1, line 12, delete "and producers"

Amend the title as follows:

Line 3, delete "and producers"

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

The report was adopted.

Vanasek from the Committee on Criminal Justice to which was referred:

H. F. No. 2198, A bill for an act relating to juveniles; requiring notice to noncustodial parents of filing of petitions for dependency, delinquency, neglect, or neglected and in foster care; amending Minnesota Statutes 1978, Sections 260.135, Subdivision 2; and 260.251, Subdivision 1.

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

The report was adopted.

Vanasek from the Committee on Criminal Justice to which was referred:

H. F. No. 2203, A bill for an act relating to juveniles; providing for maintenance and use of juvenile court records; amending Minnesota Statutes 1978, Sections 260.161, Subdivision 1; and 260.211, Subdivision 1.

Reported the same back with the following amendments:

Page 1, line 16, after the period insert *"The court shall release records on a juvenile pertaining to delinquency adjudications to a requesting juvenile court in another county which has jurisdiction in proceedings concerning the juvenile."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 2208, A bill for an act relating to transportation; allowing the use of certain documents as relevant evidence of exceeding vehicle weight limits; requiring record keeping for shipments unloaded; imposing civil penalties; amending Minnesota Statutes 1978, Chapter 169, by adding sections.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Chapter 169, is amended by adding a section to read:

[169.851] [WEIGHT RECORD.] *Subdivision 1. [DEFINITION.] "Document" includes a bill of lading, freight bill, weight certification, or other similar document.*

Subd. 2 [RELEVANT EVIDENCE.] A document evidencing the receipt of goods issued by the person consigning the goods for shipment or the person engaged in the business of transporting or forwarding goods, which states the gross weight of the vehicle and load or the weight of the load when combined with the empty weight of the vehicle which is in excess of the prescribed maximum weight limitation permitted by chapter 169 shall be relevant evidence that the weight of a vehicle and load is unlawful. For the purposes of sections 1 to 3, a document required to be kept under section 3 indicating a unit of measure which when converted to weight and combined with the weight of the empty vehicle indicates a gross weight in excess of the prescribed maximum weight limitation permitted by chapter 169 shall be relevant evidence that the weight of a vehicle and load is unlawful. The foregoing provisions do not limit the introduction of other competent evidence bearing upon the question of whether or not there is a violation of the prescribed maximum weight limitations permitted by chapter 169.

Sec. 2. Minnesota Statutes 1978, Chapter 169, is amended by adding a section to read:

[169.871] [CIVIL PENALTY.] *Subdivision 1. The owner or leasee of a vehicle which is operated with a gross weight in excess of a weight limit imposed under sections 169.83 to 169.87 or a shipper who ships or tenders goods for shipment in a single truck or combination vehicle which exceeds a weight limit imposed under sections 169.83 to 169.87 is liable for a civil penalty as follows:*

(a) *If the total gross excess weight is less than 2,000 pounds, one cent per pound for each pound in excess of the legal limit.*

(b) *If the total gross excess weight is less than 3,000 pounds and more than 2,000 pounds, five cents per pound for each pound in excess of the legal limit.*

(c) *If the total gross excess weight is less than 5,000 pounds and more than 3,000 pounds, 15 cents per pound for each pound in excess of the legal limit.*

(d) *If the total gross excess weight is 5,000 pounds or more, 30 cents per pound for each pound in excess of the legal limit.*

Any penalty imposed and fines collected pursuant to this subdivision shall be disposed of as provided in section 299D.03, subdivision 5, with the following exceptions:

(a) *If the violation occurs in the county, the remaining five-eighths shall be credited to the highway user tax distribution fund.*

(b) *If the violation occurs within the municipality, and the city attorney prosecutes the offense, and a plea of not guilty is entered, the remaining one-third shall be paid to the highway user tax distribution fund.*

Sec. 3. Minnesota Statutes 1978, Chapter 169, is amended by adding a section to read:

[169.872] [RECEIPT OF CERTAIN OVERWEIGHT LOADS.] *Subdivision 1. [RECORD KEEPING.] A person who weighs goods before or after unloading or a person who loads or unloads goods on the basis of liquid volume measure shall keep a written record of the origin, weight and composition of each shipment, the date of loading or receipt, the name and address of the shipper, and the registration number of the power unit or some other means of identification by which the shipment was transported. The record shall be retained for 30 days and shall be open to inspection and copying by a state law enforcement officer or motor transport representative upon 24 hours notice. No search warrant shall be required to inspect or copy the record. This subdivision does not apply to a person weighing goods who is not involved in the shipping, receiving*

and transporting of those goods. This subdivision also does not apply, at any time during the year, to a person who weighs a commodity for which a weight variance is permitted under section 169.83, subdivision 1, clause 3.

Subd. 2. [EVIDENCE.] A record kept and maintained as provided in subdivision 1 which shows that a vehicle has exceeded a gross weight limit imposed by chapter 169 shall constitute relevant evidence of a violation of chapter 169. The foregoing provisions do not limit the introduction of other competent evidence bearing upon the question of whether or not there is a violation of the prescribed maximum weight limitation permitted by chapter 169.

Subd. 3. [PENALTY.] A person who fails to keep and maintain documents as required in subdivision 1 is subject to a civil penalty of not to exceed \$500 for each violation. A civil penalty imposed and collected pursuant to this subdivision shall be credited to the highway user tax distribution fund of the state."

With the recommendation that when so amended the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2228, A bill for an act relating to children; establishing a photographic state adoption exchange; requiring certain children to be listed on the exchange; appropriating money.

Reported the same back with the following amendments:

Page 1, line 22, delete "all"

Page 2, line 1, delete "or otherwise"

Page 2, line 4, delete "required" and insert "prescribed"

Page 2, line 4, after "subdivision" insert "and subdivision 8"

Page 2, line 8, delete "five" and insert "ten working"

Page 2, line 9, delete "business"

Page 2, line 12, after "updated" insert "by the authorized child placing agency"

Page 2, line 12, delete "15" and insert "ten"

Page 2, line 15, after "writing" insert "by the authorized child placing agency"

Page 2, line 27, delete "a child" and insert "any child legally freed for adoption"

Page 3, line 16, delete "may" and insert "shall"

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

The report was adopted.

Casserly from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2259, A bill for an act relating to local government; permitting units to contract with each other for police service; amending Minnesota Statutes 1978, Section 436.05.

Reported the same back with the following amendments:

Page 1, line 10, delete "county,"

Page 1, line 10, before "city" insert "*home rule charter or statutory*"

Page 1, line 10, after "city" insert a comma

Page 1, line 10, strike "or"

Page 1, line 10, after "town" insert "or"

Page 1, line 10, reinstate "(THE SHERIFF OF)"

Page 1, line 11, after "(THE)" insert "*any*"

Page 1, line 11, reinstate "(COUNTY)"

Page 1, line 13, after "other" insert "*home rule charter or statutory*"

Page 1, line 14, delete "its" and insert "the"

Page 1, line 14, after "authority" insert "*of the contracting unit*"

Page 1, line 16, delete "each" and insert "*any*"

Page 1, line 16, after "contracting" insert "*home rule charter or statutory*"

Page 1, line 16, reinstate "(CITY,)"

Page 1, line 17, reinstate "(THE BOARD OF SUPERVISORS OF ANY CONTRACTING TOWN AND)"

Page 1, line 18, reinstate "(THE BOARD OF COMMISSIONERS OF)"

Page 1, line 19, after "(THE)" insert "*any contracting*"

Page 1, line 19, reinstate "(COUNTY)"

Page 1, line 19, delete "*unit*"

2, line 3, delete "*a county, city or town*" and insert "*by rule charter or statutory city, town or sheriff of a coun-*

he recommendation that when so amended the bill pass.

ort was adopted.

ak from the Committee on Criminal Justice to which
ferred:

No. 2262, A bill for an act relating to highway traffic
ons; including a constable within the meaning of the
on of peace officer in the implied consent law; amending
ota Statutes 1978, Section 169.123, Subdivision 1.

rted the same back with the recommendation that the bill

report was adopted.

erly from the Committee on Local and Urban Affairs to
was referred:

No. 2285, A bill for an act relating to taxation; changing
provisions of the Minnesota Tax Increment Financing
nending Minnesota Statutes, 1979 Supplement, Section
Subdivision 1, and by adding subdivisions.

ported the same back with the following amendments:

Page 2, line 25, delete "*evenly*"

Page 2, line 26, after "*value*" insert "*of the district when the
property upon which the abatement is made has not been im-
proved since the date of certification of the district*"

Page 2, line 27, after "*thereafter*" insert "*when the abatement
relates to improvements made after the date of certification*"

Page 3, line 5, delete "*evenly*" and insert "*equally*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 2289, A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing certain restrictions on highway bonds.

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

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2295, A resolution memorializing the President and Congress to take all actions necessary to effect changes in regulations of the Department of Health, Education, and Welfare so that physician visits to medically stable residents of certain health care facilities are required only quarterly or semi-annually.

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

The report was adopted.

Fudro from the Committee on Transportation to which was referred:

H. F. No. 2331, A bill for an act relating to transportation; permitting certain exemptions from motor carrier reporting requirements; permitting establishment of driver qualifications and safety requirements for certain carriers; creating a single annual renewal date for holders of multiple permits; permitting issuance of "floater" identification cards to motor carriers; clarifying enforcement powers; amending Minnesota Statutes 1978, Sections 221.031; 221.131; and 221.221.

Reported the same back with the following amendments:

Page 1, after line 13 insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 221.011, Subdivision 22, is amended to read:

Subd. 22. "Exempt carrier" means any carrier exempt from this chapter, or exempted from any other law or rule by the commissioner or commission. The following are so exempt *except as otherwise specifically provided in clause (c)*:

(a) Any person engaged in farming or in transporting agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25 mile radius from his home post office. Such carrier may transport other commodities within such area if the destination of each haul is a farm within the above described area. The owner of any truck operating under this provision shall imprint his name and address in prominent visible letters on the outside of the cab of his truck.

(b) Any occasional accommodation service beyond the 25 mile radius from his home post office by any person engaged in farming as his primary means of livelihood and actually residing on a farm and whose truck or trucks are licensed under provisions of section 168.013, Subdivision 1c. Occasional accommodation service shall mean not in excess of six trips in any calendar year.

(c) Any person engaged in agricultural pursuits, who owns and uses a truck for transporting the products of his farm, or any person while engaged exclusively in the transportation of fresh vegetables from farms to canneries or viner stations, or from viner stations to canneries, or from canneries to canneries during the harvesting, canning or packing season, or potatoes, sugar beets, wild rice and rutabagas from the field of production to the first place of delivery or unloading, including but not limited to a processing plant, warehouse or railroad siding. This term shall also apply to a manufacturer, producer, dealer or distributor who, in the pursuit of his own business, owns and uses trucks for the purpose of transporting his own products, and shall apply to any person while engaged exclusively in the transportation of pulpwood, cord wood, mining timber, poles, posts, decorative evergreens, wood chips, sawdust, shavings and bark from the place where the products are produced to the point where they are to be used or shipped; *except that these manufacturers, producers, dealers or distributors transporting their own products and these persons engaged exclusively in the transportation of wood or wood products, together with any transporting vehicles licensed and registered for a gross vehicle weight of more than 10,000 pounds, shall be subject to the requirements of section 221.031 insofar as the provisions of that section apply to driver qualifications, maximum hours of service of drivers, and safety of operations and equipment.*

(d) Any person while exclusively engaged in the transportation of dirt and sod within an area having a 50 mile radius from his home post office.

(e) Any person while exclusively engaged in the transportation of sand, gravel, bituminous asphalt mix or crushed rock

to or from the point of loading or a place of gathering within an area having a 50 mile radius from his home post office or a 50 mile radius from the site of construction or maintenance of public roads and streets.

(f) Any person engaged in the transportation of household goods for the federal government or any agency thereof or the transportation of household goods for the state government or any agency thereof, where competitive bids are required by law shall be exempt from the provisions of section 221.161.

(g) Any person engaged in transporting property or freight, excepting household goods and petroleum products in bulk, when the movement is entirely within the corporate limits of a city or between contiguous cities.

(h) Emergency vehicles such as ambulances, tow trucks, and hearses when carrying proper and legal warning devices.

(i) Any person engaged in delivery or spreading of agricultural lime.

(j) Any person engaged in transporting rubbish as defined in section 443.27.

(k) Any person engaged in the transportation of grain samples under such terms and conditions as the commissioner or commission may prescribe.

(l) A motor vehicle, in this chapter referred to as a "commuter van," having a capacity of seven to 16 persons which is used principally to provide prearranged transportation of persons for a fee to or from their place of employment or to or from a transit stop authorized by a local transit authority which vehicle is to be operated by a person who does not drive the vehicle for his principal occupation but is driving it only to or from his principal place of employment, to or from a transit stop authorized by a local transit authority, or for personal use at other times by an authorized driver; provided, that commuter vans shall not be exempt from any provision of this chapter which by its terms explicitly applies to these vehicles."

Page 1, line 14, after "221.031," insert "Subdivision 1,"

Page 3, delete lines 3 to 17

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 4, delete "permitting establishment of" and insert "requiring"

Page 1, line 11, after "221.031" insert "; Subdivision 1"; delete "and"; and before the period insert "; and Minnesota Statutes, 1979 Supplement, Section 221.011, Subdivision 22"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Criminal Justice to which was referred:

S. F. No. 1652, A bill for an act relating to crimes; prescribing penalties for the possession of controlled substances on school premises; amending Minnesota Statutes 1978, Section 152.15, by adding a subdivision.

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

The report was adopted.

Casserly from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 1755, A bill for an act relating to towns; permitting compensation and providing for mileage of deputy clerks; amending Minnesota Statutes 1978, Section 367.05, Subdivision 2.

Reported the same back with the following amendments:

Page 2, after line 6, add a new section to read:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective on the day following its final enactment.*"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 887, 908, 1035, 1090, 1362, 1408, 1459, 1769, 1824, 1906, 1925, 1929, 1941, 1957, 2075, 2101, 2132, 2134, 2135, 2141, 2142, 2153, 2198, 2203, 2208, 2259, 2262, 2285, 2289, 2295 and 2331 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1054, 1652 and 1755 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Rothenberg introduced:

H. F. No. 2420, A bill for an act relating to crimes; providing for admissibility of evidence of alcohol or controlled substance in blood, breath or urine in certain cases; amending Minnesota Statutes 1978, Section 169.121, Subdivision 2.

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

Rothenberg introduced:

H. F. No. 2421, A bill for an act relating to crimes; authorizing the court to reduce certain public offenses to petty misdemeanors; prescribing penalties.

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

Pehler and Casserly introduced:

H. F. No. 2422, A bill for an act relating to community reinvestment; establishing a program for reinvestment in fully developed areas in all parts of the state; fixing duties of the commissioner of economic development; appropriating money; amending Minnesota Statutes 1978, Chapter 362, by adding sections.

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

Osthoff introduced:

H. F. No. 2423, A bill for an act relating to taxation; allowing a carryforward of the political contribution income tax credit; amending Minnesota Statutes, 1979 Supplement, Section 290.06, Subdivision 11.

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

Pehler introduced:

H. F. No. 2424, A bill for an act relating to crimes; offense of dangerous weapons; increasing penalties; amending Minnesota Statutes 1978, Section 609.66, Subdivision 1.

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

Jacobs introduced:

H. F. No. 2425, A bill for an act relating to taxation; sales tax; exempting certain admissions in connection with county fairs from the sales tax; amending Minnesota Statutes, 1979 Supplement, Section 297A.25, Subdivision 1.

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

Novak; Sieben, H.; Casserly; Anderson, I., and Kvam introduced:

H. F. No. 2426, A bill for an act relating to taxation; income; increasing the amount of exclusion for pension income; providing that the maximum exclusion shall be indexed to the cost of living; amending Minnesota Statutes, 1979 Supplement, Section 290.01, Subdivision 20.

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

Stadum, Metzen, Valan, Nysether and Brinkman introduced:

H. F. No. 2427, A bill for an act relating to taxation; authorizing the establishment of education savings accounts; providing that contributions to an account which are used exclusively in connection with the educational expenses of a child are deductible; providing tax penalties; amending Minnesota Statutes 1978, Sections 48.159; 50.157; 51A.21, by adding a subdivision; 290.09, by adding a subdivision; Chapter 52, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 290.17, Subdivision 2.

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

Pleasant, Fudro, Haukoos and Levi introduced:

H. F. No. 2428, A bill for an act relating to drivers licenses; increasing fees for renewal of motorized bicycle operator permits and fees for drivers licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; amending Minnesota Statutes 1978, Sections 171.06, Subdivisions 1, 2, and 4; 171.07, Subdivision 3; and Minnesota Statutes, 1979 Supplement, Section 171.02, Subdivision 3.

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

Corbid, Brinkman, Adams, Ewald and Heinitz introduced:

H. F. No. 2429, A bill for an act relating to usury; changing the penalty for usurious loans made by state banks and savings banks; amending Minnesota Statutes 1978, Sections 334.02; 334.03; and Chapter 48, by adding a section.

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

Brinkman introduced:

H. F. No. 2430, A bill for an act relating to pollution; providing for a pilot pollution control project in the pollution control agency; appropriating money.

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

Sarna, Patton, Kaley, Kroening and Biersdorf introduced:

H. F. No. 2431, A bill for an act relating to retirement; Minneapolis teachers retirement fund association; providing for an ad hoc post retirement adjustment to certain benefit recipients; increasing percentage automatic annual post retirement adjustments for active members; increasing member contribution rate; authorizing amendment of articles of incorporation.

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

Long, Nelsen, M., and Otis introduced:

H. F. No. 2432, A bill for an act relating to taxation; income; providing that persons with limited employment income qualify for the homemaker credit; amending Minnesota Statutes 1978, Section 290.06, Subdivision 3e.

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

Johnson, C.; Valan; Sieben, H.; Kvam and Brinkman introduced:

H. F. No. 2433, A bill for an act relating to taxation; allowing an investment credit deduction; amending Minnesota Statutes 1978, Section 290.09, Subdivision 24.

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

Rothenberg, Heinitz, Heap, Blatz and Peterson, B., introduced:

H. F. No. 2434, A bill for an act relating to taxation; exempting certain income of elderly persons from taxation; amending Minnesota Statutes, 1979 Supplement, Section 290.01, Subdivision 20.

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

Greenfield, Jaros and Evans introduced:

H. F. No. 2435, A bill for an act relating to intoxicating liquor; permitting holders of on-sale wine licenses to sell intoxicating malt beverages; amending Minnesota Statutes 1978, Section 340.11, Subdivision 20.

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

Jaros, Berkelman, Munger and Lehto introduced:

H. F. No. 2436, A bill for an act relating to the city of Duluth; providing for certain city tax revenues; repealing Laws 1973, Chapter 461, as amended; and Laws 1977, Chapter 438, as amended.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1775 and 2123.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1674, 1736 and 1745.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1775, A bill for an act relating to workers' compensation; permitting the workers' compensation reinsurance association to incorporate; exempting the reinsurance association from taxation; providing for amendment to the reinsurance association plan of operation; making changes in rules, requirements and procedures affecting members of the reinsurance association; amending Minnesota Statutes, 1979 Supplement, Sections 79.34; 79.35; 79.36; 79.37; and 79.38; repealing Minnesota Statutes, 1979 Supplement, Sections 79.41 and 79.42.

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

S. F. No. 2123, A bill for an act relating to Dakota County; providing for the expenses of the county commissioners; amending Laws 1961, Chapter 249, Section 2, as amended.

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

S. F. No. 1674, A bill for an act relating to labor; exempting seamen from the fair labor standards act; amending Minnesota Statutes, 1979 Supplement, Section 177.23, Subdivision 7.

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

S. F. No. 1736, A bill for an act relating to highways; providing a penalty for certain unlawful uses of or actions on public highways; prohibiting the erection of a fence on the right of way of a town road; amending Minnesota Statutes 1978, Section 160.27, Subdivision 5.

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

S. F. No. 1745, A bill for an act relating to counties; providing for publication and examination of accounts; amending Minnesota Statutes, 1979 Supplement, Section 375.17.

The bill was read for the first time.

Stoa moved that S. F. No. 1745 and H. F. No. 1735, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bills as a Special Order to be acted upon immediately preceding General Orders for today, Tuesday, March 11, 1980:

H. F. Nos. 649, 1513, 1996, 184, 1286, 1656, 1666, 1692, 1695, 1732, 1779 and 1956.

SPECIAL ORDERS

H. F. No. 649 was reported to the House.

Kahn moved to amend H. F. No. 649, as follows:

Page 1, line 13, delete "new"

Page 1, line 16, after "first" insert "obtaining a license from the Minnesota environmental quality board pursuant to this act, and then"

Page 1, line 16, delete the second comma and insert a period

Page 1, delete line 17

Page 1, line 18, delete "environmental quality board."

Page 1, line 19, delete "present" and after "facility" insert "previously licensed under this act"

Page 1, line 20, delete "new"

Page 2, line 5, after the period insert "Information from the certificate of need application and hearings held pursuant to Minnesota Statutes, Section 116H.13 shall be made available and may be incorporated into the license application."

Page 4, line 12, delete "in perpetuity"

Page 4, line 14, delete "at all times"

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE

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

Aasness	Ellingson	Kalis	Norman	Sieben, M.
Adams	Erickson	Kelly	Nysether	Simoneau
Ainley	Esau	Kempe	Olsen	Stoa
Albrecht	Evans	Kostohryz	Onnen	Stowell
Anderson, B.	Ewald	Kroening	Otis	Sviggum
Anderson, D.	Faricy	Kvam	Patton	Swanson
Anderson, G.	Fjoslien	Laidig	Pehler	Thiede
Anderson, I.	Forsythe	Lehto	Peterson, B.	Tomlinson
Anderson, R.	Friedrich	Levi	Peterson, D.	Valan
Battaglia	Fritz	Long	Piepho	Valento
Begich	Fudro	Ludeman	Pleasant	Voss
Berglin	Greenfield	Luknic	Prahl	Waldorf
Blatz	Halberg	Mann	Redalen	Weaver
Brinkman	Haukoos	McCarron	Reding	Welch
Byrne	Heap	McDonald	Rees	Welker
Carlson, D.	Hoberg	McEachern	Reif	Wenzel
Cassery	Hokanson	Mehrkins	Rodriguez	Wieser
Clark	Jacobs	Minne	Rose	Wigley
Clawson	Jaros	Moe	Rothenberg	Wynia
Crandall	Jennings	Munger	Sarna	Zubay
Dean	Johnson, C.	Murphy	Schreiber	Spkr. Norton
Den Ouden	Johnson, D.	Nelsen, B.	Searle	
Drew	Jude	Nelsen, M.	Searles	
Eken	Kahn	Nelson	Sherwood	
Elioff	Kaley	Niehaus	Sieben, H.	

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

H. F. No. 649, A bill for an act relating to nuclear energy; providing for the storage and disposal of certain radioactive wastes; requiring licensure of radioactive waste management facilities in Minnesota.

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 66 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Corbid	Kelly	Nelson	Stoa
Anderson, D.	Dean	Kempe	Novak	Swanson
Anderson, G.	Eken	Kostohryz	Otis	Tomlinson
Battaglia	Elioff	Kroening	Pehler	Vanasek
Begich	Ellingson	Laidig	Peterson, B.	Voss
Berglin	Faricy	Lehto	Peterson, D.	Waldorf
Berkelman	Fjoslien	Long	Prahl	Welch
Blatz	Greenfield	Luknic	Reding	Wenzel
Byrne	Hokanson	McCarron	Reif	Wynia
Carlson, D.	Jacobs	Metzen	Rice	Spkr. Norton
Carlson, L.	Jaros	Moe	Sherwood	
Casserly	Johnson, C.	Munger	Sieben, H.	
Clark	Jude	Murphy	Sieben, M.	
Clawson	Kahn	Nelsen, M.	Simoneau	

Those who voted in the negative were:

Aasness	Evans	Kalis	Olsen	Stadum
Adams	Ewald	Knickerbocker	Onnen	Stowell
Ainley	Forsythe	Kvam	Patton	Sviggum
Albrecht	Friedrich	Levi	Piepho	Thiede
Anderson, I.	Fritz	Ludeman	Pleasant	Valan
Anderson, R.	Fudro	Mann	Redalen	Valento
Biersdorf	Halberg	McDonald	Rees	Weaver
Brinkman	Haukoos	McEachern	Rodriguez	Welker
Crandall	Heap	Mehrkins	Rose	Wieser
Dempsey	Heinitz	Minne	Rothenberg	Wigley
Den Ouden	Hoberg	Nelsen, B.	Sarna	Zubay
Drew	Jennings	Niehaus	Schreiber	
Erickson	Johnson, D.	Norman	Searle	
Esau	Kaley	Nysether	Searles	

The bill was not passed as amended.

Johnson, C., was called to the chair by the Speaker.

CALL OF THE HOUSE LISTED

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

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

H. F. No. 1513 was reported to the House.

Munger; Carlson, D.; Murphy and Dean moved to amend H. F. No. 1513, as follows:

Page 3, line 9, after "palladium," insert "radium,"

Page 7, delete lines 12 through 19, and insert:

"(a) Upon application for a state permit required for activities relating to mineral deposit evaluation, the explorer shall submit to the commissioner of natural resources data relevant to the proposal under consideration. The explorer may designate portions of the data the release of which would impair the competitive position of the explorer submitting the data. Data so identified shall be considered confidential. Upon a request made of the commissioner to disclose the data, he shall mail notice of the disclosure request to the explorer, and shall make a determination whether release of such data would impair the competitive position of the explorer submitting the data. Upon a determination by the commissioner that release of such data would impair the competitive position of the explorer submitting the data, the commissioner of natural resources shall issue an order protecting such data from release to any person other than parties to the proceedings relating to the permit under consideration, provided however such parties shall maintain the confidentiality of such data and provided further that no protected data shall be released by the commissioner until 30 days after mailing notice to the explorer of his intention to do so and provided further, however, that no data shall be released by the commissioner of natural resources to any person, company, or organization engaged in exploration, mining, milling or related industry pertaining to any mineral. The explorer, may demand a hearing on the commissioner's determination or may withdraw the permit application. Any person aggrieved by the decision of the commissioner may appeal therefrom to the district court pursuant to the administrative procedure act;

(b) Upon application for a state permit required for mine development, the explorer shall submit to the commissioner of natural resources data relevant to the proposal under consideration. This data shall not be considered confidential and persons submitting the data shall not be subject to civil or criminal liability for its use by others;"

Page 7, line 20, delete "(b)" and insert "(c)"

Page 8, after line 6, insert:

"(d) As used in this subdivision, "mineral deposit evaluation" means engaging in the examination of an area to determine the quality and quantity of minerals, other than by exploratory boring but including the obtaining of a bulk sample, by such means as excavating, trenching, construction of shafts, ramps, tunnels, pits and the production of refuse and other associated activities. "Mineral deposit evaluation" shall not include such activities when the activities are, by themselves, intended for commercial exploitation of the ore body. "Mine development" means those activities undertaken after mineral deposit evaluation for commercial exploitation of the ore body."

Page 8, line 30, after "senate." insert "No state uranium lease shall be issued on state land for the purpose of uranium exploration or mining until the commission has completed its review or June 1, 1981, whichever is later."

The motion prevailed and the amendment was adopted.

H. F. No. 1513, A bill for an act relating to the environment; regulating activities of drillers of exploratory borings; specifying the powers and duties of public officers and agencies; providing penalties; amending Minnesota Statutes 1978, Sections 156A.01; 156A.02, Subdivision 1 and by adding subdivisions; 156A.03, Subdivision 1; 156A.04; 156A.08; and Chapter 156A, by adding a section.

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 120 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kalis	Niehaus	Sherwood
Adams	Elioff	Kelly	Norman	Sieben, H.
Albrecht	Ellingson	Kempe	Novak	Sieben, M.
Anderson, G.	Erickson	Knickerbocker	Nysether	Simoneau
Anderson, I.	Esau	Kostohryz	Olsen	Stadum
Battaglia	Evans	Kroening	Onnen	Stoa
Begich	Faricy	Kvam	Otis	Stowell
Berglin	Fjoslien	Laidig	Patton	Sviggum
Berkelman	Forsythe	Lehto	Pehler	Swanson
Biersdorf	Friedrich	Levi	Peterson, B.	Thiede
Blatz	Fudro	Long	Peterson, D.	Tomlinson
Brinkman	Greenfield	Luknic	Piepho	Valan
Byrne	Haukoos	McCarron	Pleasant	Valento
Carlson, D.	Heap	McDonald	Redalen	Vanasek
Carlson, L.	Heinitz	McEachern	Reding	Voss
Casserly	Hoberg	Mehrken	Rees	Waldorf
Clark	Hokanson	Metzen	Reif	Weaver
Clawson	Jacobs	Minne	Rice	Welch
Corbid	Jaros	Moe	Rodriguez	Wenzel
Crandall	Johnson, C.	Munger	Rose	Wieser
Dean	Johnson, D.	Murphy	Rothenberg	Wigley
Dempsey	Jude	Nelsen, B.	Sarna	Wynia
Den Ouden	Kahn	Nelsen, M.	Searle	Zubay
Drew	Kaley	Nelson	Searles	Spkr. Norton

Those who voted in the negative were:

Anderson, D.	Jennings	Ludeman	Prahl	Welker
Fritz				

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

Speaker Norton resumed the chair.

H. F. No. 1996 was reported to the House.

Casserly moved to amend H. F. No. 1996 as follows:

Page 2, line 10, after "in" insert "*gathering, processing,*"

Page 2, line 11, after "*geothermal*" insert "*, biomass, agricultural or forestry energy crops,*"

Page 2, line 12, delete "*source*" and insert "*sources*"

The motion prevailed and the amendment was adopted.

H. F. No. 1996, A bill for an act relating to industrial development; providing for various energy related projects; amending Minnesota Statutes 1978, Sections 474.01, Subdivision 4; and 474.02, by adding subdivisions; and Minnesota Statutes, 1979 Supplement, Section 474.03.

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 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kempe	Novak	Stadum
Adams	Ellingson	Knickerbocker	Nysether	Stoa
Ainley	Erickson	Kostohryz	Olsen	Stowell
Anderson, B.	Esau	Kroening	Onnen	Sviggum
Anderson, D.	Evans	Kvam	Otis	Swanson
Anderson, G.	Fjoslien	Lehto	Patton	Thiede
Anderson, I.	Forsythe	Levi	Pehler	Tomlinson
Battaglia	Friedrich	Long	Peterson, B.	Valan
Begich	Fudro	Ludeman	Peterson, D.	Valento
Berkelman	Greenfield	Luknic	Piepho	Vanasek
Biersdorf	Halberg	Mann	Pleasant	Voss
Blatz	Heap	McCarron	Prahl	Waldorf
Brinkman	Heinitz	McDonald	Redalen	Weaver
Byrne	Hoberg	McEachern	Reding	Welch
Carlson, D.	Hokanson	Mehrrens	Rees	Welker
Carlson, L.	Jacobs	Metzen	Reif	Wenzel
Casserly	Jaros	Minne	Rice	Wieser
Clark	Jennings	Moe	Rodriguez	Wigley
Corbid	Johnson, C.	Munger	Rothenberg	Wynia
Crandall	Johnson, D.	Murphy	Sarna	Zubay
Dean	Jude	Nelsen, B.	Schreiber	Spkr. Norton
Dempsey	Kahn	Nelsen, M.	Searle	
Den Ouden	Kaley	Nelson	Searles	
Drew	Kalis	Niehaus	Sherwood	
Eken	Kelly	Norman	Sieben, M.	

Those who voted in the negative were:

Faricy

Fritz

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

Carlson, D., was excused for the remainder of today's session.

H. F. No. 184 was reported to the House.

Kahn and Laidig moved to amend H. F. No. 184 as follows:

Page 1, line 6, delete "the"

Page 1, line 7, delete "in St. Louis County and Lake County"

Page 1, line 12, delete "county boards of health" and insert "governing body of the respective city"

Page 1, line 15, delete "county" and insert "city"

Page 1, line 16, delete "county board of" and insert "governing body of that city"

Page 1, line 17, delete "commissioners"

Further, amend the title:

Page 1, line 2, delete "St. Louis and Lake Counties" and insert "Cities of the first class"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 41 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Faricy	Murphy	Reding	Swanson
Berglin	Greenfield	Nelsen, M.	Rees	Thiede
Byrne	Jaros	Nelson	Reif	Waldorf
Carlson, L.	Kahn	Novak	Rothenberg	Wieser
Casserly	Knickerbocker	Olsen	Sherwood	Wynia
Clark	Laidig	Otis	Sieben, H.	
Clawson	Lehto	Peterson, B.	Sieben, M.	
Corbid	Long	Peterson, D.	Stoa	
Dean	McCarron	Prahl	Stowell	

Those who voted in the negative were:

Aasness	Blatz	Erickson	Halberg	Johnson, D.
Ainley	Brinkman	Esau	Haukoos	Jude
Albrecht	Crandall	Evans	Heap	Kaley
Anderson, I.	Dempsey	Fjoslien	Heinitz	Kalis
Anderson, R.	Den Ouden	Forsythe	Hoberg	Kelly
Battaglia	Drew	Friedrich	Hokanson	Kempe
Begich	Eken	Fritz	Jacobs	Kostohryz
Biersdorf	Elioff	Fudro	Jennings	Kroening

Levi	Minne	Redalen	Simoneau	Welker
Ludeman	Nelsen, B.	Rice	Stadum	Wenzel
Luknic	Niehaus	Rodriguez	Sviggun	Wigley
Mann	Norman	Rose	Tomlinson	Zubay
McDonald	Nysether	Sarna	Valan	
McEachern	Onnen	Schreiber	Valento	
Mehrkens	Patton	Searle	Vanasek	
Metzen	Piepho	Searles	Weaver	

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

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

Battaglia moved to amend H. F. No. 184, as follows:

Page 1, line 6, delete "the cities" and insert "a city"

Page 1, line 7, delete "and Lake County"

Page 1, line 12, delete "boards" insert "board"

Page 1, line 15, delete "each" insert "the"

Further amend the title:

Line 2, delete "and Lake Counties" insert "County"

The motion prevailed and the amendment was adopted.

H. F. No. 184, A bill for an act relating to St. Louis County; requiring that restaurants comply with certain health laws.

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 106 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Aasness	Clark	Haukoos	Kvam	Nelsen, B.
Adams	Clawson	Heap	Laidig	Nelsen, M.
Ainley	Corbid	Hoberg	Lehto	Nelson
Albrecht	Dempsey	Hokanson	Levi	Niehaus
Anderson, B.	Drew	Jacobs	Long	Norman
Anderson, D.	Elioff	Jaros	Ludeman	Novak
Anderson, R.	Ellingson	Johnson, C.	Luknic	Nysether
Battaglia	Erickson	Johnson, D.	Mann	Olsen
Begich	Esau	Kahn	McCarron	Otis
Berglin	Evans	Kalis	McDonald	Patton
Berkelman	Faricy	Kelly	McEachern	Pehler
Blatz	Fjoslien	Kempe	Mehrkens	Peterson, B.
Byrne	Forsythe	Knickerbocker	Metzen	Peterson, D.
Carlson, L.	Friedrich	Kostohryz	Minne	Piepho
Casserly	Greenfield	Kroening	Murphy	Prahl

Redalen	Rothenberg	Sieben, M.	Tomlinson	Wieser
Reding	Sarna	Simoneau	Valento	Wynia
Rees	Schreiber	Stadum	Waldorf	Spkr. Norton
Reif	Searle	Stoa	Weaver	
Rice	Searles	Stowell	Welch	
Rodriguez	Sherwood	Swanson	Welker	
Rose	Sieben, H.	Thiede	Wenzel	

Those who voted in the negative were:

Anderson, I.	Dean	Heinitz	Valan	Wigley
Biersdorf	Den Ouden	Onnen	Vanasek	
Brinkman	Fritz	Pleasant		

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

H. F. No. 1286 was reported to the House.

Ainley moved to amend H. F. No. 1286, as follows:

Page 2, line 20, after "*space*" delete "*, taken as an aggregate,*"

Page 2, line 23, after "*weekly*" insert "*or 50 percent, if weekly*"

The motion prevailed and the amendment was adopted.

H. F. No. 1286, A bill for an act relating to commerce; providing for the qualification of free distribution newspapers as legal newspapers; amending Minnesota Statutes 1978, Section 331.02, Subdivisions 1 and 6; repealing Minnesota Statutes 1978, Sections 16.61 and 331.09.

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 87 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Adams	Ellingson	Kalis	Minne	Pleasant
Ainley	Forsythe	Kelly	Munger	Prahl
Berglin	Fudro	Kempe	Murphy	Reding
Berkelman	Greenfield	Knickerbocker	Nelsen, B.	Rees
Blatz	Halberg	Kroening	Nelsen, M.	Reif
Brinkman	Haukoos	Laidig	Nelson	Rice
Byrne	Heap	Lehto	Norman	Rodriguez
Carlson, L.	Heinitz	Levi	Novak	Rose
Casserly	Hoberg	Long	Nysether	Schreiber
Clark	Hokanson	Ludeman	Olsen	Searle
Clawson	Jacobs	Luknic	Otis	Searles
Corbid	Jaros	McDonald	Patton	Sherwood
Crandall	Johnson, D.	McEachern	Pehler	Sieben, H.
Dean	Kahn	Mehrkens	Peterson, D.	Simoneau
Eken	Kaley	Metzen	Piepho	Stadum

Stoa
Stowell
Swanson

Thiede
Tomlinson
Valento

Vanasek
Voss
Waldorf

Wenzel
Wynia

Spkr. Norton

Those who voted in the negative were:

Albrecht	Biersdorf	Fjoslien	Onnen	Welker
Anderson, B.	Dempsey	Fritz	Peterson, B.	Wieser
Anderson, D.	Den Ouden	Jennings	Redalen	Wigley
Anderson, G.	Drew	Johnson, C.	Sieben, M.	Zubay
Anderson, I.	Erickson	Kostohryz	Sviggum	
Anderson, R.	Esau	Kvam	Valan	
Battaglia	Evans	Mann	Weaver	
Begich	Faricy	Niehaus	Welch	

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

Faricy was called to the chair by the Speaker.

H. F. No. 1656, A bill for an act relating to motor vehicles; providing for delivery of motor vehicle certificates of title to owners upon satisfaction of a security interest; amending Minnesota Statutes 1978, Section 168A.20, 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 123 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Adams	Eken	Kelly	Niehaus	Sieben, H.
Ainley	Elioff	Kempe	Norman	Simoneau
Albrecht	Ellingson	Knickerbocker	Nysether	Stadum
Anderson, B.	Erickson	Kostohryz	Onnen	Stoa
Anderson, D.	Evans	Kroening	Otis	Stowell
Anderson, G.	Faricy	Kvam	Patton	Sviggum
Anderson, I.	Fjoslien	Laidig	Pehler	Swanson
Anderson, R.	Friedrich	Lehto	Peterson, B.	Thiede
Battaglia	Fritz	Levi	Peterson, D.	Tomlinson
Begich	Fudro	Long	Piepho	Valan
Berglin	Greenfield	Ludeman	Pleasant	Valento
Berkelman	Halberg	Luknic	Prahl	Vanasek
Biersdorf	Haukoos	Mann	Redalen	Voss
Blatz	Heap	McCarron	Reding	Waldorf
Brinkman	Heinitz	McDonald	Rees	Weaver
Byrne	Hoberg	McEachern	Reif	Welch
Carlson, L.	Hokanson	Mehrkens	Rice	Welker
Casserly	Jacobs	Metzen	Rodriguez	Wenzel
Clark	Jaros	Minne	Rose	Wieser
Clawson	Jennings	Moe	Rothenberg	Wigley
Crandall	Johnson, C.	Munger	Sarna	Wynia
Dean	Johnson, D.	Murphy	Schreiber	Zubay
Dempsey	Kahn	Nelsen, B.	Searle	Spkr. Norton
Den Ouden	Kaley	Nelsen, M.	Searles	
Drew	Kalis	Nelson	Sherwood	

Those who voted in the negative were:

Corbid

Novak

Sieben, M.

The bill was passed and its title agreed to.

H. F. No. 1666, A bill for an act relating to transportation; repealing a certain administrative rule of the department of transportation enforcing parallel parking on certain streets and highways.

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

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

Those who voted in the affirmative were:

Aasness	Drew	Kaley	Nelson	Searles
Adams	Eken	Kalis	Niehaus	Sherwood
Ainley	Elioff	Kelly	Norman	Sieben, H.
Albrecht	Ellingson	Kempe	Novak	Sieben, M.
Anderson, B.	Erickson	Knickerbocker	Nysether	Simoneau
Anderson, D.	Evans	Kostohryz	Onnen	Stadum
Anderson, G.	Faricy	Kroening	Otis	Stoa
Anderson, I.	Fjoslien	Kvam	Patton	Stowell
Anderson, R.	Forsythe	Laidig	Pehler	Swanson
Battaglia	Friedrich	Lehto	Peterson, B.	Thiede
Begich	Fritz	Long	Peterson, D.	Tomlinson
Berglin	Fudro	Ludeman	Piepho	Valan
Berkelman	Greenfield	Luknic	Pleasant	Valento
Biersdorf	Halberg	Mann	Prahl	Vanasek
Blatz	Haukoos	McCarron	Redalen	Voss
Brinkman	Heap	McDonald	Reding	Waldorf
Byrne	Heinitz	McEachern	Rees	Weaver
Carlson, L.	Hoberg	Mehrken	Reif	Welch
Clark	Hokanson	Metzen	Rice	Welker
Clawson	Jacobs	Minne	Rodriguez	Wenzel
Corbid	Jaros	Moe	Rose	Wieser
Crandall	Jennings	Munger	Rothenberg	Wigley
Dean	Johnson, C.	Murphy	Sarna	Wynia
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	Zubay
Den Ouden	Kahn	Nelsen, M.	Searle	Sprk. Norton

The bill was passed and its title agreed to.

H. F. No. 1692, A bill for an act relating to insurance; requiring the issuance of temporary licenses to certain qualified persons; amending Minnesota Statutes 1978, Section 60A.17, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kelly	Norman	Sieben, H.
Adams	Ellingson	Kempe	Novak	Sieben, M.
Albrecht	Erickson	Knickerbocker	Nysether	Simoneau
Anderson, B.	Evans	Kostohryz	Onnen	Stadum
Anderson, D.	Faricy	Kroening	Otis	Stoa
Anderson, G.	Fjoslien	Kvam	Patton	Stowell
Anderson, I.	Forsythe	Laidig	Pehler	Sviggum
Anderson, R.	Friedrich	Lehto	Peterson, B.	Swanson
Battaglia	Fritz	Levi	Peterson, D.	Thiede
Begich	Fudro	Long	Piepho	Tomlinson
Berglin	Greenfield	Ludeman	Pleasant	Valan
Berkelman	Halberg	Mann	Prahl	Valento
Blatz	Haukoos	McCarron	Redalen	Vanasek
Brinkman	Heap	McDonald	Reding	Voss
Byrne	Heinitz	McEachern	Rees	Waldorf
Carlson, L.	Hoberg	Mehrkens	Reif	Weaver
Casserly	Hokanson	Metzen	Rice	Welch
Clark	Jacobs	Minne	Rodriguez	Welker
Corbid	Jaros	Moe	Rose	Wenzel
Crandall	Jennings	Munger	Rothenberg	Wieser
Dean	Johnson, C.	Murphy	Sarna	Wigley
Dempsey	Johnson, D.	Nelsen, B.	Schreiber	Wynia
Den Ouden	Kahn	Nelsen, M.	Searle	Zubay
Drew	Kaley	Nelson	Searles	Spkr. Norton
Eken	Kalis	Niehaus	Sherwood	

The bill was passed and its title agreed to.

H. F. No. 1695, A bill for an act relating to highways; providing that a resolution of a county board revoking a county highway that would revert to a town is not effective until the highway meets town road specification standards; amending Minnesota Statutes 1978, Section 163.11, Subdivision 5a.

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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Byrne	Evans	Jennings	Ludeman
Adams	Carlson, L.	Faricy	Johnson, C.	Luknic
Ainley	Casserly	Fjoslien	Johnson, D.	Mann
Albrecht	Clark	Forsythe	Kahn	McCarron
Anderson, B.	Clawson	Friedrich	Kaley	McDonald
Anderson, D.	Corbid	Fritz	Kalis	McEachern
Anderson, G.	Crandall	Fudro	Kelly	Mehrkens
Anderson, I.	Dean	Greenfield	Kempe	Metzen
Anderson, R.	Dempsey	Halberg	Knickerbocker	Minne
Battaglia	Den Ouden	Haukoos	Kostohryz	Moe
Begich	Drew	Heap	Kroening	Munger
Berglin	Eken	Heinitz	Kvam	Murphy
Berkelman	Elioff	Hoberg	Laidig	Nelsen, B.
Biersdorf	Ellingson	Hokanson	Lehto	Nelsen, M.
Blatz	Erickson	Jacobs	Levi	Nelson
Brinkman	Esau	Jaros	Long	Niehaus

Norman	Pleasant	Sarna	Stowell	Weaver
Novak	Prahl	Schreiber	Sviggum	Welch
Nysether	Redalen	Searle	Swanson	Welker
Onnen	Reding	Searles	Thiede	Wenzel
Otis	Rees	Sherwood	Tomlinson	Wieser
Patton	Reif	Sieben, H.	Valan	Wigley
Pehler	Rice	Sieben, M.	Valento	Wynia
Peterson, B.	Rodriguez	Simoneau	Vanasek	Zubay
Peterson, D.	Rose	Stadum	Voss	Spkr. Norton
Piepho	Rothenberg	Stoa	Waldorf	

The bill was passed and its title agreed to.

H. F. No. 1732, A bill for an act relating to motor vehicle carriers; defining courier services carrier; providing the procedures for granting permits to courier services carriers; excluding courier service carriers from the term regular route common carrier; amending Minnesota Statutes 1978, Sections 221.011, Subdivision 9, and by adding a subdivision; and 221.121, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kalis	Norman	Sieben, H.
Adams	Elioff	Kelly	Novak	Sieben, M.
Ainley	Ellingson	Kempe	Nysether	Simoneau
Albrecht	Erickson	Knickerbocker	Olsen	Stadum
Anderson, B.	Esau	Kostohryz	Onnen	Stoa
Anderson, D.	Evans	Kroening	Otis	Stowell
Anderson, G.	Faricy	Kvam	Patton	Sviggum
Anderson, I.	Fjoslien	Laidig	Pehler	Swanson
Anderson, R.	Forsythe	Lehto	Peterson, B.	Thiede
Battaglia	Friedrich	Levi	Peterson, D.	Tomlinson
Begich	Fritz	Long	Piepho	Valan
Berglin	Fudro	Ludeman	Pleasant	Valento
Berkelman	Greenfield	Luknic	Prahl	Vanasek
Biersdorf	Halberg	Mann	Redalen	Voss
Blatz	Haukoos	McCarron	Reding	Waldorf
Brinkman	Heap	McDonald	Rees	Weaver
Byrne	Heinitz	McEachern	Reif	Welch
Carlson, L.	Hoberg	Metzen	Rice	Welker
Casserly	Hokanson	Minne	Rodriguez	Wenzel
Clark	Jacobs	Moe	Rose	Wieser
Corbid	Jaros	Munger	Rothenberg	Wigley
Crandall	Jennings	Murphy	Sarna	Wynia
Dean	Johnson, C.	Nelsen, B.	Schreiber	Zubay
Dempsey	Johnson, D.	Nelsen, M.	Searle	Spkr. Norton
Den Ouden	Kahn	Nelson	Searles	
Drew	Kaley	Niehaus	Sherwood	

The bill was passed and its title agreed to.

H. F. No. 1779 was reported to the House.

Sieben, H., moved that H. F. No. 1779 be continued on Special Orders. The motion prevailed.

H. F. No. 1956 was reported to the House.

Casserly moved to amend H. F. No. 1956, as follows:

Page 4, line 7, delete "and,"

Page 4, line 8, delete "*if necessary, from the general fund*"

The motion prevailed and the amendment was adopted.

Casserly moved to amend H. F. No. 1956, as follows:

Page 7, after line 18, insert a new section to read:

"Sec. 9. Minnesota Statutes 1978, Section 541.024, Subdivision 1, is amended to read:

541.024 [LIMITATION OF ACTIONS AFFECTING TITLE TO OR POSSESSION OF TAX FORFEITED LANDS.] Subdivision 1. As against a real estate title based upon or derived from a county auditor's certificate of forfeiture, or auditor's certificate of sale or state assignment certificate which has been of record for at least (TEN) *four* years in the office of the county recorder or in the office of the registrar of titles, no action affecting the possession or title of the real estate shall be commenced on or after June 15, 1978, to enforce any adverse right, claim, interest, incumbrance or lien, based upon the alleged invalidity of the county auditor's certificate of forfeiture, or auditor's certificate of sale or state assignment certificate."

Renumber sections accordingly.

Further amend the title, as follows:

Page 1, line 9, delete "and"

Page 1, line 9, after "508.82," insert "and 541.024, Subdivision 1;"

The motion prevailed and the amendment was adopted.

H. F. No. 1956, A bill for an act relating to real estate; providing for a state land registration assurance fund; combining the tax forfeited land assurance account with the land registration assurance fund; eliminating separate county assurance funds; appropriating money; amending Minnesota Statutes

1978, Sections 284.28, Subdivisions 8, 9 and 10; 508.75; 508.77; 508.79; 508.82; and 541.024, Subdivision 1; repealing Minnesota Statutes 1978, Section 508.83.

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 127 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kempe	Nysether	Sieben, M.
Adams	Eken	Knickerbocker	Olsen	Simoneau
Ainley	Elioff	Kostohryz	Onnen	Stadum
Albrecht	Erickson	Kroening	Osthoff	Stoa
Anderson, B.	Esau	Kvam	Otis	Stowell
Anderson, D.	Evans	Laidig	Patton	Svigum
Anderson, G.	Faricy	Lehto	Pehler	Swanson
Anderson, I.	Fjoslien	Levi	Peterson, B.	Thiede
Anderson, R.	Forsythe	Long	Peterson, D.	Tomlinson
Battaglia	Friedrich	Luknic	Piepho	Valan
Begich	Fudro	Mann	Pleasant	Valento
Berglin	Greenfield	McCarron	Prahl	Vanasek
Berkelman	Halberg	McDonald	Redalen	Voss
Biersdorf	Haukoos	McEachern	Reding	Waldorf
Blatz	Heap	Mehrkens	Rees	Weaver
Brinkman	Heinitz	Metzen	Reif	Welch
Byrne	Hoberg	Minne	Rice	Welker
Carlson, L.	Hokanson	Moe	Rodriguez	Wenzel
Casserly	Jacobs	Munger	Rose	Wieser
Clark	Jaros	Murphy	Rothenberg	Wigley
Clawson	Johnson, C.	Nelsen, B.	Sarna	Wynia
Corbid	Johnson, D.	Nelsen, M.	Schreiber	Zubay
Crandall	Kahn	Nelson	Searle	Spkr. Norton
Dean	Kaley	Niehaus	Searles	
Dempsey	Kalis	Norman	Sherwood	
Den Ouden	Kelly	Novak	Sieben, H.	

Those who voted in the negative were:

Fritz Jennings Ludeman

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

Speaker Norton resumed the chair.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Wynia moved that the name of Novak be added as an author on H. F. No. 1090. The motion prevailed.

Waldorf moved that the name of Valento be stricken and the name of Searle be added as an author on H. F. No. 1257. The motion prevailed.

Reding moved that his name be stricken as an author on H. F. No. 1730. The motion prevailed.

Pleasant moved that his name be stricken as an author on H. F. No. 2212. The motion prevailed.

Johnson, C., moved that the name of Searle be added as an author on H. F. No. 2353. The motion prevailed.

Kvam moved that the name of Drew be added as an author on H. F. No. 2382. The motion prevailed.

Sieben, H., moved that the name of Sviggum be added as an author on H. F. No. 2028. The motion prevailed.

Nelsen, M., moved that S. F. No. 407 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Local and Urban Affairs. The motion prevailed.

Nelsen, M., moved that the name of Brinkman be stricken, the name of Casserly be added as chief author, and the name of Nelsen, M., be shown as second author on H. F. No. 2350. The motion prevailed.

Peterson, B., moved that the name of Blatz be shown as chief author, the name of Peterson, B., be shown as second author and the name of Swanson be added as an author on House Resolution No. 33. The motion prevailed.

Kalis moved that the name of Jude be added as an author on H. F. No. 1834. The motion prevailed.

Albrecht moved that the name of Anderson, G., be added as an author on H. F. No. 2273. The motion prevailed.

Casserly moved that H. F. No. 2283 be recalled from the Committee on Commerce, Economic Development and Housing and be re-referred to the Committee on Local and Urban Affairs. The motion prevailed.

McEachern moved that the name of Kalis be added as an author on H. F. No. 2127. The motion prevailed.

Heinitz moved that the name of Simoneau be stricken as an author on H. F. No. 1645. The motion prevailed.

Berglin moved that the name of Long be added as an author on H. F. No. 2299. The motion prevailed.

Sviggum moved that H. F. No. 1939 be returned to its author. The motion prevailed.

Wigley moved that H. F. No. 417 be returned to its author. The motion prevailed.

Luknic moved that H. F. No. 172 be returned to its author. The motion prevailed.

Long moved that H. F. No. 2345 be returned to its author. The motion prevailed.

CALL OF THE HOUSE

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

Aasness	Drew	Kempe	Nysether	Sieben, M.
Adams	Eken	Knickerbocker	Olsen	Simoneau
Ainley	Elioff	Kostohryz	Onnen	Stadum
Albrecht	Ellingson	Kroening	Osthoff	Stoa
Anderson, B.	Erickson	Kvam	Otis	Stowell
Anderson, D.	Esau	Laidig	Patton	Sviggum
Anderson, G.	Evans	Lehto	Pehler	Swanson
Anderson, I.	Faricy	Levi	Peterson, B.	Thiede
Anderson, R.	Fjoslien	Long	Peterson, D.	Tomlinson
Battaglia	Forsythe	Ludeman	Piepho	Valan
Begich	Friedrich	Luknic	Pleasant	Valento
Berglin	Fudro	Mann	Prahl	Vanasek
Berkelman	Greenfield	McCarron	Redalen	Voss
Biersdorf	Haukoos	McDonald	Reding	Weaver
Blatz	Heap	McEachern	Rees	Welch
Brinkman	Heinitz	Mehrkins	Reif	Welker
Byrne	Hoberg	Metzen	Rice	Wenzel
Carlson, L.	Hokanson	Minne	Rodriguez	Wieser
Casserly	Jacobs	Munger	Rose	Wigley
Clark	Jaros	Murphy	Rothenberg	Wynia
Clawson	Jennings	Nelsen, B.	Sarna	Zubay
Corbid	Johnson, C.	Nelsen, M.	Schreiber	Spkr. Norton
Crandall	Johnson, D.	Nelson	Searle	
Dean	Kahn	Niehaus	Searles	
Dempsey	Kaley	Norman	Sherwood	
Den Ouden	Kalis	Novak	Sieben, H.	

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

Halberg moved that, pursuant to House Rule 1.15, H. F. No. 1871 be recalled from the Committee on Appropriations, be given its second reading and be advanced to General Orders.

POINT OF ORDER

Voss raised a point of order that the Halberg motion was out of order pursuant to House Rule 1.15.

Pursuant to Section 244, "Mason's Manual of Legislative Procedure", the Speaker deferred his decision on the Voss point of order.

Piepho moved that H. F. No. 2064 be returned to its author. The motion prevailed.

Pehler introduced:

House Resolution No. 34, A house resolution relating to Handicapped Awareness Week.

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

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, March 13, 1980. The motion prevailed.

Sieben, H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, March 13, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives