

STATE OF MINNESOTA

SEVENTY-FIRST SESSION - 1980

EIGHTY-SECOND DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 19, 1980

The House of Representatives convened at 1:00 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	Kaley	Niehaus	Sherwood
Adams	Eken	Kalis	Norman	Sieben, H.
Ainley	Elioff	Kelly	Novak	Sieben, M.
Albrecht	Erickson	Kempe	Nysether	Simoneau
Anderson, B.	Esau	Knickerbocker	Olsen	Stadum
Anderson, D.	Evans	Kostohryz	Onnen	Stoa
Anderson, G.	Ewald	Kroening	Osthoff	Stowell
Anderson, I.	Faricy	Kvam	Otis	Sviggum
Anderson, R.	Fjoslien	Laidig	Patton	Swanson
Battaglia	Forsythe	Lehto	Pehler	Thiede
Begich	Friedrich	Levi	Peterson, B.	Tomlinson
Berglin	Fritz	Long	Peterson, D.	Valan
Berkelman	Fudro	Ludeman	Piepho	Valento
Biersdorf	Greenfield	Luknic	Pleasant	Vanasek
Blatz	Halberg	Mann	Prahl	Voss
Brinkman	Haukoos	McCarron	Redalen	Waldorf
Byrne	Heap	McDonald	Reding	Weaver
Carlson, D.	Heinitz	McEachern	Rees	Welker
Carlson, L.	Hoberg	Mehrkens	Reif	Wenzel
Casserly	Hokanson	Metzen	Rice	Wieser
Clark	Jacobs	Minne	Rodriguez	Wigley
Clawson	Jaros	Moe	Rose	Wynia
Corbid	Jennings	Munger	Rothenberg	Zubay
Crandall	Johnson, C.	Murphy	Sarna	Spkr. Norton
Dean	Johnson, D.	Nelsen, B.	Schreiber	
Dempsey	Jude	Nelsen, M.	Searle	
Den Ouden	Kahn	Nelson	Searles	

A quorum was present.

Ellingson was excused until 2:05 p.m. Welch was excused until 2:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Niehaus 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. 1262, 1660, 1970, 2206, 2286, 2441, 1130, 1916, 1945, 2003, 2096, 2268, 2404, 2429, 1818, 1810, 1838, 2320, 2356, 1878 and 1534 and S. F. Nos. 133, 407, 682, 971, 1726, 1295, 1957, 1144, 2077 and 1741 have been placed in the members' files.

S. F. No. 1707 and H. F. No. 1908, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

McEachern moved that S. F. No. 1707 be substituted for H. F. No. 1908 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1963 and H. F. No. 1660, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Nelsen, B., moved that S. F. No. 1963 be substituted for H. F. No. 1660 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1201, A bill for an act relating to waters; providing for watercraft licensing and safe operation; altering certain definitions; changing license fees; authorizing a temporary certificate; stating the evidentiary effect of certain blood tests; altering certain safety requirements and motor noise limits; providing an outline for distributing water safety enforcement funds; amending Minnesota Statutes 1978, Sections 361.02, Subdivision 7, and by adding a subdivision; 361.03, Subdivisions 3 and 12, and by adding a subdivision; 361.10; 361.12; 361.13, Subdivision 1; 361.141, Subdivision 1; 361.15, Subdivision 1; 361.16, Subdivision 1; 361.17; 361.18; 361.21, Subdivision 2, and by adding a subdivision; 361.215; 361.24; 361.27, Subdivision 1; and 361.29, Subdivision 4; repealing Minnesota Statutes 1978, Section 361.15, Subdivision 2.

Reported the same back with the following amendments:

Page 1, delete lines 22 to 27

Page 1, line 29, delete "a subdivision" and insert "subdivisions"

Page 2, after line 6, insert:

Subd. 15. "Rent" when used in conjunction with watercraft means to make available to others in connection with a business.

Subd. 16. "Sailboard" means a single passenger, nonmotorized watercraft using a surfboard type hull and a free sail system which, without capsizing, allows the sail to lie flat in the water when not being supported by the operator."

Page 2, line 10, delete "1978" and insert "1980"

Page 2, after line 32, insert:

"(a) Any watercraft 19 feet in length or less which is rented or leased or offered for rent or lease, \$6 each;"

Reletter subsequent clauses

Page 3, line 1, delete "\$7.50" and insert "\$6"

Page 3, line 3, delete "\$10" and insert "\$8"

Page 3, line 11, after "watercraft" insert "more than"

Page 3, line 11, delete "or more"

Page 4, delete lines 8 and 9

Page 4, line 21, delete "1979" and insert "1980"

Page 5, line 23, delete "an alcoholic beverage" and insert "alcohol, as provided in section 169.121, subdivision 1"

Page 5, line 24, strike "narcotic or habit-forming drugs" and insert "a controlled substance, as defined in section 152.01, subdivision 4"

Page 5, line 27, delete "an alcoholic beverage" and insert "alcohol"

Page 5, line 28, strike "narcotic or habit-forming drugs" and insert "or a controlled substance"

Page 5, delete lines 29 to 33

Page 6, delete lines 1 to 33

Page 7, delete lines 1 to 22

Renumber the subdivision

Page 8, line 19, after "FLOTATION" insert "OR LIFESA-
VING"

Page 8, line 29, after "flotation" insert "or lifesaving"

Page 8, after line 29, insert "No rule of the commissioner shall require that sailboards be equipped with personal flotation devices."

Page 9, line 2, strike "in this section or"

Page 9, delete lines 21 to 23

Page 10, delete lines 1 to 26

Page 11, after line 2, add a new section to read as follows:

"Sec. 14. Minnesota Statutes 1978, Section 361.20, is amended to read:

361.20 [RACE OR OTHER COMPETITION OR EXHIBITION.] No person shall hold or sponsor any scheduled or public race, regatta, tournament or other competition or exhibition, or any trial therefor, on water or ice thereon, whether or not involving watercraft, without first having obtained a written permit therefor from the sheriff of the county in which such event is to originate. The sheriff, in such permit, may exempt watercraft from any of the provisions of this chapter relating to the *licensing*, operation and equipment of watercraft while participating in the event authorized. If the sheriff refuse such permit, the person applying therefor may appeal such refusal to the commissioner."

Renumber sections accordingly

Page 12, line 5, before the period insert ". As used in this section "inspect" shall not mean the authority to board a watercraft"

Page 14, line 3, delete "waters of a"

Page 14, after line 20, insert:

"Subd. 5. A city or lake conservation district located within the seven county metropolitan area which incurs additional expenditures for law enforcement as a result of the acquisition, expansion or improvement after January 1, 1980 of a site or sites providing access to waters within the city or lake conservation district, may submit a statement of additional expenditures to the acting agency.

The statement shall be in a form prescribed by the commissioner and shall detail additional expenditures incurred in

connection with enforcement of laws and ordinances governing use of the site or sites, water traffic control and such other items of expenditure as the commissioner shall prescribe. When the commissioner is satisfied as to the propriety of the expenditures and amount expended, expenditures shall be apportioned among the acting agencies.

Within 30 days following receipt of notice the acting agencies shall reimburse the appropriate city or lake conservation district in the amount thus apportioned out of any funds appropriated or otherwise available. The commissioner shall give due consideration to the impact of the acquisition, expansion or improvement of a public water access site in authorizing a site pursuant to section 97.48, subdivision 15, or in the granting, denial, or amendment of permits pursuant to Minnesota Statutes, Chapter 105, upon these expenditures. Such impact shall provide adequate grounds for the granting, denial, amendment or rescision of such authorization, permit, or rule by the commissioner. Expenditures for law enforcement under this subdivision may be used in making grants by the metropolitan council pursuant to section 473.315. For purposes of this subdivision, "acting agency" means that state agency, metropolitan council, or political subdivision which seeks to acquire, expand or improve a public water access site."

Page 15, line 24, delete "1980" and insert "1981"

Amend the title as follows:

Page 1, line 10, delete "Subdivision 7, and"

Page 1, line 11, delete "a subdivision" and insert "subdivisions"

Page 1, line 15, delete "361.17;"

Page 1, line 15, after "361.18;" insert "361.20;"

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

The report was adopted.

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

H. F. No. 1678, A bill for an act relating to taxation; authorizing certain taxing districts to provide property tax exemption or abatement for certain new business facilities.

Reported the same back with the following amendments:

Page 3, line 23, delete "\$50,000" and insert "\$250,000"

Page 3, line 30, delete "\$25,000" and insert "\$150,000"

Page 3, line 32, delete "feed lot" and insert "agricultural production"

Page 4, line 10, delete "at a feed lot" and insert "or poultry"

Page 5, line 1, after "act" insert "or to new business facilities financed in whole or in part by bonds issued under Minnesota Statutes, Chapter 474"

Page 5, after line 4, insert:

"Sec. 3. This act shall apply to counties contiguous to the states of North Dakota and South Dakota.

Sec. 4. This act shall expire January 1, 1985."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2168, A bill for an act relating to Blue Earth County; authorizing the county to contract for the completion of the improvement of county ditch No. 27; setting limits on the expenditure of money for the improvement; providing for financing; amending Laws 1975, Chapter 249, Section 1, Subdivision 1, as amended; and Section 2, as amended.

Reported the same back with the following amendments:

Page 1, line 20, delete "\$350,000" and insert "\$300,000"

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

The report was adopted.

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

H. F. No. 2223, A bill for an act relating to accounting; providing for the licensing of public accountants and certified public accountants; specifying additional means of satisfying experience requirements; amending Minnesota Statutes 1978, Section 326.19, Subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 326.165, Subdivision 1, is amended to read:

326.165 [BOARD OF ACCOUNTANCY.] Subdivision 1. [PURPOSE.] It is the policy of this state to promote the dependability of information which is used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public, private or governmental. The public interest requires that persons engaged in the practice of public accounting be qualified; that a public authority competent to prescribe and assess the qualifications of public accountants be established; that the expression of *any form of assurance or of opinions* on financial statements be reserved to persons who demonstrate their ability and fitness to observe and apply the standards of the accounting profession; and that the use of accounting titles likely to confuse the public be prohibited.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 326.165, Subdivision 2, is amended to read:

Subd. 2. [PRACTICE OF PUBLIC ACCOUNTING.] The "practice of public accounting" is: (a) holding one's self out to the public as skilled in the knowledge (, SCIENCE,) and practice of accounting; or (,) (b) *expressing any form of assurance on financial statements*; or (c) *expressing opinions on financial statements (, SCHEDULES, REPORTS, OR EXHIBITS TO BE USED FOR PUBLICATION,)* for credit purposes, for use in courts (OR) *and* for other purposes involving (USE BY) third parties.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 326.17, is amended to read:

326.17 [BOARD OF ACCOUNTANCY.] A board of accountancy is (HEREBY) created to carry out the purposes and enforce the provisions of (SECTION) *sections* 326.165 (AND SECTIONS 326.17) to 326.23. It (SHALL CONSIST) *consists* of between seven and nine citizens of this state (TO BE) appointed by the governor as provided in this section. Two shall be public members as defined by section 214.02, five shall be *currently* licensed certified public accountants, and two shall be licensed public accountants under the provisions of sections (326.17) 326.165 to 326.23. When the number of licensed public accountants in this state drops below 100, their representation on the board of accountancy shall drop to one and the board shall consist of two public members, five *currently licensed* certified

public accountants, and one licensed public accountant. At the time when the number of licensed public accountants in this state drops below 25, the licensed public accountants shall lose their representation on the board, except that the licensed public accountant then serving on the board shall be allowed to complete his term of office and the board shall consist of two public members and five *currently licensed* certified public accountants. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214 and sections (326.17) 326.165 to 326.23.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 326.18, is amended to read:

326.18 [BOARD, DUTIES, OFFICERS, EXAMINATIONS.] A majority of the board (SHALL CONSTITUTE) *constitutes* a quorum. The board shall elect one of its number as chairman, another as vice-chairman, and another as secretary and treasurer, who shall hold their respective offices for a term of one year and until their successors are elected. The affirmative vote of (FOUR) *a majority of* members of the board (SHALL BE) *is* considered (AS) the action of the board. The board shall enforce the standard of general education; the standard of special education in the science and art of accounting; the standard of (MORAL) *good* character and general public experience, as prescribed in sections (326.17) 326.165 to 326.23, in all examinations conducted thereunder. The board shall make rules for the conduct of applicants' examinations and the character and scope of (SUCH) *the* examinations, the method and time of filing applications for examinations and their form and contents, and all other rules and regulations proper to carry into effect the purposes of sections (326.17) 326.165 to 326.23. *The board may make use of all or any part of the uniform certified public accountant examination and advisory grading service provided by the American institute of certified public accountants if it deems it appropriate to assist it in performing its duties.* (ALL SUCH) *These* examinations shall be conducted by the board of accountancy. The time and place of holding examinations shall be advertised for not less than three consecutive days in one daily newspaper published in each of the counties where the examinations are to be held, and not less than 60 days prior to the date of each examination. The examinations shall take place as often as may be convenient in the opinion of the board. The board may make rules necessary to implement and enforce sections (326.17) 326.165 to 326.23, and 214.12, including but not limited to rules of professional conduct, pertaining to individuals, partnerships and corporations practicing public accounting which it deems consistent with or required by the public welfare and rules of continuing education to be met by persons licensed under sections (326.17) 326.165 to 326.23.

The board shall keep records of its proceedings, an accurate list of all applications made, licenses and (PERMITS) *certificates* issued, and licenses and (PERMITS) *certificates* revoked, and shall keep proper financial records in which there shall be entered a complete statement of the cash receipts and disbursements. The board shall issue to each person who (MEETS) *satisfies* the examination (AND EXPERIENCE) requirements of *section 326.19, subdivision 1* a certified public accountant (A) certificate (TO THAT EFFECT,) and shall maintain a record of that issuance. *The board shall issue a license as a certified public accountant to each holder of a certified accountant certificate who satisfies the experience requirements for a license as a certified public accountant or to a person who has been issued a certified public accountant certificate under section 326.19, subdivision 3. The board shall maintain a record of the issuance.* It shall adopt and provide itself with a seal with a band inscribed "Certified Public Accountant, State of Minnesota," with the coat of arms of Minnesota in the center, which seal shall be affixed to each certificate of certified public accountant issued under sections 326.17 to 326.23. The board shall issue to each person who qualifies for a license under sections 326.17 to 326.23 as a licensed public accountant a certificate as a licensed public accountant and shall maintain a record of that issuance. It shall adopt and provide itself with a seal with a band inscribed "Licensed Public Accountant, State of Minnesota," with the coat of arms of Minnesota in the center, which seal shall be affixed to each certificate of the licensed public accountant, issued under sections 326.17 to 326.23. All records of the board shall be open to the inspection of the public at the office of its secretary.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 326.19, Subdivision 2, is amended to read:

(SUBD. 2.) *Subdivision 1. [CERTIFICATES AND LICENSES AS CERTIFIED PUBLIC ACCOUNTANTS.] (THE LICENSE,) A certified public accountant (,) certificate shall be granted to any person:*

- (a) Who has attained the age of 18 years; and
- (b) Who (HOLDS:) *is of good character; and*
- (c) *Who has successfully completed an examination in the subjects and at the times the board may prescribe in its rules. The examination shall be administered by the board only to a candidate who holds:*
 - (i) a master's degree with a major in accounting from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or who has in the opinion of the board at least an equivalent education (, PROVIDING AT LEAST

ONE YEAR OF EXPERIENCE OF THE TYPE SPECIFIED IN SUBDIVISION 4, HAS BEEN COMPLETED); or

(ii) a baccalaureate degree, with a major in accounting, from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or who has in the opinion of the board at least an equivalent education (, PROVIDING AT LEAST TWO YEARS EXPERIENCE OF THE TYPE SPECIFIED IN SUBDIVISION 4, HAS BEEN COMPLETED); or

(iii) a baccalaureate degree from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or who has in the opinion of the board at least an equivalent education, providing at least (THREE YEARS) *one year* experience of the type specified in subdivision 4, has been completed; or

(iv) evidence of having completed two or more years of study with passing grade average or above from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or an area vocational-technical school, a Minnesota licensed private vocational school which fulfills the requirements of sections 141.21 to 141.36, or who has in the opinion of the board at least an equivalent education, providing at least (FIVE) *three* years experience of the type specified in subdivision 4, has been completed; or

(v) a diploma as a graduate of an accredited high school or who has in the opinion of the board at least an equivalent education, providing at least (SIX) *five* years experience of the type specified in subdivision 4 (, HAS BEEN COMPLETED; AND)

((C) WHO HAS COMPLETED SUCCESSFULLY AN EXAMINATION IN SUCH SUBJECTS AND AT SUCH TIMES, AS THE BOARD MAY PRESCRIBE IN ITS RULES. THE EXAMINATION SHALL BE ADMINISTERED BY THE BOARD ONLY TO A CANDIDATE WHO HOLDS:)

((I) A BACCALAUREATE DEGREE WITH A MAJOR IN ACCOUNTING OR HIGHER DEGREE, AS DESCRIBED IN CLAUSE (C) (I) OR CLAUSE (C) (II) OR TO PERSONS HAVING AT LEAST AN EQUIVALENT EDUCATION, OR TO CANDIDATES FOR SUCH DEGREE PROVIDING SUCH CANDIDATE IS CURRENTLY REGISTERED IN HIS FINAL SEMESTER OR QUARTER PRECEDING GRADUATION, OR)

((II) A BACCALAUREATE DEGREE, AS DESCRIBED IN CLAUSE (C) (III), PROVIDED AT LEAST ONE YEAR EXPERIENCE OF THE TYPE SPECIFIED IN SUBDIVISION 4, HAS BEEN COMPLETED, OR)

((III) EVIDENCE OF HAVING COMPLETED TWO OR MORE YEARS OF STUDY WITH PASSING GRADE AVERAGE OR ABOVE FROM A COLLEGE, UNIVERSITY, AREA VOCATIONAL-TECHNICAL SCHOOL OR A MINNESOTA LICENSED PRIVATE VOCATIONAL SCHOOL WHICH FULFILLS THE REQUIREMENTS OF SECTIONS 141.21 TO 141.36, AS DESCRIBED IN CLAUSE (C) (IV), PROVIDED AT LEAST THREE YEARS EXPERIENCE OF THE TYPE SPECIFIED IN SUBDIVISION 4, HAS BEEN COMPLETED, OR)

((IV) A DIPLOMA AS A GRADUATE OF AN ACCREDITED HIGH SCHOOL, AS DESCRIBED IN CLAUSE (C) (V), PROVIDED AT LEAST FIVE YEARS EXPERIENCE OF THE TYPE SPECIFIED IN SUBDIVISION 4, HAS BEEN COMPLETED).

Sec. 6. Minnesota Statutes 1978, Section 326.19, is amended by adding a subdivision to read:

Subd. 2. A certified public accountant license shall be granted to any person who has been issued a certified public accountant certificate under subdivision 3 of this section. Those persons holding certified public accountant certificates issued under subdivision 1 of this section shall be granted licenses as certified public accountants providing that they have completed the following required experience of the type specified in subdivision 4 of this section in addition to any experience required in subdivision 1, paragraph (i) through (v) of this section:

(i) for those whose educational qualifications meet the requirements of paragraph (i) of subdivision 1 of this section the experience requirement is one year;

(ii) for those whose educational qualifications meet the requirements of paragraph (ii) of subdivision 1 of this section the experience requirement is two years;

(iii) for those whose educational and experience qualifications meet the requirements of paragraph (iii) of subdivision 1 of this section, the additional required experience is two years;

(iv) for those whose educational and experience qualifications meet the requirements of paragraph (iv) of subdivision 1 of this section, the additional required experience is two years; and

(v) for those whose educational and experience qualifications meet the requirements of paragraph (v) of subdivision 1 of this section, the additional required experience is one year.

Sec. 7. Minnesota Statutes 1978, Section 326.19, Subdivision 3, is amended to read:

Subd. 3. [CERTIFICATE AND LICENSE WITHOUT EXAMINATION.] The state board of accountancy may, in its discretion, waive the examination of and may issue a *certificate and license (FOR) as a certified public accountant* to any person possessing the qualifications mentioned in this section, who:

(a) Is the holder of a C.P.A. license or certificate, issued under the laws of another state, provided the requirements for the (DEGREE) *license or certificate* in the state which has granted it to the applicant are, in the opinion of the state board of accountancy, equivalent to those herein provided; or

(b) Shall be the holder of a degree or certificate of certified public accountant or chartered accountant, or the equivalent thereof, issued in any foreign country, provided that the requirements for (SUCH) *the degree or certificate* are equivalent to those herein provided for the license of certified public accountant in this state.

(c) Shall in another jurisdiction have completed successfully an examination which, in the opinion of the board, is comparable to that prescribed by the board in its rules and provided that such person has satisfied the other requirements of (SUBDIVISION) *subdivisions 1 and 2.*

Sec. 8. Minnesota Statutes 1978, Section 326.19, Subdivision 4, is amended to read:

Subd. 4. [QUALIFYING EXPERIENCE FOR EXAMINATION AND GRANTING OF LICENSE.] Qualifying experience for subdivisions 1, 2 and 3 (SHALL) include public accounting experience (1) as a staff employee of a certified public accountant or public accountant, a firm of certified public accountants or public accountants, or a corporation formed for the practice of public accounting; or (2) as an auditor in the office of the legislative auditor or state auditor, or as an auditor or examiner with any other agency of government, which experience, in the opinion of the board is equally comprehensive and diversified; or (3) as a self-employed public accountant or as a partner in a firm of public accountants; or (4) in any combination of the foregoing capacities.

Sec. 9. Minnesota Statutes, 1979 Supplement, Section 326.211, Subdivision 3, is amended to read:

Subd. 3. No person shall assume or use the title or designation "licensed public accountant" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the person is a licensed public accountant, unless the person is licensed as a licensed public accountant under section 326.191, and all of the person's offices in this state for the practice of public accounting are maintained and licensed as required under section 326.20, or unless the person has received a certificate as a certified public accountant under section (326.-18) *326.19*, holds a license issued under section 326.20, and all of the person's offices in this state for the practice of public accounting are maintained and licensed as required under section 326.20.

Sec. 10. Minnesota Statutes, 1979 Supplement, Section 326.-211, Subdivision 9, is amended to read:

Subd. 9. No person shall assume or use the title or designation "certified public accountant" or "licensed public accountant" in conjunction with names indicating or implying that there is a partnership, or in conjunction with the designation "and Company" or "and Co." or a similar designation if, in any such case, there is in fact no bona fide partnership licensed under section 326.20. A sole proprietor or partnership lawfully using (SUCH) *the* title or designation in conjunction with (SUCH) *the* names or designation on (THE EFFECTIVE DATE OF LAWS 1979, CHAPTER 326) *July 1, 1980* may continue to do so if he or it otherwise complies with the provisions of (LAWS 1979, CHAPTER 326, SECTIONS 1 TO 13 AND) Minnesota Statutes, Sections (327.17) *326.165* to (327.23) *326.23*.

Sec. 11. Minnesota Statutes, 1979 Supplement, Section 326.-212, Subdivision 2, is amended to read:

Subd. 2. The board, by rule, may permit persons holding a certificate issued pursuant to section (326.18) *326.19*, but who do not hold a current license, to assume or use the title or designation "certified public accountant" or "licensed public accountant," or the abbreviation "C.P.A.," "L.P.A.," or other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the person is a certified public accountant or licensed public accountant, provided (a) that the board has not revoked, suspended, or refused to renew a license previously issued to the person; (b) that the assumption or use is not incident to the practice of public accountancy; and (c) that the assumption or use is not in conjunction with or incident to any opinion or certificate within the purview of section (326.20) *326.211*, subdivision (1) 6.

Sec. 12. Laws 1979, Chapter 326, Section 16, is amended to read:

Sec. 16. [EFFECTIVE DATE.] Section (7) 8 is effective July 1, 1980. The remaining sections are effective (THE DAY FOLLOWING FINAL ENACTMENT) *June 6, 1980.*

Sec. 13. *This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to accountancy; providing for the licensing of public accountants; clarifying the law; amending Minnesota Statutes 1978, Sections 326.19, Subdivisions 3 and 4; Minnesota Statutes, 1979 Supplement, Sections 326.165, Subdivisions 1, 2, and 3; 326.17; 326.18; 326.19, Subdivisions 2, 3, 4 and by adding a subdivision; 326.211, Subdivisions 3 and 9; 326.212, Subdivision 2; and Laws 1979, Chapter 326, Section 16."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 2230, A bill for an act relating to gambling devices; changing definition of gambling devices; authorizing certain payments for operation of gambling devices; amending Minnesota Statutes 1978, Section 349.26, Subdivision 2; and Minnesota Statutes, 1979 Supplement, Section 349.26, Subdivision 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 349.26, Subdivision 4, is amended to read:

Subd. 4. "Tipboard" means a board, placard or other device measuring at least 12 inches square, marked off in a grid or (SIMILAR PATTERN) *columns*, in which each section contains a hidden number or numbers, or other symbol, which determines the winning chances.

Sec. 2. Minnesota Statutes 1978, Section 349.26, Subdivision 5, is amended to read:

Subd. 5. "Raffle" means a game in which a participant buys a ticket for a chance at a prize with the winner determined by a random drawing *to take place at a location and date printed upon the ticket.*

Sec. 3. Minnesota Statutes 1978, Section 349.26, Subdivision 15, is amended to read:

Subd. 15. Total prizes from the operation of paddlewheels and tipboards awarded in any single day in which they are operated shall not exceed \$500. Total prizes resulting from any single spin of a paddlewheel, or from any single (TIPBOARD) seal of a tipboard, shall not exceed \$100. Total prizes awarded in any calendar year by any organization from the operation of paddlewheels and tipboards and the conduct of raffles shall not exceed \$15,000. Merchandise prizes shall be valued at fair market retail value."

Further, delete the title in its entirety and insert:

"A bill for an act relating to gambling devices; clarifying definitions of gambling devices; amending Minnesota Statutes 1978, Section 349.26, Subdivisions 4, 5, and 15."

With the recommendation than when so amended the bill pass.

The report was adopted.

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

H. F. No. 2297, A bill for an act relating to commerce; establishing certain time price differentials on retail installment sales of mobile homes; amending Minnesota Statutes 1978, Section 168.72.

Reported the same back with the following amendments:

Page 2, line 1, strike "such"

Page 2, line 2, strike "Such" and insert "The"

Page 2, lines 13 and 16, strike "shall be" and insert "is"

Page 2, line 23, before "The" insert "(a) Notwithstanding any other law to the contrary,"

Page 2, line 26, delete "the following"

Page 2, delete lines 27 to 29

Page 2, line 30, delete everything before "12"

Page 3, delete lines 3 to 13 and insert:

"(b) This subdivision supersedes the provisions of subdivision 3 for purposes of determining the lawful time price differ-

ential in a retail installment sale of a mobile home if the sale is made between the effective date of this subdivision and July 31, 1983.

Subd. 3. A sale of a mobile home made after July 31, 1983, is governed by the provisions of subdivision 1 for purposes of determining the lawful time price differential rate. A retail installment sale of a mobile home that imposes a time price differential rate that is greater than the rate permitted by this subdivision is lawful if the rate was lawful when the sale was made."

Page 3, line 15, after the period insert "Section 1, subdivision 2, is repealed July 31, 1983."

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. 2303, A bill for an act relating to education; providing aid for free and reduced price lunches rather than full paid lunches in certain school districts; providing certain bonding authority for Special School District No. 1; appropriating money; amending Minnesota Statutes 1978, Section 124.646, Subdivision 2, and by adding a subdivision; Minnesota Statutes, 1979 Supplement, Section 124.646, Subdivision 1; and Laws 1959, Chapter 462, Section 3, Subdivision 7, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1963, Chapter 645, Section 3, Subdivision 5, is amended to read:

Subd. 5. The school district shall develop a comprehensive long-range building plan to project forward school needs at any given time for at least the next (FIFTEEN) five years, such plan to include the needs of the district in connection with school sites, new schools and additions to existing buildings, retiring of obsolete facilities, and rehabilitating, remodeling, and equipping existing school buildings. (SUCH) The plan shall be reviewed and updated by the school staff and the board yearly (COMMENCING IN 1964). (SUCH) The plan shall be submitted (YEARLY COMMENCING IN 1963) by the board to the City Planning Commission for its review and recommendations.

Sec. 2. Laws 1959, Chapter 462, Section 3, Subdivision 7, as amended and renumbered as Subdivision 10 by Laws 1963, Chapter 645, Section 3, as amended by Laws 1967, Chapter 661, Sec-

tion 3, Laws 1969, Chapter 994, Section 1, and Laws 1975, Chapter 320, Section 1, is amended to read:

Subd. 10. [SPECIAL SCHOOL DISTRICT NO. 1; MINNEAPOLIS, CITY OF; EXTENDING BONDING AUTHORITY.] As used in this act the word "project" shall mean any proposed new or enlarged school building site, any proposed new school building or any proposed new addition to a school building, and "undertaking" shall mean any other purpose for which bonds may be issued as authorized in this subdivision. Subject to the limitations of subdivision 11, the special independent school district of Minneapolis may issue and sell bonds with the approval of 53 percent of the electors voting on the question at a general school district election (,) or at a school district election held at the same time and place within the district as a state general or primary election, as determined by the board of education. Subject to the provisions of subdivision 11, the school district may also by a (TWO-THIRD) *two-thirds* majority vote of all the members of its board of education and without any election by the voters of the district, issue and sell in each calendar year bonds of (SUCH) *the* district in an amount not to exceed one-half of one percent of the assessed value of the taxable property in (SUCH) *the* district (plus, for each of the calendar years (1975) 1980 through (1979) 1984, an amount not to exceed (75) 50 percent of the amount of indebtedness to be retired during the (SAID) calendar year; with an additional provision that any amount of bonds so authorized for sale in a specific year and not sold can be carried forward and sold in the year immediately following); provided, however, that the board shall submit the list of projects and undertakings to be financed by (SUCH) *a* proposed issue to the city planning commission as provided in subdivision 11 (c) (PRIOR TO THE ISSUANCE OF SUCH BONDS). All bonds of the school district shall be payable in not more than 20 years. The proceeds of the sale of (SUCH) *the* bonds shall be used only for the rehabilitating, remodeling, expanding and equipping of existing school buildings and for the acquisition of sites, construction and equipping of new school buildings, and for acquisition and betterment purposes, and no part of (SUCH) *the* proceeds shall be used for maintenance. The provisions of this act shall apply to the issuance and sale of (SUCH) *the* bonds and to the purposes for which the (SAME) *bonds* may be issued notwithstanding any provisions to the contrary in any other existing law relating thereto.

Sec. 3. [EFFECTIVE DATE.] *Pursuant to section 645.-023, subdivision 1, clause (a), sections 1 and 2 are effective without local approval the day after final enactment."*

Delete the title and insert:

"A bill for an act relating to Special School District No. 1; modifying the district's responsibility to develop a long range

building plan; extending certain district bonding authority; amending Laws 1959, Chapter 462, Section 3, Subdivision 7, as amended; and Laws 1963, Chapter 645, Section 3, Subdivision 5."

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. 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.

Reported the same back with the following amendments:

Page 1, lines 12 and 13, delete the new language

Page 2, line 14, delete the new language

Page 2, line 17, after "Sunday." insert:

"The holder of an on-sale license issued pursuant to this clause shall be authorized to sell intoxicating malt beverages if the requirement of obtaining a license to sell non-intoxicating malt beverages pursuant to clause (d) of this section is met.

(d) The holder of an on-sale wine license issued pursuant to this chapter who is also licensed to sell non-intoxicating malt liquor at on-sale pursuant to section 340.01 may make on-sales of intoxicating malt beverages without obtaining an additional license if the governing body of the municipality authorizes such sale by resolution or ordinance."

Amend the title as follows:

Page 1, line 3, after "of" insert "both"

Page 1, line 3, before "licenses" insert "and on-sale non-intoxicating malt beverages"

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. 119, A bill for an act relating to crimes; providing increased penalties for the receipt of stolen goods from a minor; amending Minnesota Statutes 1978, Section 609.53, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1979 Supplement, Section 609.53, is amended by adding a subdivision to read:

Subd. 1a. Any person who is 18 years of age or older who commits an act constituting a violation of subdivision 1, clause (1) or (2), knowing a minor committed the theft or robbery by which the property was obtained or knowing that a minor intentionally aided, advised, hired, counseled or conspired with or otherwise procured another to commit the theft or robbery may be sentenced to not more than twice the term of imprisonment or fine, or both, authorized by subdivision 1, clause (1) or (2).

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 609.53, is amended by adding a subdivision to read:

Subd. 2a. Any person who is 18 years of age or older who commits an act constituting a violation of subdivision 2 having reason to believe a minor committed the theft or robbery by which the property was obtained or having reason to believe that a minor intentionally aided, advised, hired, counseled or conspired with or otherwise procured another to commit the theft or robbery may be sentenced to not more than twice the term of imprisonment or fine, or both, authorized by subdivision 2.

Sec. 3. [REPEALER.] Minnesota Statutes 1978, Section 609.349, is repealed.

Sec. 4. [EFFECTIVE DATES.] Sections 1 and 2 are effective August 1, 1980 and apply to all crimes committed on or after that date, and section 3 is effective the day after final enactment and applies to all crimes committed on or after that date."

Delete the title in its entirety and insert:

"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; providing increased penalties for the receipt of stolen goods from a minor; amending Minnesota Statutes, 1979 Supplement, Section 609.53, by adding subdivisions; repealing Minnesota Statutes 1978, Section 609.349."

With the recommendation that when so amended the bill pass.

The report was adopted.

Faricy from the Committee on Judiciary, to which was referred:

S. F. No. 134, A bill for an act relating to public welfare; providing pre-trial proceedings and hearings to determine paternity of illegitimate children; revising Minnesota Statutes to conform with the uniform parentage act; amending Minnesota Statutes 1978, Sections 62A.041; 62C.14, Subdivision 5a; 64A.22, Subdivision 1; 144.215, Subdivision 3; 257.025; 257.175; 257.28; 257.33; 259.24, Subdivisions 1 and 2; 259.25, Subdivision 1; 259.26, Subdivision 1; 259.29, Subdivision 1; and 260.231, Subdivision 3; repealing Minnesota Statutes 1978, Sections 257.251; 257.252; 257.253; 257.254; 257.255; 257.256; 257.257; 257.258; 257.259; 257.261; 257.262; 257.263; 257.264; 257.27; 257.29; 257.30; 257.31; and 517.19.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CITATION.] *Sections 1 to 24 may be cited as the parentage act.*

Sec. 2. [PARENT AND CHILD RELATIONSHIP DEFINED.] *As used in sections 1 to 24, "parent and child relationship" means the legal relationship existing between a child and his natural or adoptive parents incident to which the law confers or imposes rights, privileges, duties, and obligations. It includes the mother and child relationship and the father and child relationship.*

Sec. 3. [RELATIONSHIP NOT DEPENDENT ON MARRIAGE.] *The parent and child relationship may exist regardless of the marital status of the parents.*

Sec. 4. [HOW PARENT AND CHILD RELATIONSHIP ESTABLISHED.] *The parent and child relationship between a child and*

(a) *the natural mother may be established by proof of her having given birth to the child, or under sections 1 to 24;*

(b) *the natural father may be established under sections 1 to 24; or*

(c) *an adoptive parent may be established by proof of adoption.*

Sec. 5. [PRESUMPTION OF PATERNITY.] *Subdivision 1. A man is presumed to be the natural father of a child if:*

(a) *He and the child's natural mother are or have been married to each other and the child is born during the marriage, or within 280 days after the marriage is terminated by death, annulment, declaration of invalidity, dissolution, or divorce, or after a decree of legal separation is entered by a court;*

(b) *Before the child's birth, he and the child's natural mother have attempted to marry each other by a marriage solemnized in apparent compliance with law, although the attempted marriage is or could be declared void, voidable, or otherwise invalid, and,*

(1) *if the attempted marriage could be declared invalid only by a court, the child is born during the attempted marriage, or within 280 days after its termination by death, annulment, declaration of invalidity, dissolution or divorce; or*

(2) *if the attempted marriage is invalid without a court order, the child is born within 280 days after the termination of cohabitation;*

(c) *After the child's birth, he and the child's natural mother have married, or attempted to marry, each other by a marriage solemnized in apparent compliance with law, although the attempted marriage is or could be declared void, voidable, or otherwise invalid, and*

(1) *he has acknowledged his paternity of the child in writing filed with the district court or the state registrar of vital statistics;*

(2) *with his consent, he is named as the child's father on the child's birth certificate; or*

(3) *he is obligated to support the child under a written voluntary promise or by court order;*

(d) *While the child is under the age of majority, he receives the child into his home and openly holds out the child as his natural child; or*

(e) *He acknowledges his paternity of the child in a writing filed with the district court or the state registrar of vital statistics, which shall promptly inform the mother of the filing of the acknowledgment, and she does not within a reasonable time after being informed thereof dispute the acknowledgment in a writing filed with the district court or the state registrar of vital statistics. If another man is presumed under this clause to be the child's father, acknowledgment may be effected only*

with the written consent of the presumed father or after the presumption has been rebutted.

Subd. 2. A presumption under this section may be rebutted in an appropriate action only by clear and convincing evidence. If two or more presumptions arise which conflict with each other, the presumption which on the facts is founded on the weightier considerations of policy and logic controls. The presumption is rebutted by a court decree establishing paternity of the child by another man.

Sec. 6. [ARTIFICIAL INSEMINATION.] *Subdivision 1. If, under the supervision of a licensed physician and with the consent of her husband, a wife is inseminated artificially with semen donated by a man not her husband, the husband is treated in law as if he were the natural father of a child thereby conceived. The husband's consent must be in writing and signed by him and his wife. The physician shall certify their signatures and the date of the insemination, and file the husband's consent with the commissioner of health, who shall keep it confidential and in a sealed file. However, the physician's failure to file the consent does not affect the father and child relationship.*

All papers and records pertaining to the insemination, whether part of the permanent record of a court or of a file held by the supervising physician or elsewhere, are subject to inspection only upon an order of the court for good cause shown.

Subd. 2. The donor of semen provided to a licensed physician for use in artificial insemination of a married woman other than the donor's wife is treated in law as if he were not the natural father of a child thereby conceived.

Sec. 7. [DETERMINATION OF FATHER AND CHILD RELATIONSHIP; WHO MAY BRING ACTION; WHEN ACTION MAY BE BROUGHT.] *Subdivision 1. A child, his natural mother, or a man presumed to be his father under section 5, subdivision 1, clauses (a), (b), or (c) may bring an action:*

(a) At any time for the purpose of declaring the existence of the father and child relationship presumed under section 5, subdivision 1, clauses (a), (b), or (c); or

(b) For the purpose of declaring the nonexistence of the father and child relationship presumed under section 5, subdivision 1, clauses (a), (b), or (c) only if the action is brought within a reasonable time after the person bringing the action has obtained knowledge of relevant facts, but in no event later than three years after the child's birth. After the presumption has been rebutted, paternity of the child by another man may be determined in the same action, if he has been made a party.

Subd. 2. An action to determine the existence or nonexistence of the father and child relationship presumed under section 5, subdivision 1, clauses (d) or (e) may be brought at any time by the child, the mother or personal representative of the child, the public authority chargeable by law with the support of the child, the personal representative or a parent of the mother if the mother has died or is a minor, a man alleged or alleging himself to be the father, or the personal representative or a parent of the alleged father if the alleged father has died or is a minor.

Subd. 3. An action to determine the existence of the father and child relationship with respect to a child who has no presumed father under section 5 may be brought by the child, the mother or personal representative of the child, the public authority chargeable by law with the support of the child, the personal representative or a parent of the mother if the mother has died or is a minor, a man alleged or alleging himself to be the father, or the personal representative or a parent of the alleged father if the alleged father has died or is a minor.

Subd. 4. Regardless of its terms, an agreement, other than an agreement approved by the court in accordance with section 14, between an alleged or presumed father and the mother, does not bar an action under this section by the child or the public authority chargeable by law with the support of the child.

Subd. 5. If an action under this section is brought before the birth of the child, all proceedings shall be stayed until after the birth, except service of process and the taking of depositions to perpetuate testimony.

Subd. 6. If the child has been adopted, an action may not be brought.

Sec. 8. [LIMITATION OF ACTIONS; EXCEPTIONS.]
Except for an action brought by or on behalf of a child whose paternity has not been determined, an action to determine the existence of the father and child relationship as to a child who has no presumed father under section 5 may not be brought later than three years after the birth of the child, or later than three years after the effective date of sections 1 to 24, whichever is later. An action brought by or on behalf of a child whose paternity has not been determined is not barred until one year after the child reaches the age of majority.

Sections 7 and 8 do not extend the time within which a right of inheritance or a right to a succession may be asserted beyond the time provided by law relating to distribution and closing of decedents' estates or to the determination of heirship, or otherwise.

Sec. 9. [JURISDICTION; VENUE.] *Subdivision 1. Except in Hennepin and Ramsey counties, the county court has jurisdiction of an action brought under sections 1 to 24. In Hennepin and Ramsey counties, the district court has jurisdiction of an action brought under sections 1 to 24.*

Subd. 2. In addition to any other method provided by rule or statute, personal jurisdiction may be acquired by service in accordance with Minnesota Statutes, Section 543.19.

Subd. 3. The action may be brought in the county in which the child or the alleged father resides or is found or, if the father is deceased, in which proceedings for probate of his estate have been or could be commenced.

Sec. 10. [PARTIES.] *The child may be made a party to the action. If the child is a minor and is made a party, a general guardian or a guardian ad litem shall be appointed by the court to represent the child. The child's mother or father may not represent the child as guardian or otherwise. The court may appoint the commissioner of public welfare as guardian ad litem for the child. If the child is a minor and the case involves a compromise under section 14, subdivision 1 or a lump sum payment under section 16, subdivision 4, the child shall be made a party and the commissioner of public welfare shall be appointed as guardian ad litem before the court approves a compromise or orders a lump sum payment. The natural mother, each man presumed to be the father under section 5, and each man alleged to be the natural father, shall be made parties or, if not subject to the jurisdiction of the court, shall be given notice of the action in a manner prescribed by the court and shall be given an opportunity to be heard. The court may align the parties.*

Sec. 11. [PRE-TRIAL PROCEEDINGS.] *Subdivision 1. As soon as practicable, after an action to declare the existence or nonexistence of the father and child relationship has been brought, a pre-trial hearing shall be held in accordance with rules of civil procedure. The public shall be barred from the hearing. A record of the proceeding or any portion thereof shall be kept if any party requests, or the court so orders.*

Subd. 2. Upon refusal of a witness, including a party, to testify under oath or produce evidence, the court may order him to testify under oath and produce evidence concerning all relevant facts. If the refusal is upon the grounds that his testimony or evidence might tend to incriminate him, the court may grant him immunity from all criminal liability on account of the testimony or evidence he is required to produce. An order granting immunity bars prosecution of the witness for any offense shown, in whole or in part, by testimony or evidence which he is required to produce, except for perjury committed in his testimony. The refusal of a witness, who has been granted im-

munity, to obey an order to testify or produce evidence is subject to the sanctions within the jurisdiction of the court.

Subd. 3. Testimony of a physician concerning the medical circumstances of the pregnancy itself and the condition and characteristics of the child upon birth is not privileged.

Sec. 12. [BLOOD AND GENETIC TESTS.] *Subdivision 1. The court may, and upon request of a party shall, require the child, mother, or alleged father to submit to blood tests or genetic tests, or both. The tests shall be performed by a qualified expert appointed by the court.*

Subd. 2. The court, upon reasonable request by a party, shall order that independent tests be performed by other qualified experts.

Subd. 3. In all cases, the court shall determine the number and qualifications of the experts.

Subd. 4. The refusal to submit to blood tests or genetic tests, or both, may be admitted into evidence and is subject to the sanctions within the jurisdiction of the court.

Sec. 13. [EVIDENCE RELATING TO PATERNITY.] *Evidence relating to paternity may include:*

(a) Evidence of sexual intercourse between the mother and alleged father at any possible time of conception;

(b) An expert's opinion concerning the statistical probability of the alleged father's paternity based upon the duration of the mother's pregnancy;

(c) Genetic and blood test results, weighed in accordance with evidence, if available, of the statistical probability of the alleged father's paternity;

(d) Medical or anthropological evidence relating to the alleged father's paternity of the child based on tests performed by experts. If a man has been identified as a possible father of the child, the court may, and upon request of a party shall, require the child, the mother, and the man to submit to appropriate tests; and

(e) All other evidence relevant to the issue of paternity of the child.

Sec. 14. [PRETRIAL RECOMMENDATIONS.] *Subdivision 1. On the basis of the information produced at the pretrial hearing, the court shall evaluate the probability of determining the existence or nonexistence of the father and child relationship*

in a trial and whether a judicial declaration would be in the best interest of the child. On the basis of the evaluation, an appropriate recommendation for settlement shall be made to the parties, which may include any of the following:

(a) That the action dismissed with or without prejudice;

(b) That the alleged father voluntarily acknowledge his paternity of the child;

(c) That the matter be compromised by an agreement among the alleged father, the mother, and the child, in which the father and child relationship is not determined but in which a defined economic obligation is undertaken by the alleged father in favor of the child and, if appropriate, in favor of the mother, subject to approval by the court. In reviewing the obligation undertaken by the alleged father in a compromise agreement, the court shall consider the best interest of the child, in the light of the applicable factors enumerated in section 518.17, subdivision 3, discounted by the improbability, as it appears to the court, of establishing the alleged father's paternity or nonpaternity of the child in a trial of the action. In the best interest of the child, the court may order that the alleged father's identity be kept confidential. In that case, the court may designate a person or agency to receive from the alleged father and disburse on behalf of the child all amounts paid by the alleged father in fulfillment of obligations imposed on him. When the child reaches 21 years of age or older he may petition the court to disclose the alleged father's identity. The court shall grant the petition if after considering the interests of all known persons involved, the court determines that disclosure of the information would be of greater benefit than nondisclosure.

Subd. 2. If the parties accept a recommendation made in accordance with subdivision 1, judgment shall be entered accordingly.

Subd. 3. If a party refuses to accept a recommendation made under subdivision 1 and blood tests have not been taken, the court shall require the parties to submit to blood tests, if practicable. Thereafter the court shall make an appropriate final recommendation. If a party refuses to accept the final recommendation the action shall be set for trial.

Subd. 4. The guardian ad litem may accept or refuse to accept a recommendation under this section.

Subd. 5. The informal hearing may be terminated and the action set for trial if the court finds it unlikely that all parties would accept a recommendation made under subdivisions 1 or 3.

Sec. 15. [CIVIL ACTION.] An action under sections 1 to 24 is a civil action governed by the rules of civil procedure. The

mother of the child and the alleged father are competent to testify and may be compelled to testify. Section 11, subdivisions 2 and 3, and sections 12 and 13 apply to proceedings under this section.

Sec. 16. [JUDGMENT OR ORDER.] *Subdivision 1. The judgment or order of the court determining the existence or non-existence of the parent and child relationship is determinative for all purposes.*

Subd. 2. If the judgment or order of the court is at variance with the child's birth certificate, the court shall order that a new birth certificate be issued under section 23.

Subd. 3. The judgment or order may contain provisions concerning the duty of support, the custody and guardianship of the child, the name of the child, visitation privileges with the child, the furnishing of bond or other security for the payment of the judgment, or any other matter in the best interest of the child. When issuing an order providing for custody or support the court shall consider the factors set forth in section 518.17. An order providing for visitation shall be issued in accordance with section 518.175. The judgment or order may direct the appropriate party to pay all or a proportion of the reasonable expenses of the mother's pregnancy and confinement, after consideration of the relevant facts, including the relative financial means of the parents; the earning ability of each parent; and any health insurance policies held by either parent, or by a spouse or parent of the parent, which would provide benefits for the expenses incurred by the mother during her pregnancy and confinement.

Subd. 4. Support judgments or orders ordinarily shall be for periodic payments which may vary in amount. In the best interest of the child, a lump sum payment may be ordered in lieu of periodic payments of support. The court shall limit the father's liability for past support of the child to the proportion of the expenses that the court deems just, which were incurred in the immediate preceding two years.

Sec. 17. [ENFORCEMENT OF JUDGMENT OR ORDER.] *Subdivision 1. If existence of the father and child relationship is declared, or paternity or a duty of support has been acknowledged or adjudicated under sections 1 to 24 or under prior law, the obligation of the father may be enforced in the same or other proceedings by the mother, the child, the public authority that has furnished or may furnish the reasonable expenses of pregnancy, confinement, education, support, or funeral, or by any other person, including a private agency, to the extent he has furnished or is furnishing these expenses.*

Subd. 2. The court may order support payments to be made to the mother, the clerk of the court, or a person, corporation, or

agency designated to administer them for the benefit of the child under the supervision of the court.

Subd. 3. Willful failure to obey the judgment or order of the court is a civil contempt of the court. All remedies for the enforcement of judgments apply including those available under sections 518.41 to 518.53 and 256.872 to 256.878.

Sec. 18. [MODIFICATION OF JUDGMENT OR ORDER.] *The court has continuing jurisdiction to modify or revoke a judgment or order*

(a) *for future education and support, and*

(b) *with respect to matters listed in section 16, subdivisions 3 and 4, and section 17, subdivision 2, except that a court entering a judgment or order for the payment of a lump sum under section 16, subdivision 4, may specify that the judgment or order may not be modified or revoked.*

Sec. 19. [RIGHT TO COUNSEL; COSTS; FREE TRANSCRIPT ON APPEAL.] *Subdivision 1. At the pre-trial hearing and in further proceedings, any party may be represented by counsel. If the public authority charged by law with support of a child is a party, the county attorney shall represent the public authority. If the child receives public assistance and no conflict of interests exists, the county attorney shall also represent the mother. If a conflict of interest exists, the court shall appoint counsel for the mother at no cost to her. If the child does not receive public assistance, the county attorney may represent the mother at her request. The court shall appoint counsel for an indigent party who is unable to obtain counsel.*

Subd. 2. The court may order reasonable counsel, expert witnesses, and guardian ad litem fees, and other costs of the trial and pre-trial proceedings, including appropriate tests, to be paid by the parties in proportions and at times determined by the court. The court shall require an indigent party to pay part of the fees of court-appointed counsel according to the party's ability to pay, but if counsel has been appointed the appropriate agency shall pay the indigent party's proportion of all other fees and costs. When a party bringing an action is represented by the county attorney, no filing fee shall be paid to the clerk of court.

Subd. 3. If a party is financially unable to pay the cost of a transcript, the court shall furnish on request a transcript for purposes of appeal.

Sec. 20. [HEARINGS AND RECORDS; CONFIDENTIALITY.] *Notwithstanding any other law concerning public hearings and records, any hearing or trial held under sections 1 to 24 shall be held in closed court without admittance of any person other than those necessary to the action or proceeding.*

All papers and records, other than the final judgment, pertaining to the action or proceeding, whether part of the permanent record of the court or of a file in the state department of public welfare or elsewhere, are subject to inspection only upon consent of the court and all interested persons, or in exceptional cases only upon an order of the court for good cause shown.

Sec. 21. [ACTION TO DECLARE MOTHER AND CHILD RELATIONSHIP.] *A child, the father or personal representative of the child, the public authority chargeable by law with the support of the child, the personal representative or a parent of the father if the father has died, a woman alleged or alleging herself to be the mother, or the personal representative or a parent of the alleged mother if the alleged mother has died or is a minor may bring an action to determine the existence or nonexistence of a mother and child relationship. Insofar as practicable, the provisions of section 1 to 24 applicable to the father and child relationship apply.*

Sec. 22. [PROMISE TO RENDER SUPPORT.] *Subdivision 1. A person's signed promise to furnish support for a child, growing out of a supposed or alleged father and child relationship, does not require consideration and is enforceable according to its terms, subject to section 7, subdivision 4.*

Subd. 2. In the best interest of the child or the mother, the court may, and if a provision of the writing so requires shall, order the promise to be kept in confidence and designate a person or agency to receive and disburse on behalf of the child all amounts paid in performance of the promise.

Sec. 23. [BIRTH RECORDS.] *Subdivision 1. Upon compliance with the provisions of section 5, subdivision 1, clause (e) or upon order of a court of this state or upon request of a court of another state, the local registrar of vital statistics shall prepare a new certificate of birth consistent with the acknowledgment or the findings of the court and shall substitute the new certificate for the original certificate of birth.*

Subd. 2. The fact that the father and child relationship was declared after the child's birth shall not be ascertainable from the new certificate but the actual place and date of birth shall be shown.

Subd. 3. The evidence upon which the new certificate was made and the original birth certificate shall be kept in a sealed and confidential file and be subject to inspection only upon consent of the court and all interested persons, or in exceptional cases only upon an order of the court for good cause shown.

Sec. 24. [ADOPTION; TERMINATION PROCEEDINGS.] *Subdivision 1. If a mother relinquishes or proposes to relinquish for adoption a child who has*

- (a) *a presumed father under section 5, subdivision 1,*
- (b) *a father whose relationship to the child has been determined by a court, or*
- (c) *a father as to whom the child is a legitimate child under prior law of this state or under the law of another jurisdiction, the father shall be given notice of the adoption proceeding as provided in section 259.26.*

Subd. 2. If a mother relinquishes or proposes to relinquish for adoption a child who does not have

- (a) *a presumed father under section 5, subdivision 1,*
- (b) *a father whose relationship to the child has been determined by a court, or*
- (c) *a father as to whom the child is a legitimate child under prior law of this state or under the law of another jurisdiction, notice of the adoption proceeding shall be given as required by sections 259.26 and 259.261.*

Sec. 25. Minnesota Statutes 1978, Section 62A.041, is amended to read:

62A.041 [MATERNITY BENEFITS; UNMARRIED WOMEN.] Each group policy of accident and health insurance issued or renewed after June 4, 1971, shall provide the same coverage for maternity benefits to unmarried women and minor female dependents that it provides to married women including the wives of employees choosing dependent family coverage. If an *unmarried* insured is a parent (OR AN ACKNOWLEDGED OR ADJUDICATED PARENT) of a dependent (ILLEGITIMATE) child, each group policy issued or renewed after July 1, 1976, shall provide the same coverage for that child as that provided for the child of (AN) a *married* employee choosing dependent family coverage if the insured elects dependent family coverage.

Each individual policy of accident and health insurance shall provide the same coverage for maternity benefits to unmarried women and minor female dependents as that provided for married women. If (THE) an *unmarried* insured is a parent (OR AN ACKNOWLEDGED OR ADJUDICATED PARENT) of a dependent (ILLEGITIMATE) child, each individual policy issued or renewed after July 1, 1976, shall also provide the same coverage for that child as that provided for the child of (AN) a *married* insured choosing dependent family coverage if the insured elects dependent family coverage.

For the purposes of this section, the term "maternity benefits" shall not include elective, induced abortion whether performed in a hospital, other abortion facility, or the office of a physician.

Sec. 26. Minnesota Statutes 1978, Section 62C.14, Subdivision 5a, is amended to read:

Subd. 5a. Any group subscriber's contract delivered or issued for delivery or renewed in this state after August 1, 1973, shall provide the same coverage for maternity benefits to unmarried women and minor female dependents as that provided for married women. If (A) *an unmarried* subscriber is a parent (OR AN ACKNOWLEDGED OR ADJUDICATED PARENT) of a dependent (ILLEGITIMATE) child, each group subscriber's contract delivered or issued for delivery or renewed after July 1, 1976, shall, if the subscriber chooses family coverage, provide the same coverage for that child as that provided for the child of any other subscriber choosing dependent family coverage. Any group contracting for a group subscriber's contract may request that the coverage required by this section be omitted.

An individual subscriber's contract delivered or issued for delivery in this state shall provide the same coverage for maternity benefits to unmarried women and minor female dependents as that provided for married women. If (THE) *an unmarried* subscriber is a parent (OR THE ACKNOWLEDGED OR ADJUDICATED PARENT) of a dependent (ILLEGITIMATE) child, each subscriber's individual contract delivered or issued for delivery or renewed after July 1, 1975, shall, if the subscriber chooses dependent family coverage, provide the same coverage for that child as that provided for the child of any other subscriber choosing dependent family coverage.

Sec. 27. Minnesota Statutes 1978, Section 64A.22, Subdivision 1, is amended to read:

64A.22 [BENEFICIARIES.] Subdivision 1. [CHANGE; ELIGIBILITY; RIGHTS.] The member shall have the right at all times to change the beneficiary or beneficiaries in accordance with the constitution, laws or rules of the association. Every association by its constitution, laws or rules may limit the scope of beneficiaries and shall provide that no beneficiary shall have or obtain any vested interest in the proceeds of any certificate until the certificate has become due and payable in conformity with the provisions of the insurance contract; except that associations which fail to meet the requirements of section 64A.20, clause (3) shall confine the payment of death benefits to the wife, husband, family, relatives by blood or marriage, including (ILLEGITIMATE) children *as to whom he is a parent, as defined in sections 1 to 24*, parent or child by adoption, affianced husband or wife, a person dependent on the member or on whom the member is dependent, the member's estate, a benevolent, educational, religious, or charitable corporation, or to an incor-

porated institution for the support of the member. Any association may limit the beneficiaries within the above classes.

Sec. 28. Minnesota Statutes 1978, Section 144.215, Subdivision 3, is amended to read:

Subd. 3. In any case in which paternity of a child is determined by a court of competent jurisdiction, *or upon compliance with the provisions of section 5, subdivision 1, clause (e)*, the name of the father shall be entered on the birth certificate. If the order of the court declares the name of the child, it shall also be entered on the birth certificate (;). *If the order of the court does not declare the name of the child, or there is no court order*, then upon the request of both parents in writing, the surname of the child shall be that of the father.

Sec. 29. Minnesota Statutes 1978, Section 257.025, is amended to read:

257.025 [CUSTODY DISPUTES.] In any proceeding where two or more parties seek custody of a child the court shall determine the best interests of the child by considering and evaluating the following factors:

(a) The love, affection and other emotional ties existing between the competing parties and the child;

(b) The capacity and disposition of competing parties to give the child love, affection and guidance and continuation of the educating and raising of the child in its religion, creed, if any, or culture;

(c) The capacity and disposition of competing parties to provide the child with food, clothing, medical care or other remedial care recognized and permitted under the laws of this state in lieu of medical care, and other material needs;

(d) The length of time the child has lived in a stable, satisfactory environment and the desirability of maintaining continuity;

(e) The permanence, as a family unit, of the existing or proposed custodial home;

(f) The mental and physical health of the competing parties;

(g) The home, school and community record of the child;

(h) The cultural background of the child;

(i) The reasonable preference of the child, if the court deems the child to be of sufficient age to express preference;

(j) Any other factor considered by the court to be relevant to a particular child custody dispute.

The fact that the parents of the child are not or were never married to each other shall not be determinative of the custody of the child.

Sec. 30. Minnesota Statutes 1978, Section 257.175, is amended to read:

257.175 [DUTIES OF COMMISSIONER OF PUBLIC WELFARE.] It shall be the duty of the commissioner of public welfare to promote the enforcement of all laws for the protection of defective, (ILLEGITIMATE,) dependent, neglected, and delinquent children, to cooperate to this end with juvenile courts and all reputable child-helping and child-placing agencies of a public or private character, and to take the initiative in all matters involving the interests of such children where adequate provision therefore has not already been made. The commissioner may appoint a chief executive officer and such assistants as shall be necessary to carry out the purposes of (SECTIONS 257.175, 257.32, AND 257.33) *this section.*

Sec. 31. Minnesota Statutes 1978, Section 259.24, Subdivision 1, is amended to read:

259.24 [CONSENTS.] Subdivision 1. [EXCEPTIONS.] No child shall be adopted without the consent of (HIS) *the child's* parents and (HIS) *the child's* guardian, if there be one, except in the following instances:

(a) Consent shall not be required of (THE) *a* parent (OF AN ILLEGITIMATE CHILD) not entitled to notice of the proceedings (UNDER EITHER SECTIONS 259.26 OR 259.261).

(b) Consent shall not be required of a parent who has abandoned the child, or of a parent who has lost custody of the child through a divorce decree *or a decree of dissolution*, and upon whom notice has been served as required by section 259.26.

(c) Consent shall not be required of a parent whose parental rights to the child have been terminated by a juvenile court or who has lost custody of a child through a final commitment of the juvenile court or through a decree in a prior adoption proceeding.

(d) If there be no parent or guardian qualified to consent to the adoption, the consent may be given by the commissioner.

(e) The commissioner or agency having authority to place a child for adoption pursuant to section 259.25, subdivision 1, shall have the exclusive right to consent to the adoption of such child.

Sec. 32. Minnesota Statutes 1978, Section 259.24, Subdivision 2, is amended to read:

Subd. 2. [PARENTS, GUARDIAN.] If (A) *an unmarried* parent who consents to the adoption of (AN ILLEGITIMATE) *a* child is under 18 years of age, the consent of his parents or guardian, if any, also shall be required; if either or both the parents are disqualified for any of the reasons enumerated in subdivision 1, the consent of such parent shall be waived, and the consent of the guardian only shall be sufficient; and, if there be neither parent nor guardian qualified to give such consent, the consent may be given by the commissioner.

Sec. 33. Minnesota Statutes 1978, Section 259.25, Subdivision 1, is amended to read:

259.25 [AGREEMENT CONFERRING AUTHORITY TO PLACE FOR ADOPTION.] Subdivision 1. [CONSENTS REQUIRED.] The parents and guardian, if there be one, of a (LEGITIMATE) child may enter into a written agreement with the commissioner of public welfare or an agency, giving the commissioner or such agency authority to place the child for adoption. (THE PARENTS OF AN ILLEGITIMATE CHILD ALSO MAY ENTER INTO SUCH WRITTEN AGREEMENT, BUT,) If (HE) *an unmarried parent* is under the age of 18 years the written consent of his parents and guardian, if any, also shall be required; if either or both of the parents are disqualified from giving such consent for any of the reasons enumerated in section 259.24, subdivision 1, then the written consent of the guardian shall be required. (SUCH) *The* agreement and consent shall be in the form prescribed by the commissioner. The agreement shall be executed by the commissioner or agency, or one of their authorized agents, and all other necessary parties, and shall be filed, together with the consent, in the proceedings for the adoption of the child.

Sec. 34. Minnesota Statutes 1978, Section 259.26, Subdivision 1, is amended to read:

259.26 [NOTICE, HEARING ON PETITION.] Subdivision 1. [TO WHOM GIVEN.] Except as provided in subdivision 3, and subject to section 259.261, notice of the hearing upon a petition to adopt a child shall be given to:

(1) (THE PARENTS AND GUARDIAN, IF ANY, OF ANY LEGITIMATE CHILD;)

((2)) The guardian, if any, of (AN ILLEGITIMATE) *a* child;

((3)) (2) The parent of (AN ILLEGITIMATE) *a* child if

- (a) The person's name appears on the child's birth certificate, as a parent, or
- (b) The person has substantially supported the child, or
- (c) The person either was married to the person designated on the birth certificate as the natural mother within the 325 days before the child's birth or married that person within the ten days after the child's birth, or
- (d) The person is openly living with the child or the person designated on the birth certificate as the natural mother of the child, or both, or
- (e) The person has been adjudicated the child's parent, or
- (f) The person has filed an affidavit pursuant to section 259.261.

This notice need not be given to any above named person whose parental rights have been terminated, whose notice of intention to retain parental rights filed pursuant to section 259.261 has been successfully challenged, who (HAVE) *has* consented to the adoption or who (HAVE) *has* waived notice of the hearing. The notice of the hearing may be waived by a parent, guardian or other interested party by a writing executed before two competent witnesses and duly acknowledged. (SUCH) *The* waiver shall be filed in the adoption proceedings at any time before the matter is heard.

Sec. 35. Minnesota Statutes, 1979 Supplement, Section 259.-29, Subdivision 1, is amended to read:

259.29 [EFFECT OF ADOPTION.] Subdivision 1. Upon adoption, the child shall become the legal child of the *adopting* persons (ADOPTING HIM,) and they shall become (HIS) *the* legal parents of *the child* with all the rights and duties between them of natural parents and legitimate child. By virtue of the adoption (HE) *the child* shall inherit from (HIS) *the* adoptive parents or their relatives the same as though (HE) *the child* were the (LEGITIMATE) *natural* child of the parents, and in case of (HIS) *the child's* death intestate the adoptive parents and their relatives shall inherit (HIS) *the child's* estate as if they had been (HIS) *the child's* natural parents and relatives. After a decree of adoption is entered the natural parents of an adopted child shall be relieved of all parental responsibilities for the child, and they shall not exercise or have any rights over the adopted child or (HIS) *the child's* property. The child shall not owe (HIS) *the* natural parents or their relatives any legal duty nor shall (HE) *the child* inherit from (HIS) *the* natural parents or kindred, except as provided in subdivision 1a.

Subd. 1a. Notwithstanding any other provisions to the contrary in this section, the adoption of a child by (HIS) a step-parent shall not in any way change the status of the relationship between the child and (HIS) *the child's* natural parent who is the spouse of the petitioning step-parent.

If a parent dies and a child is subsequently adopted by a step-parent who is the spouse of a surviving parent, any rights of inheritance of the child or the child's issue from or through the deceased parent of the child which exist at the time of the death of that parent shall not be affected by the adoption.

Subd. 2. Notwithstanding the provisions of subdivision 1, the adoption of a child whose natural parent or parents are enrolled in an American Indian tribe shall not change the child's enrollment in that tribe.

Sec. 36. Minnesota Statutes 1978, Section 260.231, Subdivision 3, is amended to read:

Subd. 3. The court shall have notice of the time, place, and purpose of the hearing served on the parents, *as defined in sections 1 to 24 or in Section 34, subdivision 1, clause (2),* in the manner provided in sections 260.135 and 260.141, except that personal service shall be made at least ten days before the day of the hearing (PROVIDED THAT IN THE CASE OF AN ILLEGITIMATE CHILD, NOTICE SHALL BE GIVEN TO THE PARENT OF AN ILLEGITIMATE CHILD MEETING THE REQUIREMENTS OF SECTION 259.26,) SUBDIVISION 1, CLAUSE (3)). Published notice shall be made for three weeks, the last publication to be at least ten days before the day of the hearing; and notice sent by certified mail shall be mailed at least 20 days before the day of the hearing. A parent who consents to the termination of parental rights under the provisions of section 260.221, clause (a), may waive in writing the notice required by this subdivision; however, if the parent is a minor or incompetent (HIS) *the* waiver shall be effective only if (HIS) *the parent's* guardian ad litem concurs in writing.

Sec. 37. *Minnesota Statutes 1978, Sections 257.251; 257.252; 257.253; 257.254; 257.255; 257.256; 257.257; 257.258; 257.259; 257.261; 257.262; 257.263; 257.264; 257.27; 257.28; 257.29; 257.30; 257.31; 257.32; 257.33; and 517.19; are repealed."*

Further delete the title and insert:

"A bill for an act relating to public welfare; providing pre-trial proceedings and hearings to determine paternity of children; revising Minnesota Statutes to conform with the uniform parentage act; amending Minnesota Statutes 1978, Sections 62A.041; 62C.14, Subdivision 5a; 64A.22, Subdivision 1; 144.215, Subdivision 3; 257.025; 257.175; 257.33; 259.24, Subdivisions 1 and 2; 259.25, Subdivision 1; 259.26, Subdivision 1; 260.231,

Subdivision 3; and Minnesota Statutes, 1979 Supplement, Section 259.29, Subdivision 1; repealing Minnesota Statutes 1978, Sections 257.251; 257.252; 257.253; 257.254; 257.255; 257.256; 257.257; 257.258; 257.259; 257.261; 257.262; 257.263; 257.264; 257.27; 257.28; 257.29; 257.30; 257.31; 257.32; 257.33; and 517.19."

With the recommendation that when so amended the bill pass.

The report was adopted.

Moe from the Committee on Governmental Operations to which was referred:

S. F. No. 1825, A bill for an act relating to state government; permitting payroll deductions for the Minnesota Benefit Association; amending Minnesota Statutes 1978, Section 10.39, Subdivision 1.

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

The report was adopted.

Pursuant to rule 9.3, S. F. No. 1825 was referred to the Committee on Rules and Legislative Administration.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 1979, A bill for an act relating to state forests; altering the boundaries of Badoura State Forest; amending Minnesota Statutes 1978, Section 89.021, Subdivision 2.

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

The report was adopted.

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

S. F. No. 2102, A bill for an act relating to the city of Melrose; authorizing the issuance of general obligation bonds for a fire hall and community center.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1678 and 2168 were read for the second time.

Wigley moved that S. F. No. 1847 be recalled from the Committee on Environment and Natural Resources and together with H. F. No. 2168, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

H. F. No. 2223 was read for the second time.

Kroening moved that S. F. No. 1398 be recalled from the Committee on Commerce, Economic Development and Housing and together with H. F. No. 2223, now on Technical General Orders be referred to the Chief Clerk for comparison. The motion prevailed.

H. F. Nos. 2230, 2297, 2303 and 2435 were read for the second time.

Greenfield moved that S. F. No. 1658 be recalled from the Committee on Commerce, Economic Development and Housing and together with H. F. No. 2435, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1707, 1963, 119, 134, 1979 and 2102 were read for the second time.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Kroening, Moe, Casserly, Begich and Greenfield introduced:

H. F. No. 2460, A bill for an act relating to banking; creating the bank of Minnesota.

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

Piepho, Wigley and Fjoslien introduced:

H. F. No. 2461, A bill for an act relating to taxation; income; providing a credit for certain sales of recycled materials; amending Minnesota Statutes 1978, Section 290.06, by adding a subdivision.

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

Simoneau and McCarron introduced:

H. F. No. 2462, A bill for an act relating to retirement; Fridley volunteer firefighters' relief association; authorizing increases in service pensions for retired members; authorizing membership of a retired member on the board of trustees of the relief association.

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

Simoneau and McCarron introduced:

H. F. No. 2463, A bill for an act relating to retirement; Fridley volunteer firefighters' relief association; authorizing increases in service pensions for retired members; authorizing membership of a retired member on the board of trustees of the relief association.

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

HOUSE ADVISORIES

The following House Advisory was introduced:

Carlson, L.; Swanson; Heinitz; Kaley and Wynia introduced:

H. A. No. 55, A proposal to study regulation and alternatives to regulation of the health care delivery system.

The advisory was referred to the Committee on Health and Welfare.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1789, A bill for an act relating to occupations and professions; providing for licensing of public accountants; amending Minnesota Statutes, 1979 Supplement, Section 326.191.

H. F. No. 1798, A bill for an act relating to courts; second judicial district; providing for the appointment of the juvenile court clerk; amending Laws 1951, Chapter 653, Section 1, as amended.

H. F. No. 1892, A bill for an act relating to courts; providing that courts may acquire electronic data processing services through supreme court contracts; amending Minnesota Statutes 1978, Chapter 480, by adding a section.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1670, A bill for an act relating to energy; creating a state emergency residential heating grant program; broadening the scope of state weatherization programs; providing a credit for energy conservation expenditures; providing a pass-through of federal energy credits; reimbursing counties; appropriating money; amending Minnesota Statutes 1978, Section 462A.21, by adding a subdivision; and Minnesota Statutes, 1979 Supplement, Sections 268.37; 290.01, Subdivision 20; and 290.06, Subdivision 14.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1670

A bill for an act relating to energy; creating a state emergency residential heating grant program; broadening the scope of state weatherization programs; providing a credit for energy conservation expenditures; providing a passthrough of federal energy credits; reimbursing counties; appropriating money; amending Minnesota Statutes 1978, Section 462A.21, by adding a subdivision; and Minnesota Statutes, 1979 Supplement, Sections 268.37; 290.01, Subdivision 20; and 290.06, Subdivision 14.

March 17, 1980

The Honorable Edward J. Gearty
President of the Senate

The Honorable Fred C. Norton
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1670, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1670 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [EMERGENCY RESIDENTIAL HEATING GRANTS.] *Subdivision 1. The commissioner of economic security shall make grants to community action agencies, county boards, or other public or private nonprofit agencies for the purpose of providing emergency residential heating grants to low income households. These grants shall be made to the same agencies and in the same manner as provided for federal grants under the energy crisis assistance program of 42 U.S.C.A., Section 2809, Paragraph (a), Clause (5), except as otherwise provided in sections 1 to 5.*

Subd. 2. The commissioner of economic security shall promulgate rules that provide: (a) procedures for the administration of grants; (b) data to be reported by grant recipients and heating fuel suppliers; and (c) other matters the commissioner finds necessary for the proper administration of the state and federal grant programs. The rules may take effect as temporary rules upon approval by the attorney general and without the normal publication in the state register and, 20 day wait for comments from the public, and may be amended in the same manner at a later date if comments from the public demonstrate that amendments are justified.

Subd. 3. Data on individuals collected, maintained, used, or disseminated pursuant to this act are private data on individuals and shall not be disclosed except as provided for data in the welfare system under Minnesota Statutes, 1979 Supplement, Section 15.1691.

Sec. 2. [ALLOCATIONS.] *Money appropriated under section 12, subdivision 1, clauses (a) to (e) shall be allocated among local administrative agencies on the basis of the number of households in the area served by the agency whose income falls within the limits specified in section 3, subdivision 1, in relation to the total of these households in the state.*

Sec. 3. [ELIGIBILITY; AMOUNT OF GRANT.] *Subdivision 1. [INCOME LIMITS.] Emergency residential heating grants under this section shall be paid only to households not eligible for the federal energy crisis assistance program and whose total household income does not exceed the following limits:*

<i>Size of Household</i>	<i>Not More Than</i>
<i>1</i>	<i>\$ 5,100</i>
<i>2</i>	<i>6,750</i>
<i>3</i>	<i>8,400</i>
<i>4</i>	<i>10,050</i>
<i>5</i>	<i>11,700</i>
<i>6</i>	<i>13,350</i> <i>(For each additional household member add \$1,650.)</i>

In determining total household income, a household with earned income may deduct from earned income state and federal income taxes and social security contributions. In addition, a household may deduct medical expenses which are not reimbursed by insurance or other sources and which exceed three percent of the household income.

Subd. 2. [AMOUNT OF GRANT.] *The amount of a grant under this section, in combination with the special grant paid by the federal government directly to recipients of supplemental security income and money available to the state under the HEW block grant program shall be the least of:*

(a) Fifty percent of the cost of residential heating energy paid or reasonably anticipated to be paid by the household during the winter heating season beginning in September and ending in May; or

(b) The appropriate table of maximum grant amounts as follows:

(1) If the maximum grant for fuel oil under the current state plan for the federal energy assistance program, at the highest eligible income level is \$400, the following amounts graduated by size of household, income of household, and source of energy:

<i>Household Size</i>	<i>Household Income More Than but</i>	<i>Not More Than</i>	<i>Fuel Oil, Canadian Natural Gas and Propane</i>	<i>Wood and Other Energy Sources</i>
1		\$ 4,250	\$400	\$267
	\$ 4,250	\$ 4,675	\$283	\$189
	\$ 4,675	\$ 5,100	\$167	\$111
2		\$ 5,625	\$400	\$267
	\$ 5,625	\$ 6,188	\$283	\$189
	\$ 6,188	\$ 6,750	\$167	\$111
3		\$ 7,000	\$400	\$267
	\$ 7,000	\$ 7,700	\$283	\$189
	\$ 7,700	\$ 8,400	\$167	\$111
4		\$ 8,375	\$400	\$267
	\$ 8,375	\$ 9,212	\$283	\$189
	\$ 9,212	\$10,050	\$167	\$111
5		\$ 9,750	\$400	\$267
	\$ 9,750	\$10,725	\$283	\$189
	\$10,725	\$11,700	\$167	\$111
6		\$11,125	\$400	\$267
	\$11,125	\$12,238	\$283	\$189
	\$12,238	\$13,350	\$167	\$111

or

(2) If the maximum grant for fuel oil under the current state plan for the federal energy assistance program, at the highest eligible income level is \$600 or more, the following amounts graduated by size of household, income of household, and source of energy:

Household Size	Household Income More Than but	Not More than	Fuel Oil, Canadian Natural Gas and Propane	Wood and Other Energy Sources
1		\$ 4,250	\$600	\$400
	\$ 4,250	\$ 4,675	\$425	\$283
	\$ 4,675	\$ 5,100	\$250	\$167
2		\$ 5,625	\$600	\$400
	\$ 5,625	\$ 6,188	\$425	\$283
	\$ 6,188	\$ 6,750	\$250	\$167
3		\$ 7,000	\$600	\$400
	\$ 7,000	\$ 7,700	\$425	\$283
	\$ 7,700	\$ 8,400	\$250	\$167
4		\$ 8,375	\$600	\$400
	\$ 8,375	\$ 9,212	\$425	\$283
	\$ 9,212	\$10,050	\$250	\$167
5		\$ 9,750	\$600	\$400
	\$ 9,750	\$10,725	\$425	\$283
	\$10,725	\$11,700	\$250	\$167
6		\$11,125	\$600	\$400
	\$11,125	\$12,238	\$425	\$283
	\$12,238	\$13,350	\$250	\$167

For households of more than six members, the amount of the grant is scaled downward as income goes upward in the same manner as provided in tables 1 and 2 above.

Grants for recipients who use two or more types of fuel shall be based on the household's primary energy source.

Users of wood as the primary heating source, whether the wood is purchased or not, shall be eligible for assistance under this section.

Grants shall not be considered as income or resources under any other public or publicly assisted income tested program.

Sec. 4. [DISCRETIONARY GRANTS.] *A local administrative agency may use money allocated to it for discretionary grants to assist households in extraordinary need whose income, assets, or heating costs fall outside the limits set in section 3 and who are not eligible for additional assistance under any federal program.*

Sec. 5. [LEGISLATIVE AUDITOR REPORT.] *The legislative auditor shall submit to the legislature by January 1 of each year an audit report of the department of economic security concerning their administration of the emergency residential heating grant program. This report shall also contain a summary of the audit results of the local agencies involved in the administration of this program.*

These financial and compliance audits of the local agencies shall be initiated, monitored, and approved by the department of economic security. The legislative auditor must approve the selection of the auditors and scope of the audit.

Sec. 6. Minnesota Statutes, 1979 Supplement, Section 268.37, is amended to read:

268.37 [COORDINATION OF FEDERAL AND STATE RESIDENTIAL WEATHERIZATION PROGRAMS.] Subdivision 1. The department of economic security is the state agency to apply for, receive, and disburse (FEDERAL) money made available to the state by federal law (OR RULES PROMULGATED THEREUNDER) for the purpose of weatherizing the residences of low-income persons. The commissioner of economic security shall coordinate available federal money with (ANY) state money appropriated for this purpose.

Subd. 2. The commissioner shall make grants of federal and state money to community action agencies and other public or private nonprofit agencies for the purpose of weatherizing the residences of low-income persons. Grant applications shall be submitted in accordance with rules developed pursuant to 42 U.S.C., Sections 6861 to 6872, any other relevant federal weatherization program, and rules promulgated by the commissioner.

Subd. 3. The commissioner shall promulgate temporary rules as necessary to administer the grants program (BY JULY 1, 1979) and shall promulgate permanent rules by July 1, 1980. The rules shall describe: (a) procedures for the administration

of grants, (b) data to be reported by grant recipients, and (c) other matters the commissioner finds necessary for the proper administration of the grant program including compliance with relevant federal regulations. Weatherization assistance shall be given to households where the total income does not exceed 125 percent of the poverty level as updated by the federal office of management and budget poverty guidelines.

Subd. 4. [SUPPLEMENTARY STATE GRANTS.] *The commissioner shall distribute supplementary state grants in a manner consistent with the goal of producing the maximum number of weatherized units feasible. Supplementary state grants are provided primarily for the payment of additional labor costs for the federal weatherization program, and as an incentive for the increased production of weatherized units.*

Criteria for the allocation of state grants to local agencies include: (a) existing local agency production levels, (b) availability of CETA resources in the area, (c) emergency needs, and (d) the potential for maintaining or increasing acceptable levels of production in the area.

An eligible local agency may receive advance funding for 90 days' production, but thereafter shall receive grants solely on the basis of program criteria.

Subd. 5. The commissioner shall submit reports to the legislature by March 1 of each year, (1980, AND MARCH 1, 1981,) evaluating the weatherization program. The reports shall describe: (a) the number of households weatherized, (b) the average cost per household, (c) any change in energy consumption after weatherization, (d) outreach efforts, and (e) any other information the commissioner feels is relevant, including information routinely submitted to the federal government.

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; except that gross income shall not include "exempt function income" of a "homeowners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in

its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(v) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of this chapter at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

The amendments made to sections 219(c) (3) and 220(c) (4) (extending the time for which a taxpayer is deemed to have made a contribution to an individual retirement account for the taxable year) by section 157(a) of P.L. 95-600 shall be effective for taxable years beginning after December 31, 1977.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for

the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) In the case of property disposed of on or after January 1, 1978, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1976, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (7) or under section 290.09, subdivision 24;

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(12) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses realized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, as amended through December 31, 1976, if the non-profit corporation is domiciled outside of Minnesota; and

(14) Exempt-interest dividends, as defined in section 852 (b) (5) (A) of the Internal Revenue Code of 1954, as amended through December 31, 1976, not included in federal adjusted gross income pursuant to section 852 (b) (5) (B) of the Internal Revenue Code of 1954, as amended through December 31, 1976, except for that portion of such exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain realized by a trust on the sale or exchange of property as defined in section 641 (c) (1).

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 50 per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(6) To the extent included in federal adjusted gross income, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, as amended through December 31, 1977. The maximum amount of this subtraction shall be \$10,000 less the amount by which the individual's federal adjusted gross income exceeds \$17,000. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$10,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

(7) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, but only to the extent that the credit is connected with or allocable against the pro-

duction or receipt of income included in the measure of the tax imposed by this chapter;

(8) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain realized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;

(9) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(10) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed after December 31, 1977 and before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(11) The amount of gain on the sale of the taxpayer's residence excluded from the federal gross income of the taxpayer pursuant to section 121 of the Internal Revenue Code of 1954, as amended through December 31, 1978 provided that a taxpayer who elects under that section shall not, for the purpose of this subdivision, also take an exclusion according to the provisions of section 121 of the Internal Revenue Code, as amended through December 31, 1976;

(12) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota; (AND)

(13) The amount of any income earned for personal services rendered prior to the date when the taxpayer became a resident of Minnesota; and

(14) The amount of any credit to the taxpayer's federal tax liability for qualified expenditures for energy conservation or renewable energy sources under section 44C of the Internal Revenue Code of 1954, as amended through December 31, 1979 and as amended in H. R. 3919 (Crude Oil Windfall Profit Tax Act of 1980) as passed by the United States House of Representatives on March 13, 1980.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income

of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 8. Minnesota Statutes, 1979 Supplement, Section 290.06, Subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL ENERGY CREDIT.] A credit of 20 percent of the first \$10,000 of renewable energy source expenditures, including the expenditures described in clauses (a), (b) and (d) if made by an individual taxpayer on a Minnesota building of six dwelling units or less and expenditures for biomass conversion equipment described in clause (c), *and a credit of 15 percent of the first \$2,000 of energy conservation expenditures made by a taxpayer and installed in or on a dwelling unit located in Minnesota*, may be deducted from the tax due under this chapter for the taxable year in which the expenditures were made. For purposes of this subdivision, the term "building" shall include a condominium or townhouse used by the taxpayer as a residence. In the case of qualifying expenditures incurred in connection with a building under construction by a contractor, the credit shall be deducted from the tax liability of the first individual to purchase the building for use as a principal residence or for residential rental purposes; the contractor shall not be eligible for the credit given pursuant to this subdivision for that expenditure.

A "renewable energy source expenditure" which qualifies shall include:

(a) Expenditures which qualify for the federal renewable energy credit, pursuant to Section 44C of the Internal Revenue Code of 1954, as amended through December 31, 1978, and any regulations promulgated pursuant thereto;

(b) Expenditures for earth sheltered dwelling units. For purposes of this credit, an "earth sheltered dwelling unit" shall mean a structure which complies with applicable building standards and which is constructed so that:

(1) 80 percent or more of the (WALL) roof area is covered with a minimum depth of 12 inches of earth; and

(2) 50 percent or more of the wall area is covered with a minimum depth of 12 inches of earth; and

(3) Those portions of the structure not insulated with a minimum of seven feet of earth shall have additional insulation;

(c) Expenditures for biomass conversion equipment which produces ethanol, methane or methanol for use as a liquid fuel which is not offered for sale; and

(d) Expenditures for passive solar energy systems. For purposes of this credit, a "passive solar energy system" is defined to include systems which utilize elements of the building and its operable components to heat or cool a building (UNIT) *with* the sun's energy by means of conduction, convection, radiation, or evaporation. A passive system shall include:

(1) Collection aperture, including glazing installed in south facing walls and roofs; and

(2) Storage element, including thermal mass in the form of water, masonry, rock, concrete, or other mediums which is designed to store heat collected from solar radiation.

A passive system may include:

(1) Control and distribution element, including fans, louvers, and air ducts; and/or

(2) Retention element, including movable insulation used to minimize heat loss caused by nocturnal radiation through areas used for direct solar heat gain during daylight hours.

Eligible passive expenditures shall be for equipment, materials or devices that are an integral part of the components listed above and essential to the functioning of a passive design which qualifies pursuant to rules promulgated by the commissioner of revenue in cooperation with the director of the energy agency. Expenditures for equipment, materials, or devices which are a part of the normal heating, cooling, or insulation system of a building are not eligible for the credit.

An "energy conservation expenditure" is an expenditure which qualifies for the federal energy conservation credit pursuant to section 44C of the Internal Revenue Code of 1954, as amended through December 31, 1979, and any regulations promulgated pursuant thereto.

If a credit for a renewable energy expenditure was allowed to a taxpayer under this subdivision for any prior taxable year, the dollar amount of the maximum renewable energy expenditure

for which a taxpayer may qualify for a credit under this subdivision in subsequent years shall be \$10,000 reduced by the amount of renewable energy expenditures which a credit was claimed pursuant to this subdivision in prior years. If a credit for an energy conservation expenditure was allowed to a taxpayer under this subdivision for any prior taxable year, the dollar amount of the maximum energy conservation expenditure for which a taxpayer may qualify for a credit under this subdivision in subsequent years shall be \$2,000 reduced by the amount of energy conservation expenditures for which a credit was claimed pursuant to this subdivision in prior years.

(THE) A credit provided in this subdivision shall not be allowed in a taxable year if the (AMOUNT) sum of the (CREDIT) credits provided in this subdivision would be less than \$10.

If (THE) a credit allowable under this subdivision exceeds the amount of tax due in a taxable year, the excess credit shall not be refunded but may be carried forward to the succeeding taxable year and added to the credit allowable for that year. No amount attributable to renewable energy source expenditures may be carried forward to a taxable year beginning after December 31, 1984. No amount attributable to energy conservation expenditures may be carried forward to a taxable year beginning after December 31, 1982. In the case of energy conservation expenditures, excess credits may be carried back two years, in chronological order. No credit may be carried back to a taxable year beginning before January 1, 1978. For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to an energy conservation credit carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation shall be that period which ends with the expiration of the 15th day of the 46th month following the end of the taxable year of the energy conservation credit which results in the carryback. In the case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of the energy conservation credit, interest shall be computed only from the end of the taxable year in which the energy conservation credit occurs.

A shareholder in a family farm corporation and each partner in a partnership operating a family farm shall be eligible for the (CREDIT) credits provided by this subdivision in the same manner and to the same extent allowed a joint owner of property under (CLAUSE (A)) section 44C (d) of the Internal Revenue Code of 1954, as amended through December 31, 1979. "Family farm corporation" and "family farm" have the meanings given in section 500.24.

The (CREDIT) credits provided in this subdivision (IS) are subject to the provisions of Section 44C, (c) (7), (d) (1) to (3), and (e), of the Internal Revenue Code of 1954, as amended

through December 31, 1978, and any regulations promulgated pursuant thereto.

The commissioner of revenue in cooperation with the director of the energy agency shall promulgate rules establishing additional qualifications and definitions for the credits provided in (CLAUSES (A) TO (D)) *this subdivision.*

Notwithstanding section 290.61, the commissioner of revenue may request the energy agency to assist in the review and auditing of the information furnished by the taxpayer for purposes of claiming this credit. The provisions of section 290.61 shall apply to employees of the energy agency who receive information furnished by the taxpayer for purposes of claiming this credit.

(THIS SUBDIVISION) *The credit for renewable energy source expenditures is effective for expenditures made during taxable years beginning after December 31, 1978 and before January 1, 1983. The credit for energy conservation expenditures is effective for expenditures made during taxable years beginning after December 31, 1979, and before January 1, 1983.*

Sec. 9. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision to read:

Subd. 15b. It may make grants to assist in energy conservation rehabilitation measures for existing owner occupied housing including, but not limited to: insulation, storm windows and doors, furnace or space heater repair or replacement, chimney construction or improvement, weatherstripping and caulking, and structural or other directly related repairs essential for energy conservation. The grant to any household shall not exceed \$2,000.

To be eligible for an emergency conservation grant, a household must be certified as eligible to receive emergency residential heating assistance under either the federal or the state program, and either (1) have had a heating cost for the preceding heating season that exceeded 120 percent of the regional average for the preceding heating season for that energy source as determined by the energy agency, or (2) be eligible to receive a federal energy conservation grant, but be precluded from receiving the grant because of a need for directly related repairs that cannot be paid for under the federal program. The housing finance agency shall make a reasonable effort to determine whether other state or federal loan and grant programs are available and adequate to finance the intended improvements. An emergency energy conservation grant may be made in conjunction with grants or loans from other state or federal programs that finance other needed rehabilitation work. The receipt of a grant pursuant to this section shall not affect the applicant's eligibility for other housing finance agency loan or grant programs.

Temporary rules to implement this subdivision may be promulgated and amended pursuant to chapter 15. The temporary rules may remain in effect until July 1, 1981.

Sec. 10. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 4g. It may make emergency energy conservation grants as provided in section 9 and may pay the costs and expenses necessary and incidental to the development of the emergency energy conservation grant program.

Sec. 11. [STATE PLAN FOR SPENDING FEDERAL MONEY.] Subdivision 1. The governor shall submit to the appropriate federal agency a state delivery plan for money the state receives under the Federal Home Energy Assistance Act of 1980, that includes the following elements:

(a) Those households in which one or more individuals are eligible for (a) aid to families with dependent children, (b) supplemental security income payments, (c) food stamps, or (d) certain veteran's benefits as limited by the Home Energy Assistance Act of 1980 shall be categorically eligible for assistance under the state plan, and procedures for simplified application shall be developed.

(b) Users of wood as a primary heating source, whether the wood is purchased or not, shall be eligible for assistance if otherwise eligible under federal law.

(c) Grants under the state plan may be in the form of a direct payment to an eligible household or as a line of credit to an energy supplier. The plan shall describe the conditions under which direct payment is permitted.

(d) Eligible households that have medically necessary cooling costs, as limited by federal law, shall be eligible for assistance.

(e) The state plan shall provide that three percent of the federal money shall be set aside for the emergency uses specified in federal law.

Subd. 2. Before the state plan is submitted to the appropriate federal agency, the governor shall deliver the plan to the appropriate committees of the legislature for review and comment. Thereafter, the governor shall notify the committees of any changes made in the plan.

Sec. 12. [APPROPRIATIONS.] Subdivision 1. The sum of \$27,000,000 is appropriated from the general fund to the commissioner of economic security for the purposes specified in this

subdivision, to be available for the fiscal year ending June 30 in the year indicated.

	1980	1981
(a) For the purposes specified in Section 1.	\$ 7,000,000	
Any unencumbered balance remaining in the first year does not cancel, but is available for the second year of the biennium for the purposes specified in clause (c).		
(b) For the purposes specified in section 4	\$ 500,000	\$ 500,000
(c) For emergency residential heating assistance		\$ 7,000,000

(1) If for any reason, federal money is not available, this appropriation may be used for grants to be made pursuant to the current state plan.

(2) If federal money is available to pay energy grants to persons eligible under section 1, up to \$5,000,000 of the money appropriated in clause (c) is available for any state matching requirement required by a federal energy assistance program.

(3) If a household's income does not exceed 168 percent of office of management and budget nonfarm poverty guidelines and the household is not eligible for assistance under the federal program for fiscal year 1981, the money appropriated in clauses (b) and (c) is available for grants in the same manner, and form as is specified in the state plan for the federal energy assistance program for fiscal year 1981.

(d) If grants are paid from the appropriation of state money in clauses (b) and (c) to persons eligible to receive grants for the same purpose from federal money, the appropriations shall be reimbursed for those grants from federal money when the federal money

becomes available if reimbursement is permitted under federal law.

(e) Local administrative agencies may retain up to five percent of the appropriations in clauses (a), (b), and (c) for administrative costs. The state administrative agency may retain up to two percent of the appropriation for administrative costs.

(f) Weatherization of residences pursuant to section 6 to be available until June 30, 1981. Local administrative agencies may retain up to 7-1/2 percent of the appropriation in clause (f) for administrative costs. The state administrative agency may retain up to two percent of the appropriation in clause (f) for administrative costs\$12,000,000

Subd. 2. The sum of \$5,000,000 is appropriated from the general fund to the housing development fund created by Section 462A.20, for the purpose of the emergency energy conservation grant program specified in sections 9 and 10, and for the payment of related costs and expenses. The complement of the housing finance agency is increased by two positions.

Subd. 3. The sum of \$1,000,000 is appropriated from the general fund to the commissioner of public welfare to reimburse counties for the county portion of expenses incurred by them in providing residential heating assistance under the emergency assistance and special needs allowance programs during fiscal years 1980 and 1981. No county match is required for this money.

Sec. 13. [EFFECTIVE DATE.] This act is effective the day after final enactment. Sections 1 to 5 expire January 2, 1982. Section 7 is effective for federal credits received for taxable years beginning after December 31, 1978."

Delete the title and insert:

"A bill for an act relating to energy; creating a state emergency residential heating grant program; broadening the scope of state weatherization programs; providing a credit for energy conservation expenditures; providing a passthrough of federal energy credits; reimbursing counties; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision; and Minnesota Statutes, 1979 Supplement, Sections 268.37; 290.01, Subdivision 20; and 290.06, Subdivision 14."

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

Senate Conferees: HUBERT H. HUMPHREY, NEIL DIETERICH, HARMON T. OGDahl, JERALD C. ANDERSON and BILL MCCUTCH-
EON.

House Conferees: KEN G. NELSON, JAMES C. PEHLER, C. THOMAS OSTHOFF and BOB ANDERSON.

Nelson moved that the report of the Conference Committee on S. F. No. 1670 be adopted and that the bill be repassed as amended by the Conference Committee.

CALL OF THE HOUSE

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

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

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.

The question recurred on the motion to adopt the Conference Committee report on S. F. No. 1670. The motion prevailed.

S. F. No. 1670, A bill for an act relating to energy; creating a state emergency residential heating grant program; broadening the scope of state weatherization programs; providing a credit for energy conservation expenditures; providing a pass-through of federal energy credits; reimbursing counties; appro-

priating money; amending Minnesota Statutes 1978, Section 462A.21, by adding a subdivision; and Minnesota Statutes, 1979 Supplement, Sections 268.37; 290.01, Subdivision 20; and 290.06, Subdivision 14.

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

The question was taken on the repassage of the bill and the roll was called. There were 77 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Adams	Eken	Kalis	Nelsen, M.	Sieben, M.
Anderson, B.	Elioff	Kelly	Nelson	Simoneau
Anderson, I.	Ellingson	Kempe	Norman	Stoa
Anderson, R.	Faricy	Kostohryz	Novak	Swanson
Battaglia	Fjoslien	Kroening	Nysether	Tomlinson
Begich	Fritz	Lehto	Osthoff	Vanasek
Berglin	Fudro	Long	Otis	Voss
Berkelman	Greenfield	Luknic	Patton	Waldorf
Blatz	Halberg	Mann	Pehler	Weaver
Brinkman	Heap	McCarron	Peterson, D.	Welch
Byrne	Hokanson	McEachern	Prahl	Wenzel
Carlson, L.	Jacobs	Metzen	Reding	Wynia
Cassery	Jaros	Minne	Rice	Spkr. Norton
Clark	Johnson, C.	Moe	Rodriguez	
Clawson	Jude	Munger	Sarna	
Corbid	Kahn	Murphy	Sieben, H.	

Those who voted in the negative were:

Aasness	Erickson	Knickerbocker	Piepho	Sviggum
Ainley	Esau	Kvam	Pleasant	Thiede
Albrecht	Evans	Laidig	Redalen	Valan
Anderson, D.	Ewald	Levi	Rees	Valento
Anderson, G.	Forsythe	Ludeman	Reif	Welker
Biersdorf	Friedrich	McDonald	Rose	Wieser
Carlson, D.	Haukoos	Mehrkens	Rothenberg	Wigley
Crandall	Heinitz	Nelsen, B.	Schreiber	Zubay
Dean	Hoberg	Niehaus	Searle	
Dempsey	Jennings	Olsen	Searles	
Den Ouden	Johnson, D.	Onnen	Sherwood	
Drew	Kaley	Peterson, B.	Stowell	

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

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 following Special Orders pending for Wednesday, March 19, 1980:

H. F. Nos. 378, 1768, 2047, 2090, 1095, 1962, 2043, 1035, 1408, 1906, 1929, 2134, 2262, 1822 and 2086.

CONSENT CALENDAR

S. F. No. 1674 was reported to the House.

Lehto moved to amend S. F. No. 1674 as follows:

Page 3, line 8, delete "*seaman*" and insert "*seafarer*"

Page 3, line 9, delete "*seaman*" and insert "*seafarer*"

Page 3, line 12, delete "*firemen*" and insert "*firefighters*"

The motion prevailed and the amendment was adopted.

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 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.

Heinitz moved that those not voting be excused from voting. The motion prevailed.

There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Wenzel
Wieser

Wigley

Wynia

Zubay

Spkr. Norton

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

H. F. No. 2197 was reported to the House.

Carlson, D., moved that H. F. No. 2197 be continued on the Consent Calendar for one day. The motion prevailed.

CALL OF THE HOUSE LIFTED

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

H. F. No. 2082, A bill for an act relating to elections; providing for special elections to fill vacancies in statutory city offices; amending Minnesota Statutes 1978, Sections 205.10; 205.17, Subdivision 1; and 412.02, Subdivision 2, and 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2185, A bill for an act relating to the Knife Lake Improvement District in Kanabec County; authorizing Kanabec County to finance the cost of a certain improvement within the district.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1273, A bill for an act relating to natural resources; authorizing the commissioner to utilize volunteer services; amending Minnesota Statutes 1978, Chapter 84, by adding a section; and Section 176.011, Subdivision 9; repealing Minnesota Statutes 1978, Section 85.041.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kahn	Nelson	Sherwood
Adams	Eken	Kaley	Niehaus	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	Osthoff	Sviggum
Anderson, R.	Faricy	Kvam	Otis	Swanson
Battaglia	Fjoslien	Laidig	Patton	Thiede
Begich	Forsythe	Lehto	Pehler	Tomlinson
Berglin	Friedrich	Levi	Peterson, B.	Valan
Berkelman	Fritz	Long	Peterson, D.	Valento
Biersdorf	Fudro	Ludeman	Piepho	Vanasek
Blatz	Greenfield	Luknic	Pleasant	Voss
Brinkman	Halberg	Mann	Prahl	Waldorf
Byrne	Haukoos	McCarron	Redalen	Weaver
Carlson, D.	Heap	McDonald	Reding	Welch
Carlson, L.	Heinitz	McEachern	Rees	Welker
Casserly	Hoberg	Mehrkens	Reif	Wenzel
Clark	Hokanson	Metzen	Rice	Wieser
Clawson	Jacobs	Minne	Rodriguez	Wigley
Corbid	Jaros	Moe	Rothenberg	Wynia
Crandall	Jennings	Munger	Sarna	Zubay
Dean	Johnson, C.	Murphy	Schreiber	Sprk. Norton
Dempsey	Johnson, D.	Nelsen, B.	Searle	
Den Ouden	Jude	Nelsen, M.	Searles	

The bill was passed and its title agreed to.

S. F. No. 1471, A bill for an act relating to local government; regulating elections in the city of Duluth and Independent School District 709; setting the filing dates in local primary elections back four weeks to allow the city additional time to prepare.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Byrne	Esau	Jaros	Long
Adams	Carlson, D.	Evans	Jennings	Ludeman
Ainley	Carlson, L.	Ewald	Johnson, D.	Luknic
Albrecht	Casserly	Faricy	Jude	Mann
Anderson, B.	Clark	Fjoslien	Kahn	McCarron
Anderson, D.	Clawson	Forsythe	Kaley	McDonald
Anderson, G.	Corbid	Friedrich	Kalis	McEachern
Anderson, I.	Crandall	Fritz	Kelly	Mehrkens
Anderson, R.	Dean	Fudro	Kempe	Metzen
Battaglia	Dempsey	Greenfield	Knickerbocker	Minne
Begich	Den Ouden	Haukoos	Kostohryz	Moe
Berglin	Drew	Heap	Kroening	Munger
Berkelman	Eken	Heinitz	Kvam	Murphy
Biersdorf	Elioff	Hoberg	Laidig	Nelsen, B.
Blatz	Ellingson	Hokanson	Lehto	Nelsen, M.
Brinkman	Erickson	Jacobs	Levi	Nelson

Niehaus	Peterson, D.	Rothenberg	Stowell	Welch
Norman	Piepho	Sarna	Sviggum	Welker
Novak	Pleasant	Schreiber	Swanson	Wenzel
Nysether	Prahl	Searle	Thiede	Wieser
Olsen	Redalen	Searles	Tomlinson	Wigley
Onnen	Reding	Sherwood	Valan	Wynia
Osthoff	Rees	Sieben, H.	Valento	Zubay
Otis	Reif	Sieben, M.	Vanasek	Spkr. Norton
Patton	Rice	Simoneau	Voss	
Pehler	Rodriguez	Stadum	Waldorf	
Peterson, B.	Rose	Stoa	Weaver	

The bill was passed and its title agreed to.

S. F. No. 1645, A bill for an act relating to courts; providing for hearings on rules proposed by the supreme court; amending Minnesota Statutes 1978, Section 480.054.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1646, A bill for an act relating to executions; providing that issuance of an execution may be made without dock-

eting of the judgment in the county where the money or personal property is owed to the judgment debtor by a third party; amending Minnesota Statutes 1978, Section 550.07.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1722, A bill for an act relating to corrections; prescribing penalties for persons who introduce contraband into state hospitals; amending Minnesota Statutes, 1979 Supplement, Section 243.55.

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	Albrecht	Anderson, G.	Battaglia	Berkelman
Adams	Anderson, B.	Anderson, I.	Begich	Biersdorf
Ainley	Anderson, D.	Anderson, R.	Berglin	Blatz

Brinkman	Fudro	Lehto	Onnen	Sieben, M.
Byrne	Greenfield	Levi	Osthoff	Simoneau
Carlson, D.	Halberg	Long	Otis	Stadum
Carlson, L.	Haukoos	Ludeman	Patton	Stoa
Clark	Heap	Luknic	Pehler	Stowell
Clawson	Heinitz	Mann	Peterson, B.	Sviggum
Crandall	Hoberg	McCarron	Peterson, D.	Swanson
Dean	Hokanson	McDonald	Piepho	Thiede
Dempsey	Jacobs	McEachern	Pleasant	Tomlinson
Den Ouden	Jaros	Mehrkins	Prahl	Valan
Drew	Jennings	Metzen	Redalen	Valento
Eken	Johnson, D.	Minne	Reding	Voss
Elloff	Jude	Moe	Rees	Waldorf
Ellingson	Kahn	Munger	Reif	Weaver
Erickson	Kaley	Murphy	Rice	Welch
Esau	Kalis	Nelsen, B.	Rodriguez	Welker
Evans	Kelly	Nelsen, M.	Rothenberg	Wenzel
Ewald	Kempe	Nelson	Sarna	Wieser
Faricy	Knickerbocker	Niehaus	Schreiber	Wigley
Fjoslien	Kostohryz	Norman	Searle	Wynia
Forsythe	Kroening	Novak	Searles	Zubay
Friedrich	Kvam	Nysether	Sherwood	Spr. Norton
Fritz	Laidig	Olsen	Sieben, H.	

The bill was passed and its title agreed to.

SPECIAL ORDERS

H. F. No. 1812 was reported to the House.

Anderson, B., moved to amend H. F. No. 1812, as follows:

Page 2, line 14, after "persons" insert "*outside the metropolitan area as defined in section 473.122 who are*"

Page 3, after line 13, insert:

"Sec. 4. Minnesota Statutes 1978, Section 171.07, Subdivision 5, is amended to read:

Subd. 5. The department may provide a donor document to each person making application for a driver's license or a Minnesota identification card whereby any such person, 18 years of age or more, may execute an anatomical gift, pursuant to the provisions of the uniform anatomical gift act, sections 525.921 to 525.93. The commissioner of public safety shall prescribe the form of the donor document. The donor document must be signed by the donor in the presence of (TWO WITNESSES) *one witness* who must sign the donor document in the donor's presence. If the donor cannot sign, the donor document may be signed for the donor at the donor's direction, in the donor's presence, and in the presence of (TWO WITNESSES) *one witness* who must sign the donor document in the donor's presence. The department shall identify donors of anatomical gifts by the designation "donor" on the front side of the donor's driver's license or Minnesota identification card. The designation "donor" shall constitute sufficient legal authority for the removal of all body

organs or parts upon death of the donor for the purpose of transplantation and the designation shall be removed only upon written notice to the department. No designation may be noted upon the driver's license or Minnesota identification card of any person under 18. Delivery of the license or Minnesota identification card during the donor's lifetime is not necessary to make the gift valid.

Sec. 5. [STUDY.] *The commissioner of public safety shall make a study to determine the potential delay in processing driver license applications, renewal applications and applications for Minnesota identification cards in the metropolitan area as defined in section 473.122 if the persons authorized to accept those applications were required to inquire of each applicant whether he or she desired to make an anatomical gift. The commissioner shall submit a report of the results of the study to the legislature by January 30, 1981. The report shall include recommendations to eliminate or reduce any potential delays substantiated by the study.*

Amend the title as follows:

Page 1, line 5, after "persons" insert "outside the metropolitan area who are"

Page 1, line 9, after the semi-colon insert "requiring only one witness to a donor's signature; providing for a study;"

Page 1, line 11, delete "Subdivision 3" and insert "subdivisions 3 and 5"

The motion prevailed and the amendment was adopted.

Crandall moved to amend H. F. No. 1812 as follows:

Page 2, line 3, after the period insert "*Every applicant applying for a driver's license or instruction permit for the first time shall submit with the application a certified copy of the applicant's birth certificate or other certified proof of date of birth.*"

Page 3, line 2, after the period insert "*Every applicant applying for a Minnesota identification card for the first time shall submit with the application a certified copy of the applicant's birth certificate or other certified proof of date of birth.*"

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "requiring certain applicants for drivers' licenses, instruction permits and Minnesota identification cards to submit certified copies of their birth certificates;"

A roll call was requested and properly seconded.

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

The question was taken on the amendment and the roll was called. There were 61 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Adams	Fjoslien	Knickerbocker	Osthoff	Swanson
Albrecht	Forsythe	Kvam	Otis	Thiede
Anderson, B.	Fritz	Laidig	Peterson, B.	Valan
Anderson, R.	Fudro	Lehto	Reding	Valento
Biersdorf	Halberg	Levi	Rees	Waldorf
Clawson	Haukoos	McCarron	Reif	Weaver
Crandall	Heap	McDonald	Rose	Wieser
Dean	Heinitz	Minne	Rothenberg	Wigley
Den Ouden	Hoberg	Murphy	Searle	Zubay
Erickson	Hokanson	Norman	Searles	
Esau	Jennings	Nysether	Sherwood	
Evans	Kaley	Olsen	Stoa	
Ewald	Kempe	Onnen	Stowell	

Those who voted in the negative were:

Ainley	Carlson, L.	Johnson, D.	Nelsen, B.	Sieben, M.
Anderson, D.	Clark	Jude	Niehaus	Stadum
Anderson, G.	Drew	Kahn	Novak	Svigum
Anderson, I.	Eken	Kalis	Patton	Tomlinson
Battaglia	Elioff	Kelly	Pehler	Vanasek
Begich	Ellingson	Kroening	Peterson, D.	Voss
Berglin	Faricy	Luknic	Pleasant	Welker
Berkelman	Friedrich	Mann	Prahl	Wenzel
Blatz	Greenfield	McEachern	Rice	Wynia
Brinkman	Jacobs	Mehrrens	Rodriguez	Spkr. Norton
Byrne	Jaros	Metzen	Sarna	
Carlson, D.	Johnson, C.	Moe	Sieben, H.	

The motion prevailed and the amendment was adopted

H. F. No. 1812, A bill for an act relating to drivers licenses; requiring certain applicants for drivers' licenses, instruction permits and Minnesota identification cards to submit certified copies of their birth certificates; providing that certain application forms include a place for applicants to indicate their desire to make an anatomical gift; requiring persons outside the metropolitan area who are authorized to accept drivers license and renewal applications and applications for Minnesota identification cards to inquire of applicants whether they desire to make an anatomical gift; requiring only one witness to a donor's signature; providing for a study; amending Minnesota Statutes 1978, Sections 171.06, Subdivision 3, and by adding a subdivision; and 171.07, Subdivisions 3 and 5.

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 107 yeas and 23 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, D.	Carlson, D.	Johnson, C.	Patton	Tomlinson
Anderson, G.	Eken	McEachern	Pehler	Vanasek
Anderson, I.	Faricy	Nelsen, B.	Prahl	Welker
Brinkman	Halberg	Niehaus	Rodriguez	
Byrne	Jacobs	Osthoff	Sieben, H.	

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

Sieben, H., moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

There being no objection the order of business reverted to Reports of Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1675 and H. F. No. 2003, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Eken moved that S. F. No. 1675 be substituted for H. F. No. 2003 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1132 and H. F. No. 1130, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Brinkman moved that S. F. No. 1132 be substituted for H. F. No. 1130 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1736 and H. F. No. 1906, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Redalen moved that S. F. No. 1736 be substituted for H. F. No. 1906 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1709 and H. F. No. 1929, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Laidig moved that the rules be so far suspended that S. F. No. 1709 be substituted for H. F. No. 1929 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1957 and H. F. No. 1970, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Mehrkens moved that the rules be so far suspended that S. F. No. 1957 be substituted for H. F. No. 1970 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1815 and H. F. No. 2096, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Murphy moved that the rules be so far suspended that S. F. No. 1815 be substituted for H. F. No. 2096 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

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

H. F. No. 1790, A bill for an act relating to advertising devices; authorizing advertising devices within 500 feet of local parks under certain circumstances; amending Minnesota Statutes 1978, Section 173.08, Subdivision 2.

Reported the same back with the following amendments:

Page 1, line 16, after "property" insert " , or in the case of a municipality which has no zoning ordinance,"

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

The report was adopted.

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

S. F. No. 802, A bill for an act relating to health; regulating the occupation of physical therapist; amending Minnesota Statutes 1978, Sections 148.65; 148.67; 148.70; 148.71; 148.72; 148.73; 148.74; 148.75; 148.76; 148.77; 148.78; and Chapter 148, by adding sections.

Reported the same back with the following amendments:

Page 12, after line 3, insert:

"Sec. 14. Minnesota Statutes 1978, Section 214.13, is amended by adding a subdivision to read:

Subd. 6. The provisions of section 214.10 shall apply to any complaint or other communication, whether oral or written, received by the commissioner of health which alleges or implies a violation of a statute or rule which the commissioner is empowered to enforce relating to a specific occupational group for which a registration requirement has been created pursuant to this section.

Sec. 15. Minnesota Statutes 1978, Section 214.13, is amended by adding a subdivision to read:

Subd. 7. The duties of the executive secretary or board members specified in section 214.10, subdivisions 1 and 2, shall be performed with respect to occupations regulated pursuant to this section by the advisory council established under subdivision 4, or if no council has been created, by the health related licensing board which has been delegated the administration of regulation activities, or if no such delegation has been made, by a staff member appointed by the commissioner. For the purposes of subdivisions 6 and 7, the commissioner may exercise the powers granted to boards by section 214.10, subdivision 3, when carrying out the duties of this subdivision."

Further, amend the title to read as follows:

Page 1, line 6, after the semi-colon insert "214.13, by adding subdivisions;"

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

The report was adopted.

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

S. F. No. 2045, A bill for an act relating to state lands; providing for the conveyance of certain lands to the city of Owatonna.

Reported the same back with the following amendments:

Page 2, delete lines 7 through 10

Page 2, after line 6 insert new sections to read:

"Sec. 2. Subdivision 1. The governor, upon the recommendation of the commissioner of administration, may transfer by quitclaim deed in a form the attorney general approves, in the name of the state of Minnesota, to the First Lutheran Church of St. Peter, Minnesota, a tract of land for cemetery purposes.

Subd. 2. The First Lutheran Church of St. Peter, Minnesota, shall, at its expense, have the land surveyed. The legal description shall be submitted to the commissioner of administration for approval. Upon such approval, the commissioner of administration shall have the land appraised by not less than two appraisers, at least one of whom shall be a resident of Nicollet County. Each appraiser shall, before entering upon the duties of his office, take and subscribe an oath that he will faithfully and impartially discharge his duties as appraiser according to the best of his ability and that he is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the purchase thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the appraisal report.

The commissioner of administration shall, on the basis of the two appraisals, certify the consideration to be paid for the land. The cost of the appraisals shall be added to and made a part of the certified value of the land to be conveyed.

Sec. 3. Subdivision 1. The provisions of section 1 of this act shall become effective only after its approval by a majority of the governing body of the city of Owatonna and upon compliance with the provisions of Minnesota Statutes, Sections 645.-021.

Subd. 2. The provisions of section 2 of this act shall become effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 2104, A bill for an act relating to state lands; changing the interest rate on unpaid sale balances; amending Minnesota Statutes 1978, Section 92.06, Subdivision 1.

Reported the same back with the following amendments:

Page 1, line 18, after the second "*at*" insert "*the*" and delete "*of*"

Page 1, line 19, delete the first "*the*" and insert "*advertised for*"

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:

S. F. No. 2131, A bill for an act relating to local government; permitting local governmental bodies to set mileage allowances for officers and employees; amending Minnesota Statutes 1978, Section 471.665, Subdivision 3; and Minnesota Statutes, 1979 Supplement, Section 471.665, Subdivision 1.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 1790 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1675, 1132, 1736, 1709, 1957, 1815, 802, 2045, 2104 and 2131 were read for the second time.

GENERAL ORDERS

Sieben, H., moved that the bills on General Orders for today be continued one day. The motion prevailed.

MOTIONS AND RESOLUTIONS

McCarron moved that the names of Weaver and Clawson be added as authors on H. F. No. 1845. The motion prevailed.

Vanasek moved that his name be stricken as an author on H. F. No. 2173. The motion prevailed.

Redalen moved that H. F. No. 1801 be returned to its author. The motion prevailed.

Crandall moved that H. F. No. 1057 be returned to its author. The motion prevailed.

Begich moved that H. F. No. 371 be returned to its author. The motion prevailed.

Simoneau moved that H. F. No. 2013 be returned to its author. The motion prevailed.

Stowell moved that H. F. Nos. 1281 and 1803 be returned to their author. The motion prevailed.

Nelsen, B., moved that H. F. No. 1936 be returned to its author. The motion prevailed.

Forsythe introduced:

House Resolution No. 38, A house resolution congratulating Edina-East High School on winning the State High School Girl's Gymnastics Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

Forsythe introduced:

House Resolution No. 39, A house resolution congratulating the Edina East High School Team on winning the State Girls Tennis Team Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

Peterson, B., and Pleasant introduced:

House Resolution No. 40, A house resolution congratulating the Jaguar ice hockey team of Bloomington Jefferson High School on its third place finish in the State High School Hockey Tournament.

The resolution was referred to the Committee on Rules and Legislative Administration.

Levi introduced:

House Resolution No. 41, A house resolution relating to extending congratulations to Mahtomedi High School for participation in the St. Patrick's Day Parade in New York City.

The resolution was referred to the Committee on Rules and Legislative Administration.

Peterson, B., and Pleasant introduced:

House Resolution No. 42, A house resolution congratulating Bloomington Jefferson High School on its state boys swimming championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of Wenzel to the Joint Legislative Committee on Agricultural Land Preservation pursuant to Laws of Minnesota 1979, Chapter 315, Section 2.

ADJOURNMENT

Sieben, H., moved that when the House adjourns today it adjourn until 11:30 a.m., Thursday, March 20, 1980. The motion prevailed.

Sieben H., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:30 a.m., Thursday, March 20, 1980.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

