

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

TWENTY-SIXTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 26, 1981

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

Prayer was offered by Reverend Vernon D. Gundermann, Beautiful Savior Lutheran Church, New Hope, Minnesota.

The roll was called and the following members were present:

Aasness	Esau	Kelly	O'Connor	Sieben, M.
Ainley	Evans	Knickerbocker	Ogren	Simoneau
Anderson, B.	Ewald	Kostohryz	Olsen	Skoglund
Anderson, G.	Fjoslien	Kvam	Onnen	Staten
Anderson, I.	Forsythe	Laidig	Otis	Stowell
Anderson, R.	Friedrich	Lehto	Peterson, B.	Stumpf
Battaglia	Greenfield	Lemen	Peterson, D.	Svigum
Begich	Gruenes	Levi	Piepho	Swanson
Berkelman	Gustafson	Long	Pogemiller	Tomlinson
Blatz	Halberg	Ludeman	Redalen	Valan
Brandl	Hanson	Luknic	Reding	Valento
Brinkman	Hauge	Mann	Rees	Vanasek
Byrne	Haukoos	Marsh	Reif	Vellenga
Carlson, D.	Heap	McCarron	Rice	Voss
Carlson, L.	Heinitz	McDonald	Rodriguez, C.	Weaver
Clark, J.	Himle	McEachern	Rodriguez, F.	Welch
Clark, K.	Hoberg	Mehrkens	Rose	Welker
Clawson	Hokanson	Metzen	Rothenberg	Wenzel
Dahlvang	Hokr	Minne	Samuelson	Wieser
Dean	Jacobs	Munger	Sarna	Wigley
Dempsey	Jennings	Murphy	Schafer	Wynia
Den Ouden	Johnson, C.	Nelsen, B.	Schoenfeld	Zubay
Drew	Johnson, D.	Nelson, K.	Schreiber	Spkr. Sieben, H.
Eken	Jude	Niehaus	Searles	
Elioff	Kahn	Norton	Shea	
Ellingson	Kaley	Novak	Sherman	
Erickson	Kalis	Nysether	Sherwood	

A quorum was present.

Harens, Osthoff and Stadum were excused.

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

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 131, 409, 473, 575, 595, 604, 98 and 18 and S. F. Nos. 42, 99, 225, 338, 345 and 620 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communications were received:

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

March 23, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1981</i>	<i>Date Filed 1981</i>
92		6	March 20	March 20
144		7	March 20	March 20

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

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

March 25, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 Session of the State Legislature have been

received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1981</i>	<i>Date Filed 1981</i>
12		8	March 25	March 25
13		9	March 25	March 25

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 12, A bill for an act relating to public utilities; repealing authority for rate increases pending final commission approval; repealing Minnesota Statutes 1980, Sections 216B.16, Subdivision 3; and 237.075, Subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 216B.16, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding any order of suspension of a proposed increase in rates, the (PUBLIC UTILITY) *commission* may (PUT THE SUSPENDED) *order an interim rate schedule* into effect on the date when it would have become effective if not suspended, or any date subsequent thereto within the suspension period (, BY FILING WITH THE COMMISSION A BOND IN AN AMOUNT APPROVED BY THE COMMISSION WITH SURETIES APPROVED BY THE COMMISSION, CONDITIONED UPON THE REFUND, IN A MANNER TO BE PRESCRIBED BY ORDER OF THE COMMISSION, OF THE EXCESS IN INCREASED RATES, INCLUDING INTEREST THEREON WHICH SHALL BE AT THE CURRENT RATE OF INTEREST AS DETERMINED BY THE COMMISSION, COLLECTED DURING THE PERIOD OF THE SUSPENSION IF THE SCHEDULE SO PUT INTO EFFECT IS FINALLY DISALLOWED BY THE COMMISSION. THERE MAY BE SUBSTITUTED FOR THE BOND OTHER ARRANGEMENTS SATISFACTORY TO THE COMMISSION FOR THE PROTECTION OF PERSONS AF-

FFECTED). The commission shall consider the imposition of interim rates if the utility's filing pursuant to subdivision 1 includes documentation which supports the clear and compelling need for the proposed interim rate changes. Interim rates, if imposed by the commission, shall be imposed without a public hearing as a contested case pursuant to chapter 15. Notwithstanding the provisions of sections 216B.27 and 216B.52, no interim rate ordered by the commission pursuant to this subdivision shall be subject to an application for a rehearing or an appeal to any court until the commission has rendered its "final determination" as defined in subdivision 2. The commission shall not order any interim rate which is calculated to include a rate of return on common equity for the utility which is higher than that authorized in the utility's most recent rate proceeding and calculated on a rate base which excludes issues disallowed by the commission in the most recent rate proceeding or order any change in the existing rate design. Interim rates shall include only those previously allowed expense items experienced by the utility in its most recent historical year prior to the effective date of the interim rates, including costs of labor and materials, that can be shown to have increased in cost since the utility's most recent rate proceeding as well as any expenses incurred in complying with any state or federal law or rule. In the case of a utility which has not been subject to a prior commission determination, the commission shall base its interim order, if any, on its most recent determination concerning a similar utility.

If, at the time of its "final determination" as defined in subdivision 2, the commission finds that the interim rates are in excess of the rates in the final determination, the commission shall order the utility to refund the excess amount collected under the interim rates, including interest calculated at a rate two percent above the average prime interest rate as determined by the commission. The refund shall be distributed to the utility's customers within 60 days of the final determination.

If the public utility fails to make refunds within the period of time prescribed by the commission, the commission shall sue therefore and is authorized to recover on behalf of all persons entitled to a refund. In addition to the amount of the refund and interest due, the commission shall be entitled to recover reasonable attorney's fees, court costs and estimated cost of administering the distribution of the refund to persons entitled thereto. No suit under this subdivision shall be maintained unless instituted within two years after the end of the period of time prescribed by the commission for repayment of refunds. (HOWEVER, NO PUBLIC UTILITY) The commission shall not put (A SUSPENDED) an interim rate schedule into effect as provided by this subdivision until at least (90 DAYS) one year after (THE COMMISSION) it has made a determination concerning any previously filed change of the rate schedule or

the change has otherwise become effective under subdivision 2, *unless it finds that a one year delay would unreasonably burden the utility, its customers, or its shareholders and that an earlier imposition of interim rates is therefore necessary.*

Sec. 2. Minnesota Statutes 1980, Section 237.075, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding any order of suspension of a proposed increase in rates, the (TELEPHONE COMPANY) *commission* may (PUT THE SUSPENDED) *order an interim schedule into effect on the date when it would have become effective if not suspended, or any date subsequent thereto within the suspension period (, BY FILING WITH THE COMMISSION A BOND IN AN AMOUNT APPROVED BY THE COMMISSION WITH SURETIES APPROVED BY THE COMMISSION, CONDITIONED UPON THE REFUND, IN A MANNER TO BE PRESCRIBED BY ORDER OF THE COMMISSION, OF THE EXCESS IN INCREASED RATES, INCLUDING INTEREST THEREON WHICH SHALL BE AT THE CURRENT RATE OF INTEREST AS DETERMINED BY THE COMMISSION, COLLECTED DURING THE PERIOD OF THE SUSPENSION IF THE SCHEDULE SO PUT INTO EFFECT IS FINALLY DISALLOWED BY THE COMMISSION. THERE MAY BE SUBSTITUTED FOR THE BOND OTHER ARRANGEMENTS SATISFACTORY TO THE COMMISSION FOR THE PROTECTION OF PERSONS AFFECTED).* *The commission shall consider the imposition of interim rates if the telephone company's filing pursuant to subdivision 1 includes documentation which supports the clear and compelling need for the proposed interim rate changes. Interim rates, if imposed by the commission, shall be imposed without a public hearing as a contested case pursuant to chapter 15. No interim rate ordered by the commission pursuant to this subdivision shall be subject to an application for a rehearing or an appeal to any court until the commission has rendered its "final determination" as defined in subdivision 2. The commission shall not order any interim rate which is calculated to include a rate of return on common equity for the company which is higher than that authorized in the company's most recent rate proceeding and calculated on a rate base which excludes issues disallowed by the commission in the most recent rate proceeding or order any change in the existing rate design. Interim rates shall include only those previously allowed expense items experienced by the company in its most recent historical year prior to the effective date of the interim rates, including costs of labor and materials, that can be shown to have increased in cost since the company's most recent rate proceeding as well as any expenses incurred in complying with any state or federal law or rule. In the case of a company which has not been subject to a prior commission determination, the commission shall base its interim order, if any, on its most recent determination concerning a similar company.*

If, at the time of its "final determination" as defined in subdivision 2, the commission finds, that the interim rates are in excess of the rates in the final determination, the commission shall order the company to refund the excess amount collected under the interim rates, including interest calculated at a rate two percent above the average prime interest rate as determined by the commission. The refund shall be distributed to the company's customers within 60 days of the final determination.

If the telephone company fails to make refunds within the period of time prescribed by the commission, the commission shall sue therefore and is authorized to recover on behalf of all persons entitled to a refund. In addition to the amount of the refund and interest due, the commission shall be entitled to recover reasonable attorney's fees, court costs and estimated cost of administering the distribution of the refund to persons entitled thereto. No suit under this subdivision shall be maintained unless instituted within two years after the end of the period of time prescribed by the commission for repayment of refunds. (HOWEVER, NO TELEPHONE COMPANY) *The commission shall not put (A SUSPENDED) an interim rate schedule into effect as provided by this subdivision until at least (90 DAYS) one year after (THE COMMISSION) it has made a determination concerning any previously filed change of the rate schedule or the change has otherwise become effective under subdivision 2, unless it finds that a one year delay would unreasonably burden the company, its customers, or its shareholders and that an earlier imposition of interim rates is therefore necessary.*

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment and applies to all rate changes wherein notice is given to the commission on or after the effective date."

Delete the title and insert:

"A bill for an act relating to public utilities; requiring commission approval of interim rate changes; amending Minnesota Statutes 1980, Sections 216B.16, Subdivision 3; and 237.075, Subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 142, A bill for an act relating to taxation; real property; extending 3 classification to certain property used for rec-

reational purposes; amending Minnesota Statutes 1980, Section 273.13, Subdivision 4.

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

The report was adopted.

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

H. F. No. 169, A bill for an act relating to the city of Moorhead; increasing the amount which the city may expend for public transportation services; amending Laws 1969, Chapter 192, Section 1.

Reported the same back with the following amendments:

Page 1, line 14, delete "*is authorized to*" and insert "*may*"

Page 1, line 18, strike "*such*" and insert "*a*"

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

The report was adopted.

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

H. F. No. 171, A bill for an act relating to historic sites; changing the classification of the Kensington Runestone historic site; amending Minnesota Statutes 1980, Section 138.56, by adding a subdivision; repealing Minnesota Statutes 1980, Section 138.58, Subdivision 7.

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

The report was adopted.

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

H. F. No. 211, A bill for an act relating to local government; permitting agreements for compensation for transfers of taxable property in certain annexations; proposing new law coded in Minnesota Statutes, Chapter 414.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [MOORHEAD ANNEXATIONS.]

When a municipal board order under section 414.0325 annexes part of a town to the city of Moorhead, the orderly annexation agreement between the town and city may provide a reimbursement from the city to the town for all or part of the taxable property annexed as part of the board order. The reimbursement shall be completed in substantially equal payments over not less than two nor more than six years from the time of annexation.

Sec. 2. [LOCAL APPROVAL.]

This act is effective the day after compliance by the governing body of the city of Moorhead with the provisions of Minnesota Statutes, Section 645.021, Subdivision 3. The city and the affected towns are located in Clay county. Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), approval by the towns is not necessary."

Delete the title and insert:

"A bill for an act relating to local government; permitting agreements for compensation for transfers of taxable property to the city of Moorhead by certain annexations."

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

The report was adopted.

Rice from the Committee on Labor-Management Relations to which was referred:

H. F. No. 214, A bill for an act relating to labor; regulating certain steam engine and boiler operators; exempting certain operators from testing requirements; amending Minnesota Statutes 1980, Section 183.411.

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

The report was adopted.

Nelson, K., from the Committee on Energy to which was referred:

H. F. No. 296, A bill for an act relating to energy; directing a study of the effect upon energy conservation of smoking in public places; appropriating funds.

Reported the same back with the following amendments:

Page 1, line 24, delete "*conduct energy audits*" and insert "*design and conduct a study*"

Page 2, line 1, after "*study*" insert "*and make recommendations*"

Page 2, delete lines 2 to 5

Amend the title as follows:

Page 1, line 3, delete the semicolon

Page 1, line 4, delete "appropriating funds"

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

The report was adopted.

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

H. F. No. 297, A bill for an act relating to the town of Great Scott; granting the town certain powers of a municipality.

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

The report was adopted.

Nelson, K., from the Committee on Energy to which was referred:

H. F. No. 329, A bill for an act relating to education; clarifying and removing references to a school district building energy report; repealing an obsolete provision requiring a study and report on school district energy management personnel; amending Minnesota Statutes 1980, Section 116H.126, Subdivisions 2, 4, and 5; repealing Minnesota Statutes 1980, Section 116H.126, Subdivisions 1 and 7.

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

The report was adopted.

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

H. F. No. 347, A bill for an act relating to the city of St. Paul; relating to a proposed joint housing finance program by the cities of St. Paul and Minneapolis.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CITY OF ST. PAUL; CITY OF MINNEAPOLIS; JOINT FAMILY HOUSING PROGRAM.]

Subdivision 1. The legislature of the state of Minnesota hereby finds that the cities of St. Paul and Minneapolis have authorized, or will authorize, their respective housing and redevelopment authorities to issue, jointly or separately, housing revenue bonds pursuant to provisions of Minnesota law, to finance joint housing programs; the United States department of housing and urban development has approved urban development action grants for both cities in connection with their joint housing programs and projects; the congress of the United States has enacted certain legislation authorizing the cities of Minneapolis and St. Paul to issue housing revenue bonds in the maximum principal amount of \$235,000,000 without regard to the provisions of sections 1102 and 1103 of the mortgage subsidy bond tax act of 1980; the McKnight Foundation, the Minneapolis/St. Paul Family Housing Fund and others will participate in the housing finance programs by providing financial assistance to some of those receiving loans from the proceeds of the housing revenue bonds; and the proposed housing finance programs accomplish a public purpose.

Subd. 2. For the purpose of computing the aggregate principal amount of revenue bonds or other obligations issued by the city of St. Paul and the city of Minneapolis pursuant to section 462C.07 and subject to the limitations of subdivision 2 thereof, the housing revenue bonds described in subdivision 1 and not subject to sections 1102 and 1103 of the mortgage subsidy bond tax act of 1980 shall not be included.

Sec. 2. [EFFECTIVE DATE.]

This act shall become effective as to each city the date after compliance by the governing body of each city with the provisions of Minnesota Statutes, Section 645.021, Subdivision 3."

Amend the title as follows:

Page 1, line 2, before the semicolon, insert "and the city of Minneapolis"

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. 353, A bill for an act relating to agriculture; protecting agricultural operations from nuisance suits under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 561.

Reported the same back with the following amendments:

Page 2, line 5, after "*expanded*" insert "*or significantly altered*"

Page 2, line 5, after "*expansion*" insert "*or alteration*"

Page 2, line 8, in both cases after "*expanded*" insert "*or altered*"

Page 2, line 18, delete "*one year*" and insert "*five years*"

Page 2, line 20, after "*apply*" insert ":(a)"

Page 2, line 22, after "*appurtenances*" insert ":(b) *when an agricultural operation or its appurtenances causes injury or direct threat of injury to public health or safety*"

Page 2, line 24, delete "2" and insert "3"

Page 2, line 24, after the comma insert "*governmental unit,*"

Page 2, line 27, delete "*a stream*" and insert "*the state*"

Page 2, line 28, after "*overflow of*" insert "*the waters on*"

Page 2, line 28, after the comma insert "*governmental unit,*"

Page 2, line 30, delete "2" and insert "3"

Page 3, delete lines 7 to 15

Page 3, line 17, delete "*is*" and insert "*becomes*"

Page 3, line 17, delete "*the day*" and insert "*one year*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 386, A bill for an act relating to the city of St. Paul; authorizing issuance of general obligation bonds for capital improvements; fixing amounts; amending Laws 1971, Chapter 773, Section 1, as amended.

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

The report was adopted.

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

H. F. No. 400, A bill for an act relating to economic development; appropriating money to permit the small business finance agency to participate in business loans; amending Minnesota Statutes 1980, Section 362.53, Subdivision 12.

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

The report was adopted.

Rice from the Committee on Labor-Management Relations to which was referred:

H. F. No. 420, A bill for an act relating to the bureau of criminal apprehension; including the superintendent within workers' compensation coverage; amending Minnesota Statutes 1980, Section 299C.19.

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

The report was adopted.

Nelson, K., from the Committee on Energy to which was referred:

H. F. No. 493, A bill for an act relating to energy; authorizing the Minnesota energy agency to administer a program of loans to municipalities for establishing and improving district heating systems; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota constitution; appropriating money; amending Minnesota Statutes 1980, Sections 412.321, Subdivision 1; 412.351; 412.361, Subdivision 3; and 429.021, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 116H, 216B, and 465.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116H.31] [DISTRICT HEATING LOANS.]

Subdivision 1. [POLICIES.] Developing and improving efficient and economical district heating systems is a public purpose for state financing and a proper function of state government. Climate and geography make a reliable, economic supply of energy essential for industrial, commercial, and residential heating. Imported supplies are increasingly costly, unreliable, and environmentally disadvantageous. District heating systems employing cogeneration techniques and innovative technology offer an important means of increasing the efficiency of Minnesota's energy systems and reducing the state's reliance on imported energy supplies. The combination of the large initial capital cost and investors' lack of familiarity with district heating has made the private market reluctant to provide the necessary capital for district heating projects. As a result, public leadership, cooperation, and aid are needed to demonstrate the feasibility of district heating systems by establishing economically viable municipal district heating systems as demonstration projects. Municipal district heating systems may be financed by loans from the state and from other sources available to municipalities.

Subd. 2. [DEFINITIONS.] In this section:

(a) "Commissioner" means the commissioner of finance.

(b) "Construction costs" means all costs associated with the construction, modification or expansion of a district heating system except for preliminary planning costs and detailed design costs. Construction costs include the cost of debt service from the time a construction loan is made until five years after the beginning of the operation of the district heating system constructed or the part of the system being modified or expanded.

(c) "Director" means the director of the Minnesota energy agency.

(d) "District heating" means the use of a central energy conversion facility to produce hot water or steam for distribution to homes or businesses. District heating facilities may also produce electricity in addition to hot water or steam.

(e) "Municipality" means any county, city, town, municipal power agency, or public utility, as defined in section 452.01, subdivision 3, owned and operated by a city, however organized.

Subd. 3. [ELIGIBILITY.] The commissioner of finance, upon request of the governor, may make loans to municipalities for the acquisition and betterment of district heating systems. A loan shall be made only to a municipality that has demonstrated that:

(a) The municipality has the financial capability to sponsor the project;

(b) The project is technologically feasible;

(c) The district heating project will become a cogeneration facility or the project will utilize hot water or, if the project involves an existing district steam heating system, the project will become integrated with a hot water district heating system, or the project will allow the use of non-petroleum fuels or will construct an efficient heat transmission system; and

(d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the project after construction is completed.

Subd. 4. [PRIORITIES.] The director shall give higher priority to a project that does more to achieve the following goals:

(a) The district heating conversion facility employs cogeneration techniques;

(b) The facility uses renewable or nonpetroleum sources of energy;

(c) The district heating facility will save petroleum or natural gas;

(d) The operation of the district heating facility will not have an adverse impact on the environment;

(e) The district heating facility may readily be expanded to serve additional customers or to supply additional amounts of energy, and market demand for the energy exists;

(f) The project has obtained additional financing from the federal government, private sources, or other sources of capital; and

(g) Other goals the director finds desirable for district heating systems.

Subd. 5. [PRELIMINARY PLANNING GRANTS.] Upon the recommendation of the governor pursuant to subdivision 9,

the director shall make grants to municipalities for preliminary planning related to the development of district heating systems. The municipality must demonstrate that a community heatload survey and map have been successfully completed, that potential district heating load is sufficiently large to justify further consideration, and that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include project definition, development of preliminary financing and distribution system plans, and obtaining community commitment for detailed planning or design and preparation of a final report. The amount of a grant shall be limited to 90 percent of eligible planning costs and shall not exceed \$20,000.

Subd. 6. [APPLICATION.] Application for a loan to be made pursuant to subdivision 7 shall be made by a municipality to the director on a form prescribed by the director by rule. The director shall review each application and determine:

- (a) Whether or not the project is eligible for a loan;*
- (b) The priority of the project when ranked with all other eligible projects for which a loan application has been submitted;*
- (c) The total estimated cost of the project;*
- (d) The amount of the loan for which the project is eligible;*
- (e) The terms upon which the loan would be made; and*
- (f) The means by which the municipality proposes to finance the project, including:*
 - (1) A loan authorized by state law; or*
 - (2) A grant of money appropriated by state law; or*
 - (3) A grant to the municipality by an agency of the federal government within the amount of money then appropriated to that agency and allocated by it to projects within the state; or*
 - (4) The appropriation of proceeds of bonds or other money of the municipality to an account for the construction of the project; or*
 - (5) User charges, franchise fees, special assessments or taxes; or*
 - (6) Any or all of the means referred to in clauses (1) to (5).*

Subd. 7. [LOANS.] Upon the recommendation of the governor pursuant to subdivision 9, the commissioner shall make loans to municipalities on the following terms:

(a) In the case of loans for design costs, a municipality must meet the requirements for grants pursuant to subdivision 5. For cities of the first class, the amount of the loan shall not exceed 40 percent of the design costs. For cities of the second, third and fourth class, the amount of the loan shall not exceed 90 percent of the design costs;

(b) In the case for loans for construction costs, a municipality must demonstrate that all design activities have been completed; that the project is economically and technologically feasible; that the district heating system will be constructed, and that it has made adequate provisions to assure proper and efficient operation and maintenance of the project. For cities of the first class, the amount of the loan shall not exceed 50 percent of the construction costs. For cities of the second, third or fourth class, the amount of the loan shall not exceed 90 percent of the construction costs.

(c) Loans made pursuant to this section are repayable over a period of 25 years beginning after the receipt of the loan. Interest payments shall begin one year after the receipt of the loan with interest accruing from the date of the loan at a rate sufficient to cover the cost to the state of borrowing the money.

Subd. 8. [MODERN STEAM SYSTEMS.] (a) A municipality which has operating within its boundaries a modern steam district heating system owned by a district heating utility may apply for a loan or grant under this section even though the district heating project for which the loan or grant application is made may be planned, constructed, or owned by a district heating utility. The loan or grant application shall be treated in the same manner as loan or grant applications for district heating projects where the projects are to be planned, constructed, or owned by a municipality.

All or a portion of the proceeds of a grant or loan made to a municipality described in this paragraph may be used to make grants or loans to a district heating utility to provide financial assistance for the planning or construction of a district heating project. Prior to making the loan or grant to the district heating utility, the municipality shall:

(1) Adopt a district heating plan which identifies the areas of the city to be served by district heating; a time schedule indicating when service would be available in different areas of the city and the type of service to be offered; and

(2) Enter into a written agreement with the district heating utility which includes a requirement that the district heating utility restrict expansion of its existing steam system within its current geographic boundaries as determined by the municipality and develop a hot water system on a specific time schedule.

(b) *The powers, authority and obligations granted to a municipality under this subdivision are supplemental to the powers, authority and obligations granted all municipalities under this section.*

(c) *As used in this subdivision, "modern steam district heating system" means a steam district heating system with condensate return built after 1970 and before the effective date of this section. "District heating utility" means any person, corporation, or other legal entity which owns or operates or plans to own or operate a district heating system.*

Subd. 9. [GRANT AND LOAN APPROVAL.] *The director shall prepare and submit to the legislative advisory commission a list of district heating grant and loan requests. The list shall contain the supporting information required by subdivisions 3, 4, 5, 6, 7 and 8. The recommendation of the legislative advisory commission shall be transmitted to the governor. The governor shall approve or disapprove, or return for further consideration, each project recommended for approval by the legislative advisory commission. Loans or grants may be disbursed only upon approval by the governor.*

Subd. 10. [PAYMENT; OBLIGATION.] *The commissioner shall not pay money to a municipality pursuant to an approved loan until he has determined that:*

(a) *Financing of the project as proposed by the municipality is assured by an irrevocable undertaking, by resolution of the governing body of the municipality, to use all money made available by the financing plan exclusively for the eligible costs of the project, and to pay any additional amount by which the cost of the project exceeds the estimate by the appropriation to the construction account of additional municipal money or the proceeds of additional bonds to be issued by the municipality; and that*

(b) *The governing body of the municipality has adopted a resolution obligating the municipality to repay the loan according to the terms in the loan. The obligation may be payable from user charges, franchise fees, special assessments or other money available to the municipality. The resolution shall obligate the municipality to annually impose and collect user charges, franchise fees, special assessments, or to use any other money available to it from any other specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan, the municipality by resolution of its governing body may fix the rates and charges for district heating system*

service and products, may enter into contracts for the payment by others of costs of construction, maintenance, and use of the project in accordance with section 444.075 and may pledge the revenues derived therefrom. The commissioner shall condition a loan upon the establishment of rates and charges or the execution of contracts sufficient to produce annually the revenues pledged for repayment of all annual costs of the system, including annual repayment of the state loan.

Subd. 11. [RECEIPTS.] All principal and interest payments received by the commissioner in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner for the purposes of that account.

Subd. 12. [RULES.] The director shall adopt rules necessary to carry out this section. The director shall adopt temporary rules pursuant to section 15.0412, subdivision 5, meeting the requirements of this section. The rules shall contain as a minimum:

- (a) Procedures for application by municipalities; and*
- (b) Criteria for reviewing grant and loan applications.*

Sec. 2. Minnesota Statutes 1980, Section 412.321, Subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY TO OWN AND OPERATE.] Any statutory city may own and operate any waterworks, district heating system, or gas, light, power, or heat plant for supplying its own needs for utility service or for supplying utility service to private consumers or both. It may construct and install all facilities reasonably needed for that purpose and may lease or purchase any existing utility properties so needed. It may, in lieu of providing for the local production of gas, electricity, water, hot water, steam, or heat, purchase the same wholesale and resell it to local consumers. After any such utility has been acquired, the council, except as its powers have been limited through establishment of a public utilities commission in the city, shall make all necessary rules and regulations for the protection, maintenance, operation, extension, and improvement thereof and for the sale of its utility products.

Sec. 3. Minnesota Statutes 1980, Section 412.351, is amended to read:

412.351 [COMMISSION, JURISDICTION.]

The council shall, in the ordinance establishing the commission, decide which of the following public utilities shall be within the commission's jurisdiction: (1) the city water system; (2) light and power system, including any system then in use or later

acquired for the production and distribution of steam heat; (3) gas system; (4) sanitary or storm sewer system or both, including the city sewage disposal plant; (5) public buildings owned or leased by the city; (6) *district heating system*. As used subsequently in sections 412.351 to 412.391, the term "public utility" means any water, light and power, gas or sewer system, or public buildings thus placed by ordinance under the jurisdiction of the public utilities commission. Any public utility not placed under the jurisdiction of the public utilities commission by the ordinance establishing the commission may be placed under the jurisdiction of the commission by an amendment to the original ordinance.

Sec. 4. Minnesota Statutes 1980, Section 412.361, Subdivision 3, is amended to read:

Subd. 3. The commission shall have power to buy all fuel and supplies, and it may purchase wholesale electric energy, steam heat, *hot water energy*, gas or water, as the case may be, for municipal distribution.

Sec. 5. Minnesota Statutes 1980, Section 429.021, Subdivision 1, is amended to read:

Subdivision 1. [IMPROVEMENTS AUTHORIZED.] The council of a municipality shall have power to make the following improvements:

(1) To acquire, open, and widen any street, and to improve the same by constructing, reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking strips of any material, or by grading, graveling, oiling, or otherwise improving the same, including the beautification thereof and including storm sewers or other street drainage and connections from sewer, water or similar mains to curb lines.

(2) To acquire, develop, construct, reconstruct, extend and maintain storm and sanitary sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps, lift stations, service connections, and other appurtenances of a sewer system, within and without the corporate limits.

(3) To construct, reconstruct, extend and maintain steam heating mains.

(4) To install, replace, extend and maintain street lights and street lighting systems and special lighting systems.

(5) To acquire, improve, construct, reconstruct, extend and maintain water works systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treat-

ment plants, and other appurtenances of a water works system, within and without the corporate limits.

(6) To acquire, improve and equip parks, open space areas, playgrounds and recreational facilities within or without the corporate limits.

(7) To plant trees on streets and provide for their trimming, care and removal.

(8) To abate nuisances and to drain swamps, marshes and ponds on public or private property and to fill the same.

(9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

(10) To construct, reconstruct, extend and maintain retaining walls and area walls.

(11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote a pedestrian skyway system.

(12) To acquire, construct, reconstruct, extend, operate, maintain and promote underground pedestrian concourses.

(13) To acquire, construct, improve, alter, extend, operate, maintain and promote public malls, plazas or courtyards.

(14) To construct, reconstruct, extend, and maintain district heating systems.

Sec. 6. [465.74] [AUTHORIZATION TO OPERATE DISTRICT HEATING SYSTEMS.]

Subdivision 1. [CITIES OF THE FIRST CLASS.] Any city operating or authorized to operate a public utility pursuant to chapter 452 or its charter is authorized to acquire, construct, own, and operate a municipal district heating system pursuant to the provisions of that chapter or its charter. Acquisition or construction of a municipal district heating system shall not be subject to the election requirement of sections 452.11 and 452.12, or city charter provision, but must be approved by a three-fifths vote of the city's council or other governing body. Loans obtained by a municipality pursuant to section 1 are not subject to the limitations on the amount of money which may be borrowed upon a pledge of the city's full faith and credit or the election requirements for general obligation borrowing, contained in section 452.08.

Subd. 2. [CITIES OF THE SECOND AND THIRD CLASS.] A city authorized to operate an electric light plant or an electric

light and power plant pursuant to chapter 455 or its charter may acquire, construct, own, and operate a municipal district heating system under that chapter or its charter.

Subd. 3. [EXTENSION OF SERVICE OUTSIDE CITY.] A municipal district heating system, operating pursuant to this section, may sell energy to customers located outside of the municipality.

Subd. 4. [NET DEBT LIMITS.] The loan obligations incurred by a political subdivision pursuant to section 1 shall not be considered as a part of its indebtedness under the provisions of its governing charter or of any law of this state fixing a limit of indebtedness.

Sec. 7. [475.525] [MUNICIPAL DISTRICT HEATING BONDS.]

Subd. 1. [GENERAL OBLIGATION BONDS.] A municipality may, pursuant to the provisions of chapter 475, issue general obligation bonds for the purpose of acquiring or constructing a district heating system and may pledge its full faith and credit as security for the bonds. Bonds issued under this section shall be considered as part of a municipality's indebtedness under its governing charter or any law fixing a limit of indebtedness.

Subd. 2. [REVENUE BONDS.] Notwithstanding any other law, general or special, or the provisions of any home rule charter to the contrary, a municipality may, by resolution, authorize, issue and sell revenue bonds or obligations payable solely from all or a portion of revenues derived from a district heating system located wholly or partially within a municipality to finance the acquisition, construction or operation of a district heating system and for the purpose of loaning the proceeds of the bonds or obligations to any person, firm or public or private corporation to acquire or construct a district heating system. The bonds or obligations shall mature as determined by resolution of the municipality and may be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution, its trust indenture or mortgage may provide. The bonds or obligations may be sold at public or private sale at the price or prices as the municipality by resolution shall determine, and any provision of any law to the contrary notwithstanding, shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any bonds or obligations of the municipality or the security therefore, any bond or obligation reciting in substance

that it has been issued by the municipality to aid in the acquisition, construction or operation of a district heating system shall be conclusively deemed to have been issued for such purpose. Neither the municipality nor any council member, officer, employee or agent of the municipality nor any person executing the bonds or obligations shall be liable personally on the bonds or obligations by reason of the issuance thereof. The bonds or obligations may be further secured by a pledge and mortgage of all or any portion of the property in aid of which the bonds or obligations are issued and such covenants as the municipality shall deem by such resolution to be necessary and proper to secure payment of the bonds or obligations. The bonds or obligations, and the bonds or obligations shall so state on their face, shall not be payable from nor charged upon any funds other than the revenues and property pledged or mortgaged to the payment thereof, nor shall the issuing municipality be subject to any liability thereon or have the powers to obligate itself to pay or pay the bonds or obligations from funds other than the revenues and properties pledged and mortgaged and no holder or holders of the bonds or obligations shall ever have the right to compel any exercise of any taxing power of the issuing municipality or any other public body to pay the principal of or interest on any such bonds or obligations, nor to enforce payment thereof against any property of the municipality or other public body other than that expressly pledged or mortgaged for the payment thereof.

Sec. 8. [216B.166] [COGENERATING POWER PLANTS.]

Subdivision 1. [FINDING.] The legislature finds and declares that significant public benefits may be derived from the cogeneration of electrical and thermal energy and that cogenerated district heating may result in improved utilization and conservation of fuel, the substitution of coal for scarce oil and natural gas, the substitution of domestic fuel for imported fuel, and the establishment of a reliable, competitively priced heat source. Since the cost of cogenerated thermal energy is dependent upon the method used to allocate costs between the production of electric and thermal energy at a power plant, and because the method of cost allocation can be a significant factor in determining investment in district heating, it is necessary to develop cost allocation methods rapidly.

Subd. 2. [DEFINITIONS.] For the purpose of this section, the following terms shall have the meanings given.

(a) "Cogeneration" means a combined process whereby electrical and thermal energy are simultaneously produced by a public utility power plant.

(b) "District heating" means a process whereby thermal energy is distributed within a community for use as a primary heat source.

(c) "District heating utility" means any person, corporation, or other legal entity which owns and operates a facility for district heating.

Subd. 3. [ALLOCATION.] The methods used to allocate or assign costs between electrical and thermal energy produced by cogeneration power plants owned by public utilities shall be consistent with the following principles:

(a) The method used shall result in a cost per unit of electricity which is no greater than the cost per unit which would exist if the power plants owned by the public utility had been normally constructed and operated without cogenerating capability;

(b) Costs which the public utility incurs for the exclusive benefit of the district heating utility, including but not limited to backup and peaking facilities, shall be assigned to thermal energy produced by cogeneration;

(c) The methods and procedures may be different for retrofitted than for new cogeneration power plants; and

(d) The methods should encourage cogeneration while preventing subsidization by electric consumers so that both heating and electricity consumers are treated fairly and equitably with respect to the costs and benefits of cogeneration.

Sec. 9. [APPROPRIATIONS.]

Subdivision 1. The sum of \$44,900,000 is appropriated from the state building fund to the commissioner of finance for the purpose of making loans to municipalities for district heating systems pursuant to section 1.

Subd. 2. The sum of \$100,000 is appropriated from the general fund to the director of the energy agency for the period ending June 30, 1982, for the purpose of administering loans and grants to municipalities pursuant to section 1. The approved complement of the energy agency is increased by one position.

Subd. 3. The sum of \$2,700,000 is appropriated from the state building fund to the commissioner of administration to install district heating in the capitol complex.

Subd. 4. The sum of \$1,200,000 is appropriated from the state building fund to Moorhead State University to install district heating in its facilities.

Subd. 5. The sum of \$1,200,000 is appropriated from the state building fund to the commissioner of finance for the pur-

pose of making loans to develop wood fuel conversion facilities managed by a consortium consisting of independent school district No. 692, Babbitt, independent school district No. 696, Ely, and independent school district No. 708, Tower-Soudan. The loans shall be repaid to the commissioner of finance over a period not to exceed 20 years, with interest at a rate sufficient to cover the cost to the state of borrowing the money. Repayments shall be credited to the state bond fund. The money shall not be loaned until an agreement authorized pursuant to section 471.59 is executed by the boards of the designated districts. The agreement shall include the organization of the consortium, the management, accounting and allocation of money among members of the consortium, and the consortium's plans for fuel conversion, plant retrofitting and energy conservation.

Subd. 6. The sum of \$300,000 is appropriated from the general fund to the director of the energy agency for the purpose of making planning grants to municipalities approved by the governor pursuant to section 1, subdivision 9.

Subd. 7. The appropriations made by subdivisions 1, 3, 4, 5 and 6 are available until expended and shall not cancel pursuant to section 16A.28 or other law.

Sec. 10. [BOND SALE; DEBT SERVICE.]

To provide the money appropriated from the state building fund by section 9, subdivisions 1, 3, 4 and 5, the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$50,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, Sections 16A.63 to 16A.67, and by the Constitution, Article XI, Sections 4 to 7.

Sec. 11. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 11, delete "and 465" and insert "465, and 475"

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

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 519, A bill for an act relating to individual housing accounts; providing for the subtraction from federal adjusted

gross income of certain contributions to an interest earned on individual housing accounts; repealing the deduction for individual housing account contributions and interest; clarifying various provisions relating to individual housing accounts; amending Minnesota Statutes 1980, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 290.01, Subdivision 20; 290.08, by adding a subdivision; and 290.17, Subdivision 2; repealing Minnesota Statutes 1980, Section 290.09, Subdivision 30.

Reported the same back with the following amendments:

Page 14, line 18, after the period insert "*For purposes of this paragraph, "participant" means in the case of a married couple either spouse at the time of the purchase.*"

Page 15, line 14, delete "*a good faith, written*" and insert "*an*"

Page 15, line 15, delete "*and*" and insert ";" and after "*completed,*" insert "*and the distribution is not forfeited to the seller,*"

Page 16, line 9, after "*spouse.*" insert, "*The ten percent tax provided by this clause shall not be imposed, if (1) the participant is unable to make a qualified purchase because he marries a person who has or had an ownership interest in a residence; and (2) no contributions or interest are excluded from gross income in a taxable year ending after the date of the marriage.*"

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. 524, A bill for an act relating to education; requiring the board of education to establish and fill the position of specialist for industrial arts education and to prescribe the duties of the specialist; appropriating money; amending Minnesota Statutes 1980, Section 121.11, by adding a subdivision.

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

The report was adopted.

Rice from the Committee on Labor-Management Relations to which was referred:

H. F. No. 531, A bill for an act relating to workers' compensation; requiring and providing for additional state workers' compensation attorneys; appropriating money.

Reported the same back with the following amendments:

Page 1, line 10, after the comma, insert "*and nine support employees,*"

Page 1, line 12, after "*attorneys*" insert "*and support employees*"

Page 1, line 23, delete "*nine*" and insert "*18*"

Amend the title as follows:

Page 1, line 4, after "*attorneys*" insert "*and support employees*"

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

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 538, A bill for an act relating to taxation; estate tax; clarifying certain deductions; updating references to internal revenue code; clarifying the method of computing credits; clarifying exemptions and exclusions; providing for a statute of limitations; eliminating obsolete references; providing disclosure of data to certain persons; clarifying recording procedures; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 291.005, Subdivision 1; 291.03, Subdivision 1; 291.05; 291.065; 291.09, Subdivision 3a; 291.20, Subdivision 1; 291.31, Subdivision 1; 291.48; and 600.21.

Reported the same back with the following amendments:

Page 10, line 24, delete "*in*"

Page 10, line 25, delete "*duplicate*"

Page 14, line 10, delete "*(e)*"

Page 15, after line 10, insert:

"Sec. 6. Minnesota Statutes 1980, Section 291.07, Subdivision 1, is amended to read:

291.07 [ADDITIONAL DEDUCTIONS.]

Subdivision 1. In determining the tax imposed by section 291.01, the following *additional* deductions shall be allowed:

- (1) funeral expenses;
- (2) reasonable legal, accounting, fiduciary and administration expenses and fees with respect to both probate and non-probate assets, including but not limited to expenses incurred during administration in converting real and personal property held by the estate into cash;
- (3) expenses of last illness unpaid at death;
- (4) valid claims against and debts of the decedent, unpaid at death, which have been properly paid;
- (5) Minnesota and federal income taxes on "income in respect of a decedent," as computed under subdivision 3;
- (6) the portion of the federal estate tax allocable to Minnesota, which shall equal the amount obtained by multiplying the federal estate tax due and payable to the United States Treasury by a fraction, the numerator of which shall equal the value of the Minnesota gross estate reduced by: (a) in the case of a resident decedent, the deductions and exemptions allowed by sections 291.05, 291.051, 291.065, 291.07, subdivision 1, clauses (1), (2), (3), (4), (5), (7) and (8); or (b) in the case of a nonresident decedent the deductions and exemptions allowed by sections 291.05, 291.051, 291.065, 291.08, clauses (1), (2), (4) and (5), and the denominator of which shall equal the value of the federal taxable estate as defined in section 2051 of the Internal Revenue Code; provided, however, in any case where any property is included in the Minnesota gross estate but incorrectly omitted from the federal gross estate or where any property that is included in both the Minnesota gross estate and the federal gross estate is valued at a higher or lower value in determining the Minnesota gross estate than in determining the federal gross estate, the federal taxable estate shall be recomputed for purposes of this provision and shall be based on a federal gross estate including the value of such omitted property and including or excluding the difference in value of such revalued property, and further provided that the federal estate tax deduction shall not exceed the federal estate tax due and payable to the United States Treasury;
- (7) real estate taxes due and payable prior to or in the year of the decedent's death with respect to real estate subject to taxation under this chapter and other taxes which have accrued and are a lien on property in the estate at the time of death;
- (8) liens and mortgages on property subject to taxation under this chapter which are not deductible as claims or debts of the decedent.

Sec. 7. Minnesota Statutes 1980, Section 291.08, is amended to read:

291.08 [NONRESIDENT ESTATES; ALLOWANCE OF ADDITIONAL DEDUCTIONS (AND EXEMPTIONS).]

Where a tax is due on the transfer of any property or interest therein owned by a nonresident, the following *additional* deductions (AND EXEMPTIONS) shall be allowed:

- (1) Funeral expenses to the extent incurred in Minnesota;
- (2) Reasonable legal, accounting, fiduciary and administration fees and expenses allocable to both probate and nonprobate property included in the Minnesota gross estate;
- (3) Federal estate taxes as computed in section 291.07;
- (4) Real estate taxes on Minnesota property which are due and payable prior to or in the year of the decedent's death;
- (5) Liens and mortgages on property included in the Minnesota gross estate."

Page 15, line 16, delete "*three years*" and insert "*180 days*"

Page 16, line 24, delete "*three years*" and insert "*180 days*"

Page 16, line 30, delete "*three years*" and insert "*180 days*"

Page 16, line 35, after "*tax*" insert " , "

Pages 17 and 18, delete section 7

Page 22, line 9, delete "*6, and 7*" and insert "*and 8*"

Page 22, line 10, delete "*June 30*" and insert "*December 31*"

Page 22, line 11, delete "*10*" and insert "*11*"

Page 22, line 12, delete "*Section 8 and 9*" and insert "*Sections 9 and 10*"

Renumber the sections

Amend the title as follows:

Page 1, line 11, after "*291.065;*" insert "*291.07, Subdivision 1; 291.08;*"

Page 1, line 11, delete "291.20,"

Page 1, line 12, before "291.31" delete "Subdivision 1;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Nelson, K., from the Committee on Energy to which was referred:

H. F. No. 549, A bill for an act relating to energy; creating the Minnesota renewable energy financing commission; establishing a program of loans and financial assistance for small businesses and municipalities; authorizing the issuance of bonds; appropriating money; proposing new law coded in Minnesota Statutes 1980, Chapter 116H.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116H.135] [RENEWABLE ENERGY FINANCING COMMISSION ACT.]

Subdivision 1. [TITLE.] Sections 1 to 3 may be cited as the "Minnesota energy financing commission act."

Subd. 2. [POLICIES.] Improving energy efficiency and developing economical renewable energy systems is a public purpose for state financing and a proper function of state government. Climate and geography make a reliable, economic supply of energy essential for municipalities and small businesses. Imported supplies are increasingly costly, unreliable, and environmentally disadvantageous. Renewable energy systems offer an important means of increasing the efficiency of Minnesota's energy systems and reducing the state's reliance on imported energy supplies. The combination of the large initial capital cost and investors' lack of familiarity with renewable energy systems has made the private market reluctant to provide the necessary capital for their development. As a result, public leadership, co-operation, and aid are needed to develop economically viable renewable energy systems.

Subd. 3. [DEFINITIONS.] Each term defined in this subdivision has the meaning given it whenever used in sections 1 to 3.

(a) "Commission" means the renewable energy financing commission created in this section.

(b) "Owner" means a person, partnership, firm, or corporation engaged in a small business and applying to the commission for a loan under section 2.

(c) "Small business" means an enterprise defined as a small business concern in regulations of the United States small business administration pursuant to 15 U.S. Code, Sections 631 to 647, as in effect March 1, 1980, which is engaged in any industrial or commercial activity. For the purposes of sections 1 to 3, a small business includes a cooperative association organized pursuant to chapter 308, a charitable organization as defined in section 309.50, a nonprofit corporation as defined in section 317.02, a conservation service company, or a labor union. A small business also includes a family farm, a family farm corporation, or an authorized farm corporation as defined in section 500.24, subdivision 2.

(d) "Target small business" for the purpose of section 2, subdivision 6, means a small business entity as defined in clause (c) which:

(1) Is not an affiliate or subsidiary of a business dominant in its field of operation;

(2) Has 50 or fewer full time employees or not more than the equivalent of \$2,000,000 in annual gross revenues in the preceding fiscal year; and

(3) Demonstrates a commitment to employ individuals who are from low income households and have a history of unemployment.

(e) "Dominant in its field of operation" means having more than 50 full time employees and more than \$2,000,000 in annual gross revenues.

(f) "Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in its field of operation.

(g) "Financial institution" means any bank or other financial corporation described in chapter 47, any insurance company licensed to do business under chapter 60A, any securities broker-dealer licensed under chapter 80A, and any credit union.

(h) "Renewable energy system" includes, but is not limited to, the systems that qualify under the provisions of section 290.06, subdivision 14 and the rules promulgated under it except that qualifying systems described in section 290.06, subdivision 14, clause (c) may sell any fuels they produce.

(i) "Conservation" means a capital investment designed to reduce the use of energy so that the resulting fuel savings amortize the cost of the investment over a period of ten years or less.

(j) "Municipality" means any city, however organized, or any municipal power agency governed by chapter 453, or any group or combination of those units operating under an agreement to jointly undertake projects authorized by sections 1 to 3.

Subd. 4. [ENERGY COMMISSION.] An energy financing commission is established to carry out the powers and duties authorized in sections 1 to 3 to implement a loan program by which, in cooperation with cities, towns, counties and private or public lenders, adequate funds may be provided on sufficiently favorable terms to assist and encourage the establishment, maintenance and growth of small renewable energy and conservation businesses in Minnesota and to reduce to a manageable level the cost of energy to businesses and municipalities. The commission shall make loans to assist small businesses and municipalities in the manufacture, design, distribution, maintenance, installation or acquisition of renewable energy systems and energy conservation materials and devices.

Because of its ability to pool or combine loans to be funded from one or more issues of bonds, the commission will be able to spread its financing costs among the municipalities, small businesses and individuals to which the commission makes loans.

Subd. 5. [PURPOSE.] Sections 1 to 3 are enacted to promote the welfare and prosperity of the state by maintaining and increasing the career and job opportunities of its citizens, by reducing waste of resources and by protecting and enhancing the tax base on which state and local governments depend for the financing of public services.

Subd. 6. [LIABILITY.] Neither the state nor any other agency or political subdivision of the state shall be liable on any bond, note or other obligation of the commission, and no bond, note, or other obligation of the commission shall constitute a debt or loan of credit of the state or any political subdivision.

Subd. 7. [LIMIT OF STATE ACTION.] The state pledges and agrees with all holders of obligations of the commission that it will not limit or alter the rights vested in the commission to fulfill their terms, and will not in any way impair the rights or remedies of the holders, until all of the obligations and interest on them, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders to enforce the payment and other provisions of the obligations, are fully met and discharged. The commission may include and recite this pledge and agreement of the state in any obligation or related document.

Subd. 8. [POWERS OF THE STATE.] *This section does not affect the power of the state to supervise and control the commission or to discontinue its operation or alter its organization, programs or activities or transfer its powers to a successor agency, but the action of the state must be consistent with the provisions of subdivision 7 and title to all property owned by the commission at the time of the state's action must remain or vest in the commission, its successor or the state, as the case may be.*

Subd. 9. [TAXES.] *The property of the commission and its income and operation shall be exempt from all taxation by the state or any of its political subdivisions and all bonds and notes of the commission shall be exempt from all taxation by the state or any of its political subdivisions.*

Subd. 10. [BONDS; TAX STATUS.] *The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the commission in consideration of the acceptance of and payment for the notes and bonds, that the notes and bonds of the commission issued pursuant to sections 1 to 3 and the income from them and all its fees, charges, gifts, grants, revenues, receipts, and other moneys received or to be received, pledges to pay or secure the payment of the notes or bonds shall at all times be free and exempt from all state, city, county or other taxation provided by the laws of the state, except for estate and gift taxes and taxes on transfers, and except for the Minnesota corporate franchise tax measured by income, so long as the interest on federal bonds is included in the income by which the corporate franchise tax is measured.*

Subd. 11. [COMMISSION; MEMBERS.] *The commission shall have five members knowledgeable about energy appointed by the governor with the advice and consent of the senate. The commissioners shall include:*

- (a) One renewable energy or conservation entrepreneur managing a small business;*
- (b) One officer from a commercial lending institution; and*
- (c) One labor union official.*

The director of the energy agency, the director of the housing finance agency, and the commissioner of economic development shall serve as ex officio members of the commission.

Subd. 12. [TERMS.] *The commissioners shall serve three year terms. The first members shall be appointed for terms as follows: (a) one for a term ending the first Monday in January, 1982; (b) two for terms ending the first Monday in January, 1983; and (c) two for terms ending the first Monday in January, 1984.*

Subd. 13. [CHAIR.] The members of the commission shall annually elect a chairman and other officers they deem necessary.

Subd. 14. [STAFF.] The commission shall hire permanent and temporary employees necessary for the performance of its duties. The commission may enter into agreements under which the housing finance agency will provide administrative support for the commission.

Subd. 15. [SERVICES.] The commission shall identify general consultative and technical services to assist in financing municipalities and small business facilities for which loans may be made pursuant to section 2. It may enter into agreements or other transactions concerning the receipt or provision of those services.

Sec. 2. [116H.136] [LOANS.]

Subdivision 1. [GENERAL.] The commission may make or purchase or participate with financial institutions in making or purchasing renewable energy loans or energy conservation loans upon the conditions described in this section, and may enter into commitments for loans.

Subd. 2. [LOAN PURCHASES.] The commission may participate with financial institutions in making or purchasing business loans not exceeding \$1,000,000 in principal amount, to be serviced by the institutions, provided that:

(a) The commission's share shall not exceed 90 percent of the total principal amount, and shall be payable with interest at the same times but not necessarily at the same interest rate as the share of the financial institution, and both shares shall be equally and ratably secured by a valid mortgage on or security interest in real and personal property;

(b) The total principal amount shall not exceed 90 percent of the value of the property securing the loan, unless the amount in excess of 90 percent is:

(1) Loaned from available funds which are not proceeds received directly from the sale of the commission's bonds or notes and are not restricted under the terms of any resolution or indenture securing bonds or notes, or

(2) Insured or guaranteed by a federal agency or by a private insurer qualified to write the insurance in the state, insuring a percentage of any claim for loss at least equal to the percentage by which the loan exceeds 90 percent of the value;

(c) *The value of the property securing the loan shall be certified by the participating financial institution, on the basis of appraisals, bids, purchase orders, and engineers' certificates as the commission may require;*

(d) *The commission shall not disburse more than one-third of the total funds under a commitment to participate in a loan for the construction or substantial improvement of property until the construction or improvement has been completed in accordance with plans and specifications, unless the financial institution furnishes an irrevocable letter of credit or a qualified corporate surety furnishes payment and performance bonds, satisfactory to the commission and in an aggregate amount equal to the amount payable under the construction contract; and*

(e) *No other indebtedness may be secured by a mortgage on or security interest in property securing a business loan made or purchased pursuant to this subdivision.*

Subd. 3. [LOANS; AMOUNT.] The commission may make small business and municipal loans not exceeding \$200,000 in principal amount, but each loan shall be made only from the proceeds of a bond or note sold and issued to a financial institution, payable exclusively from the repayments of principal and interest on the loan, which shall be assigned to and serviced by the financial institution.

Subd. 4. [ASSURED FINANCING.] No loan of state funds for any project shall be disbursed until the commission has determined the total estimated cost of a qualified project and ascertained that financing of the project is assured by:

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

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

(c) *A grant or loan of funds from any other public or private entity;*

(d) *The appropriation of the proceeds of bonds or other funds of a municipality; or*

(e) *Any combination of the sources referred to in clauses (a) to (d).*

Subd. 5. [MUNICIPAL PLEDGE.] In addition to the requirements of subdivision 4, no loan of state funds shall be disbursed until the governing body of qualifying municipality has adopted a resolution agreeing to utilize not only all funds

it allocates specifically for the qualifying project, but also to pay any additional amount by which the cost of the project exceeds those allocated funds. The resolution shall agree to obtain the additional amounts which are necessary to fully fund the project from either the appropriation of additional municipal funds or the appropriation of the proceeds of additional bonds to be issued by the municipality.

Subd. 6. [LOANS; TYPES.] *The commission shall make every effort to assure that at least 40 percent of the principal amount of the loans made or purchased by the agency in each fiscal year consists of loans to target small businesses as defined in section 1, subdivision 3, clause (d), and shall provide technical assistance needed by target small business owners to complete applications and meet other requirements for those loans. The commission shall report to the legislature annually on or before October 1 as to its compliance with the requirements of this subdivision during the preceding fiscal year.*

Subd. 7. [REPORTS]. *(a) Each financial institution which participates in a residential or business loan with the commission shall annually on or before March 1 submit a report for the prior calendar year to the agency on a form prescribed by the state auditor. The report shall include a listing of each new and outstanding loan in which the financial institution is a participant, the amount and terms of the loan, the purpose of the loan and any other information as the state auditor may reasonably require.*

(b) The commission shall annually on or before May 1 submit a report on a form prescribed by the state auditor for the prior calendar year to the state auditor on all loans which it makes, purchases or participates in. The report shall include a listing of each new and outstanding loan in which the financial institution is a participant, the amount and terms of the loan, the purpose of the loan and any other information the state auditor may reasonably require.

(c) The state auditor shall annually on or before July 1 submit a report for the prior calendar year to the governor and the legislature summarizing the report submitted pursuant to clause (b).

(d) The cost of preparing and submitting the reports required by this subdivision shall be borne by the party submitting it. Any financial institution which fails to comply with the requirements of this subdivision shall be prohibited from participating in future loans until it complies.

Sec. 3. [116H.137] [POWERS; DUTIES.]

Subdivision 1. [GENERAL.] *In implementing its corporate purposes and the programs described in sections 1 to 3, the*

commission shall have the powers and duties set forth in this section.

Subd. 2. [LAWSUITS.] It may sue and be sued.

Subd. 3. [CORPORATE SEAL.] It may have a seal and alter it at will.

Subd. 4. [RULES.] It may adopt, amend and repeal rules consistent with the provisions of sections 1 to 3 as necessary to effectuate its corporate purposes.

Subd. 5. [PROPERTY.] It may acquire, hold and dispose of personal property for its corporate purposes.

Subd. 6. [AGREEMENTS.] It may enter into agreements or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association or organization.

Subd. 7. [PROPERTY; DEFAULT.] It may acquire real property, or an interest in real property, in its own name, by purchase or foreclosure, when the acquisition is necessary or appropriate to protect any loan in which the agency has an interest and may sell, transfer and convey the property to a buyer and, if sale, transfer or conveyance cannot be effected with reasonable promptness or at a reasonable price, may lease the property to a tenant.

Subd. 8. [LOANS; SALES.] It may sell, at public or private sale, any note, mortgage or other instrument or obligation evidencing or securing a loan.

Subd. 9. [INSURANCE.] It may procure insurance against any loss in connection with its property in the amounts, and from the insurers, as necessary or desirable.

Subd. 10. [TERMS; MODIFICATION.] It may consent, when it deems it necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment or any installment of principal or interest, or any other term, of any mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract or agreement of any kind to which the agency is a party.

Subd. 11. [BONDS.] It may borrow money to accomplish its corporate purpose and issue its negotiable bonds or notes as evidence of the borrowing in accordance with sections 462A.08 to 462A.13, 462A.16 and 462A.17, all with the force and effect stated and the incidental powers granted and duties imposed in those sections. The aggregate principal amount of the commission's bonds and notes outstanding at any one time, excluding

the amount satisfied and discharged by payment or provision for payment in accordance with their terms, and deducting amounts held in debt service reserve funds for them, shall not exceed \$1,000 unless authorized by another law.

Subd. 12. [RESERVE.] *It may issue and sell bonds, notes and other obligations payable solely from particular moneys, assets or revenues derived from its programs notwithstanding section 462A.08, subdivision 3. Obligations issued to participate in making or purchasing small business and municipal loans pursuant to section 2, shall be payable solely from revenues derived by the commission from repayments of the loans and from enforcement of the security for them, or from a general reserve fund irrevocably pledged and appropriated to pay principal and interest due, for which other funds are not available. No obligations shall be issued at any time unless the amount then in the general reserve fund equals at least ten percent of the aggregate principal amount of all the obligations then issued and then outstanding.*

Subd. 13. [PRICES.] *It may sell any of its obligations at public or private sale, at the price or prices the commission shall determine, notwithstanding the limitation on sale price in the fourth sentence of section 462A.09.*

Subd. 14. [COMPLIANCE.] *It may establish and collect reasonable interest and amortization payments on loans, and in connection with them may establish and collect or authorize the collection of reasonable fees and charges or require funds to be placed in escrow, sufficient to provide for the payment and security of its bonds, notes, commitments and other obligations and for the servicing of them, to provide reasonable allowances for or insurance against losses which may be incurred and to cover the cost of issuance of obligations and technical, consultative and project assistance services. It shall require the payment of all processing, administrative and guarantee fees and the deposit in escrow of all funds required by the small business administration or other federal agency or instrumentality guaranteeing any loan and shall comply and enforce compliance with all terms and conditions of each guarantee.*

Subd. 15. [INVESTMENTS.] *It may invest any funds not required for immediate disbursement in direct obligations of or obligations guaranteed as to principal and interest by the United States, or in insured savings accounts, up to the amount of the insurance, in any institution the accounts of which are insured by the federal savings and loan insurance corporation or in a savings or other account in a bank insured by the federal deposit insurance corporation or in time certificates of deposit issued by a bank insured by the federal deposit insurance corporation and maturing within one year or less. It may deposit funds in excess of the amount insured with security as provided in chapter 118. Notwithstanding the foregoing, it may invest and de-*

posit funds in accounts established pursuant to resolutions or indentures securing its bonds or notes in the investments and deposit accounts or certificates, and with the security, as may be agreed with the holders or a trustee for the holders.

Subd. 16. [DATA.] Financial information, including, but not limited to, credit reports, financial statements and net worth calculations, received or prepared by the commission regarding any project loan is private data on individuals as defined in section 15.162, subdivision 5a.

Subd. 17. [OTHER FUNDING.] It may accept appropriations, gifts, grants, bequests and devises and use or dispose of them for its corporate purposes.

Subd. 18. [FUNDING.] All proceeds of the commission's bonds, notes and other obligations, any amounts granted or appropriated to the commission for the making or purchase or the insurance or guaranty of loans or for bond reserves, all income from their investment and all revenues from loans, fees and charges of the commission are annually appropriated to the commission for the accomplishment of its corporate purposes and shall be expended, administered and accounted for in accordance with the applicable provisions of all bond and note resolutions, indentures and other instruments, contracts, and agreements of the agency.

Subd. 19. [HOUSING FINANCE AGENCY.] The director of the housing finance agency at the commission's request may enter into agreements or transactions with the commission to perform any or all administrative tasks in connection with the exercise and implementation of the powers and programs of the commission.

Sec. 4. [APPROPRIATION.]

\$ is appropriated from the general fund to the commission to establish the reserve required by section 3, subdivision 12.

Sec. 5. [APPROPRIATION.]

\$ is appropriated from the general fund to the commission to hire necessary staff, consultants, and equipment to carry out the provisions of sections 1 to 3.

Sec. 6. [REPEALER.]

Minnesota Statutes 1980, Section 3.351 is repealed.

Sec. 7. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to energy; creating the Minnesota energy financing commission; establishing a program of loans and financial assistance for small businesses and municipalities; authorizing the issuance of bonds; appropriating money; proposing new law coded in Minnesota Statutes 1980, Chapter 116H; repealing Minnesota Statutes 1980, Section 3.351."

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

The report was adopted.

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

H. F. No. 554, A bill for an act relating to natural resources; increasing motor vehicle permit fees for state parks, monuments, recreation areas, and waysides; establishing a dedicated account; appropriating money; amending Minnesota Statutes 1980, Section 85.05, Subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, Chapter 85.

Reported the same back with the following amendments:

Page 2, line 17, after the period insert "*Fees paid pursuant to this section shall be deposited in the state park maintenance and operation account in the state treasury.*"

Page 2, line 22, after "park," strike "state"

Page 2, line 23, strike "monument,"

Page 2, line 26, strike "of natural resources"

Page 2, line 29, strike "state monument,"

Page 3, line 4, strike "state monuments,"

Page 3, line 9, delete "*which is annually appropriated*" and insert "*. Appropriations from this fund shall be*"

Page 3, line 24, strike "without charge" and insert "*for one-half of the fees provided in clause (a)*"

Page 3, line 34, strike "monuments,"

Page 4, after line 9, insert a new section to read :

"Sec. 4. Minnesota Statutes 1980, Section 85.22, Subdivision 2a, is amended to read :

Subd. 2a. [RECEIPTS, APPROPRIATION.] All receipts derived from the (OPERATIONS OF) *sale of items in state parks* shall be deposited in the state treasury and be credited to the state parks working capital fund, which fund is annually appropriated solely for the purchase of merchandise for resale. Annually, as of the close of business on June 30, the unencumbered balance in excess of (\$50,000) *\$100,000* shall be cancelled into the general fund."

Renumber remaining section

Page 4, line 11, delete "*January 1, 1982 except that increases*"

Page 4, delete lines 12 and 13 and insert "*July 1, 1981.*"

Amend the title as follows :

Page 1, line 3, delete "monuments,"

Page 1, line 6, delete "Section" and insert "Sections"

Page 1, line 7, after "2;" insert "and 85.22, Subdivision 2a;"

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

The report was adopted.

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

H. F. No. 579, A bill for an act relating to financial institutions; allowing new mortgage instruments; modifying rate restrictions on certain loans; providing a maximum late charge on certain loans; amending Minnesota Statutes 1980, Section 47.20, Subdivisions 1, 2, 4, 4a, 6 and 12.

Reported the same back with the following amendments :

Page 2, delete lines 14 to 16

Page 2, line 17, delete "(4)" and insert "(3)"

Page 2, line 18, after "*purchase*" insert "*, in whole or in part,*"

Page 2, line 21, delete the period and insert “; and

(4) *To make, purchase or participate in such loans and advances of credit secured by mortgages on real property which are authorized by the federal home loan bank board or the office of the comptroller of the currency.”*

Page 5, line 24, strike “and” and insert “;”

Page 5, line 24, after “fee” insert “, and any share of future appreciation of the mortgaged property”

Page 5, line 25, strike “and” and insert “;”

Page 5, line 25, after “fee,” insert “and any share of future appreciation of the mortgaged property,”

Page 5, line 27, after the period, insert “*The finance charge, with respect to wraparound mortgages, shall be computed based upon the face amount of the wraparound mortgage note, which face amount shall consist of the aggregate of those funds actually advanced by the wraparound lender and the total outstanding principal balances of the prior note or notes which have been made a part of the wraparound mortgage note.*”

Page 6, line 1, after the period, insert “*For purposes of this section, with respect to wraparound mortgages, the rate of interest or loan yield shall be based upon the principal balance set forth in the wraparound note and mortgage and shall not include any interest differential or yield differential between the stated interest rate on the wraparound mortgage and the stated interest rate on the one or more prior mortgages included in the stated loan amount on a wraparound note and mortgage.*”

Page 11, lines 12 to 14, reinstate the stricken language

Page 11, line 14, delete “and”

Page 11, line 20, reinstate the stricken language

Page 11, line 23, delete everything after “instruments”

Page 11, delete line 24

Page 11, line 25, delete “the lender”

Page 11, lines 26 to 35, reinstate the stricken language

Page 11, line 35, after “(INSTRUMENTS.)” insert “*This subdivision applies to all loans made on or after June 1, 1979 and before the effective date of this act.*”

Sec. 6. Minnesota Statutes 1980, Section 47.20, is amended by adding a subdivision to read:

Subd. 6a. If the purpose of a conventional loan is to enable a borrower to purchase a one to four family dwelling for his or her primary residence, the lender shall consent to the subsequent transfer of the real estate and shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making conventional loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the real estate used as collateral, (2) executes an agreement in writing with the lender whereby the transferee assumes the obligations of the existing borrower under the loan instruments, and (3) executes an agreement in writing to pay interest on the remaining obligation at such rate as agreed to between the transferee and the lender. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument."

Page 12, line 1, after "lenders." insert "This subdivision applies to all loans made on or after the effective date of this act."

Page 13, line 5, delete "6" and insert "7"

Renumber the sections

Amend the title as follows:

Page 1, line 6, after "6" insert a comma and delete "and"

Page 1, line 6, after "12" insert "and by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 591, A bill for an act relating to the city of St. Paul; repealing the people mover act; repealing Minnesota Statutes 1980, Chapter 458B.

Reported the same back with the following amendments:

Page 1, line 10, delete "for the city of St. Paul"

Page 1, line 12, delete " , Clause (b) "

Page 1, line 12, after the period insert "This act applies to the government units and agencies named in chapter 458B, including

the city of St. Paul and the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

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

The report was adopted.

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

H. F. No. 601, A bill for an act relating to cemeteries; requiring public cemeteries having permanent care and improvement funds to file a notice and an annual report with the county auditor; amending Minnesota Statutes 1980, Section 306.761.

Reported the same back with the following amendments:

Page 2, line 15, strike "\$5" and insert "\$10"

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

The report was adopted.

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

H. F. No. 615, A bill for an act relating to corrections; providing for the transfer of convicted offenders under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 243.

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

The report was adopted.

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

H. F. No. 617, A resolution memorializing the President, Congress, and the United States Postal Service of Minnesota's opposition to the nine digit zip code.

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

The report was adopted.

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

H. F. No. 624, A bill for an act relating to corrections; clarifying the transfer of correctional inmates to medical facilities; providing for tuberculosis testing for correctional employees; clarifying unclaimed property of correctional inmates, and diversified labor accounts; changing terminology of correctional facilities; harmonizing furlough provisions; prescribing the time for counties to submit estimates for reimbursement for probation services; amending Minnesota Statutes 1980, Sections 241.07; 241.09; 241.14; 241.22; 242.20; 242.22; 242.43; 242.44; 242.45; 242.48; 243.05; 243.20; 243.211; 243.465; 243.57; 243.58; 243.64; 244.07, Subdivision 1; 260.311, Subdivision 5; repealing Minnesota Statutes 1980, Sections 241.01, Subdivision 8; 241.15; 242.23; 242.24; 242.375; 242.52; 242.53; 243.06; 243.22; 243.25; 243.26; and 243.78.

Reported the same back with the following amendments:

Page 4, line 11, after "certificate" insert "*from a duly licensed physician*"

Page 4, after line 12, insert "*undergone a physical examination*"

Page 4, line 13, reinstate the stricken language

Page 4, after line 29, insert:

"Sec. 5. Minnesota Statutes 1980, Section 241.64, Subdivision 1, is amended to read:

Subdivision 1. [CREATION.] Within 60 days after the effective date of sections 241.61 to 241.66, the commissioner shall appoint a (NINE) 15 member advisory task force to advise him on the implementation of sections 241.61 to 241.66. The provisions of section 15.059, subdivision 6, shall govern the terms, compensation, and removal of members of the advisory task force.

Sec. 6. Minnesota Statutes 1980, Section 241.64, Subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] Persons appointed shall be knowledgeable in the fields of health, law enforcement, social services or the law. (FIVE) Ten members of the advisory task force shall be representatives of community or governmental organizations which provide services to battered women, and (FOUR) five members of the advisory task force shall be public members."

Page 4, line 35, strike ", subject to the"

Page 4, line 36, strike "provisions of section 242.24,"

Page 5, line 33, strike "CORRECTIONS BOARD" and insert "COMMISSIONER"

Page 7, line 7, strike "INFANTS" and insert "CHILDREN"

Page 7, after line 16 insert:

"Sec. 11. Minnesota Statutes 1980, Section 242.47, is amended to read:

242.47 [INTERFERENCE WITH INMATES.]

Every person who shall abduct, conceal, entice, carry away, or improperly interfere with, any inmate of (THE) a Minnesota correctional facility (RED WING) *for juveniles* shall be guilty of a misdemeanor."

Page 11, line 24, strike "for his"

Page 11, strike lines 25 to 28

Page 11, line 30, before the period insert, *"to effect the apprehension and return of the escapee, which may include the offer of a reward of not more than \$100 to be paid from the state treasury, for information leading to the arrest and return to custody of the escapee"*

Page 13, line 4, after the first "each" insert *"even numbered"*

Page 13, after line 25, insert:

"Sec. 23. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Renumber the sections in order

Amend the title as follows:

Page 1, line 10, after "services;" insert "prescribing a penalty;"

Page 1, line 11, after "241.22;" insert "241.64, Subdivisions 1 and 2;"

Page 1, line 12, after "242.45;" insert "242.47;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 634, A bill for an act relating to securities; providing for improved regulation of the sale of securities and the licensing of broker-dealers, agents, and investment advisers; making miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 80A.04, Subdivision 4; 80A.05, Subdivision 1; 80A.07, Subdivision 1; 80A.12, Subdivision 3; 80A.14; 80A.15, Subdivisions 1 and 2; 80A.16; 80A.21, Subdivision 1; 80A.28, Subdivisions 1, 2, 3, 4 and 7, and by adding a subdivision; 80A.30, Subdivision 2.

Reported the same back with the following amendments:

Page 12, line 2, strike "Coast"

Page 15, line 35, strike "such" and insert "*the*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 667, A bill for an act relating to metropolitan government; requiring that metropolitan council districts be apportioned after the 1980 federal census; amending Minnesota Statutes 1980, Section 473.123, Subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Reapportionment and Elections.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 739, A bill for an act relating to local government; regulating the tax levy of the joint recreation and park board of the city of Hibbing and Independent School District 701; amending Laws 1971, Chapter 573, Section 2.

Reported the same back with the following amendments:

Page 1, line 11, delete "*section 1*" insert "*sections 1 and 2, subdivision 2,*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 798, A bill for an act relating to energy; authorizing a temporary state set-aside program to ease shortages of gasoline and petroleum distillates administered by the Minnesota energy agency; appropriating funds.

Reported the same back with the following amendments:

Page 4, line 1, after "*dealers*" delete "*of*" and insert "*or*"

Page 4, line 2, delete "*suppliers*" and insert "*supplies*"

Page 4, line 18, after "*fuel*" insert "*due*"

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 877, A bill for an act relating to agriculture; increasing a variety of fees charged by the department of agriculture for services, inspections, and other duties; establishing a revolving fund; appropriating money; amending Minnesota Statutes 1980, Sections 17B.15; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 223.03; 223.12, Subdivision 1; 231.16; 232.02, Subdivisions 1, 2, and 3; and 233.08.

Reported the same back with the following amendments:

Page 1, line 13, after "*17B.15,*" insert "*Subdivision 1,*"

Page 1, delete line 15

Page 2, delete lines 4 to 23

Page 3, line 3, delete "*15*" and insert "*50*"

Amend the title as follows:

Page 1, line 6, after "17B.15" insert ", Subdivision 1"

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

The report was adopted.

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

S. F. No. 620, A bill for an act relating to economic development; extending the date on which the report of the conference on small business is due; extending the life of certain appropriations; amending Laws 1980, Chapter 613, Sections 4 and 5.

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. 12, 142, 171, 211, 214, 296, 297, 329, 347, 353, 386, 420, 519, 538, 579, 591, 601, 615, 617, 624, 634 and 739 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 620 was read for the second time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the State of Minnesota, Sarna moved that the rule therein be suspended and an urgency be declared so that S. F. No. 620 be given its third reading and be placed upon its final passage. The motion prevailed.

Sarna moved that the rules of the House be so far suspended that S. F. No. 620 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 620, A bill for an act relating to economic development; extending the date on which the report of the conference on small business is due; extending the life of certain appropriations; amending Laws 1980, Chapter 613, Sections 4 and 5.

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

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kalis	Novak	Sherman
Ainley	Ewald	Kelly	Nysether	Sherwood
Anderson, G.	Fjoslien	Knickerbocker	O'Connor	Sieben, M.
Anderson, I.	Forsythe	Kvam	Ogren	Simoneau
Anderson, R.	Friedrich	Laidig	Olsen	Skoglund
Battaglia	Greenfield	Lehto	Onnen	Staten
Begich	Gruenes	Lemen	Otis	Stowell
Berkelman	Gustafson	Levi	Peterson, D.	Stumpf
Blatz	Halberg	Long	Piepho	Sviggum
Brandl	Hanson	Luknic	Pogemiller	Swanson
Brinkman	Hauge	Mann	Redalen	Tomlinson
Byrne	Haukoos	Marsh	Reding	Valan
Carlson, L.	Heinitz	McCarron	Rees	Valento
Clark, K.	Himle	McDonald	Reif	Vanasek
Clawson	Hoberg	McEachern	Rice	Vellenga
Dahlvang	Hokanson	Mehrkens	Rodriguez, C.	Voss
Dean	Hokr	Metzen	Rodriguez, F.	Weaver
Dempsey	Jacobs	Minne	Rose	Welch
Drew	Jennings	Munger	Rothenberg	Wenzel
Eken	Johnson, C.	Murphy	Samuelson	Wieser
Elioff	Johnson, D.	Nelsen, B.	Sarna	Wigley
Ellingson	Jude	Nelson, K.	Schafer	Wynia
Erickson	Kahn	Niehaus	Schoenfeld	Zubay
Esau	Kaley	Norton	Schreiber	Spkr. Sieben, H.

Those who voted in the negative were:

Den Ouden Ludeman Welker

The bill was passed and its title agreed to.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Welch, Gruenes, Greenfield and Rodriguez, F., introduced:

H. F. No. 1051, A bill for an act relating to health; changing the claim limitations on cost of removing nuisances; authorizing the commissioner of health to issue orders concerning well water quality; clarifying the commissioner's authority over water wells and exploratory boring to include repairs and abandonment; changing the penalties for violations; amending Minnesota Statutes 1980, Sections 145.22; 156A.02, Subdivisions 1, 2, and 3; 156A.03, Subdivisions 1 and 2; 156A.05; 156A.07, Subdivisions 1 and 4; and 156A.08.

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

Aasness, Fjoslien and Anderson, R., introduced :

H. F. No. 1052, A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

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

Schoenfeld; Vanasek; Wigley; Johnson, C., and Jennings introduced :

H. F. No. 1053, A bill for an act relating to the environment; directing regional development commissions to assist certain cities and towns to carry out environmental impact review procedures; reimbursing local governments for certain litigation costs; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 116D.

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

Ludeman introduced :

H. F. No. 1054, A bill for an act relating to metropolitan government; providing that the principal sports facility maintained by the metropolitan sports facilities commission be named the Minnesota Metrodome; amending Minnesota Statutes 1980, Section 473.556, by adding a subdivision.

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

Gustafson; Johnson, D.; Lemen; Vanasek and Kelly introduced :

H. F. No. 1055, A bill for an act relating to negligent fires; altering minimum sentences for negligent fires; amending Minnesota Statutes 1980, Section 609.576.

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

Sherman, Blatz, Shea, Begich and Dempsey introduced :

H. F. No. 1056, A bill for an act relating to taxation; extending application of the revenue recapture act to county government; amending Minnesota Statutes 1980, Sections 270A.02; and 270A.03, Subdivision 2.

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

Brandl; Clark, J.; Heinitz; Eliooff and Onnen introduced:

H. F. No. 1057, A bill for an act relating to children; providing for review of foster care status of certain children; amending Minnesota Statutes 1980, Sections 257.071, Subdivisions 2, 3 and 4; 260.015, Subdivision 7; 260.111, Subdivision 2; and 260.131, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 260.

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

Norton; Ellingson; Johnson, D.; Berkelman and Ludeman introduced:

H. F. No. 1058, A bill for an act relating to financial institutions; allowing banks and trust companies to establish trust service offices at the location of other banks; proposing new law coded in Minnesota Statutes, Chapter 48.

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

Sieben, M.; Jude; Dempsey and Gustafson introduced:

H. F. No. 1059, A bill for an act relating to crimes; providing for the type of proof of the fact of killing in murder and manslaughter cases; amending Minnesota Statutes 1980, Section 634.051.

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

Rodriguez, C., introduced:

H. F. No. 1060, A bill for an act relating to metropolitan revenue distribution; changing the determination of contributions to the area-wide tax base; amending Minnesota Statutes 1980, Section 473F.06.

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

Nelson, K.; Clark, J.; Dean; Staten and Skoglund introduced:

H. F. No. 1061, A bill for an act relating to the city of Minneapolis; requiring the proceeds of the sale of unclaimed stolen property to be placed in the general fund.

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

Otis, Norton, Dean, Wynia and Sherwood introduced:

H. F. No. 1062, A bill for an act relating to the operation of state government; providing for the expiration or periodic re-evaluation of various regulatory programs; requiring program and fiscal review of regulatory programs; providing for performance audits by the legislative auditor; establishing a pilot program; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 15.

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

Brinkman, Kvam and Niehaus introduced:

H. F. No. 1063, A bill for an act relating to public waters; requiring notice by certified mail to owners of property which includes or is adjacent to areas proposed to be designated as public waters or wetlands; amending Minnesota Statutes 1980, Section 105.391, Subdivision 1.

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

Osthoff and Eken introduced:

H. F. No. 1064, A bill for an act relating to elections; clarifying and correcting certain provisions and eliminating certain obsolete provisions of the ethics in government act; amending Minnesota Statutes 1980, Sections 10A.25, Subdivision 2; 10A.255, by adding a subdivision; 10A.31, Subdivision 2; 10A.32, Subdivision 3b; and 10A.335; repealing Minnesota Statutes 1980, Section 10A.25, Subdivision 7.

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

Jacobs, Ainley, Novak, Friedrich and Otis introduced:

H. F. No. 1065, A bill for an act relating to public utilities; extending an option as to rate regulation by the public utilities commission to certain small telephone companies; amending Minnesota Statutes 1980, Sections 237.01; 237.075, Subdivision 9; and 237.081, Subdivision 1a.

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

McEachern introduced:

H. F. No. 1066, A bill for an act relating to education; authorizing aid for driver education courses offered by school districts; appropriating money; amending Minnesota Statutes 1980, Section 124.212, by adding a subdivision.

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

Osthoff and Clawson introduced:

H. F. No. 1067, A bill for an act relating to elections; changing certain definitions, providing for extended time limits, and clarifying certain provisions of the ethics in government law; amending Minnesota Statutes 1980, Sections 10A.01, Subdivisions 7 and 10; 10A.15, Subdivision 3; 10A.27, Subdivision 8; and 10A.28, Subdivision 2.

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

Peterson, D.; Clark, J.; Zubay; Byrne and Dempsey introduced:

H. F. No. 1068, A bill for an act relating to adoption; providing for record retention; providing for services by adoption agencies; proposing new law coded in Minnesota Statutes, Chapter 259.

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

Greenfield; Drew; Clark, K.; Peterson, D., and Gustafson introduced:

H. F. No. 1069, A bill for an act relating to real estate; enabling municipalities to require filing of contracts for deed; proposing new law coded in Minnesota Statutes, Chapter 507.

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

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

H. F. No. 1070, A bill for an act relating to health; exempting students in schools of dental assisting from the requirement of a dental license; amending Minnesota Statutes 1980, Section 150A.05, Subdivision 2.

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

Clawson, Ogren, Esau and McDonald introduced:

H. F. No. 1071, A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

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

Staten; O'Connor; Luknic; Rodriguez, C., and Byrne introduced:

H. F. No. 1072, A bill for an act relating to human rights; clarifying the meaning of reprisal; permitting the filing of a charge of unfair discriminatory practice directly in district court; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.03, Subdivision 7; 363.06, Subdivisions 1, 3 and 4; 363.071, Subdivision 2; and 363.14, Subdivision 1.

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

Friedrich, Shea, Hauge and Carlson, D., introduced:

H. F. No. 1073, A bill for an act relating to transportation; authorizing the commissioner of transportation to act as agent for political subdivisions for the construction of roads and bridges under certain circumstances; amending Minnesota Statutes 1980, Section 161.36, Subdivision 3.

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

Drew, Munger, Rose and Reding introduced:

H. F. No. 1074, A bill for an act relating to game and fish; altering requirements for taking and possession; prescribing penalties; amending Minnesota Statutes 1980, Sections 97.4841, Subdivision 2; 98.45, Subdivision 1; 98.46, Subdivisions 2 and 14; 98.47, Subdivision 7; 98.52, Subdivision 1; 99.27, Subdivision 1; and 101.42, Subdivision 10.

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

Pogemiller, Lemen, Dahlvang, Simoneau and Kaley introduced:

H. F. No. 1075, A bill for an act relating to social and charitable organizations; increasing the threshold dollar amount required for the use of a certified financial statement; determining what is properly included in cost of goods or services; amending Minnesota Statutes 1980, Sections 309.53, Subdivision 3; and 309.555, Subdivision 2.

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

Jennings and Stowell introduced:

H. F. No. 1076, A bill for an act relating to education; requiring all schools to offer certain subjects; requiring nonpublic schools to report certain information to school district superintendents; requiring the commissioner of education to report to the legislature certain information regarding nonpublic schools; providing additional remedies to enforce the compulsory attendance laws; amending Minnesota Statutes 1980, Sections 120.10, Subdivision 2; 120.12, Subdivisions 2 and 3; proposing new law coded in Minnesota Statutes, Chapter 124.

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

Brandl, Greenfield, Welch, Blatz and Niehaus introduced:

H. F. No. 1077, A bill for an act relating to health; prescribing periods of retention for hospital medical records; amending Minnesota Statutes 1980, Section 145.32.

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

Friedrich and Kalis introduced:

H. F. No. 1078, A bill for an act relating to transportation; providing for the repair of impassable town roads; establishing a dollar limit per mile for work performed by a county on impassable town roads; amending Minnesota Statutes 1980, Section 163.16, Subdivision 3.

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

Sviggum introduced:

H. F. No. 1079, A bill for an act relating to financial institutions; detached banking facilities; expanding the definition of municipality to include townships with a bank; amending Minnesota Statutes 1980, Section 47.51.

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

Anderson, R.; Hokanson; Wynia; Kaley and Welch introduced:

H. F. No. 1080, A bill for an act relating to children; authorizing counties to establish multidisciplinary child protection teams; proposing new law coded in Minnesota Statutes, Chapter 626.

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

Nelsen, B.; Reding; Sherwood; Hanson and Weaver introduced:

H. F. No. 1081, A bill for an act relating to wild animals; increasing the amount of the reward which may be paid for information relating to game law violations; amending Minnesota Statutes 1980, Section 97.51.

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

Swanson and Samuelson introduced:

H. F. No. 1082, A bill for an act relating to public welfare; changing the resource limits for medical assistance and restricting the transfer of assets; limiting the general assistance medical care services for which state reimbursement is available and making free choice of vendor optional with counties; amending Minnesota Statutes 1980, Sections 256B.06, Subdivision 1; 256B.17; 256D.02, Subdivision 4a; and 256D.03, Subdivision 3.

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

Pogemiller, Lemen, Dahlvang, Simoneau and Kaley introduced:

H. F. No. 1083, A bill for an act relating to charitable trusts; transferring responsibility of keeping certain records; amending Minnesota Statutes 1980, Sections 501.75; 501.76; 501.77; and 501.78, Subdivision 4.

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

Kalis and Schoenfeld introduced:

H. F. No. 1084, A bill for an act relating to taxation; providing that interest on estate tax should begin to accrue 18 months after the death of the decedent; providing that the purchase price of a motor vehicle for purposes of the motor vehicle excise tax shall be reduced by the trade-in value of any personal property taken in part payment; amending Minnesota Statutes 1980, Sections 291.131, Subdivision 6; 291.132, Subdivision 1; 291.15; 291.18; and 297B.01, Subdivision 8.

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

Evans, Rose, Jacobs, Mehrkens and Anderson, R., introduced:

H. F. No. 1085, A bill for an act relating to taxation; sales and use; providing a deduction to retailers for collection and reporting costs; amending Minnesota Statutes 1980, Section 297A.26, by adding a subdivision.

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

Long; Harens; Anderson, R., and Dahlvang introduced :

H. F. No. 1086, A bill for an act relating to the environment; clarifying terms and duties in the waste management act; extending time limits for site selections and reports; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.06, Subdivision 4, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2c and 2e; 473.153, Subdivisions 1, 2 and 6; 473.803, Subdivision 1a; 473.811, Subdivision 5b; and 473.833, Subdivision 2.

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

Beginch, Murphy, Rice, Brandl and Battaglia introduced :

H. F. No. 1087, A bill for an act relating to labor; regulating certain charges to persons earning the minimum wage; amending Minnesota Statutes 1980, Section 177.24, by adding a subdivision.

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

Pogemiller; Rodriguez, F.; Greenfield; Heinitz and Kaley introduced :

H. F. No. 1088, A bill for an act relating to the secretary of state; requiring that government survey documents be maintained on microfilm; providing for filing certain documents with the Minnesota historical society; amending Minnesota Statutes 1980, Section 5.03.

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

Gruenes, Marsh, Welch, Voss and Nelson, K., introduced :

H. F. No. 1089, A bill for an act relating to the city of St. Cloud; authorizing the improvement and operation of the city-owned Mississippi River dam to provide for generation and transmission of hydroelectric power, and the issuance of revenue bonds to finance the project.

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

Laidig; Dean; Munger; Carlson, L., and Kahn introduced:

H. F. No. 1090, A bill for an act relating to education; creating a raptor research and rehabilitation program in the veterinary school of the University of Minnesota; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 187.

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

Clawson introduced:

H. F. No. 1091, A bill for an act relating to courts; providing for additional clerk and administrator duties in conciliation court; providing for a procedure to assist in collection of conciliation court judgments; changing certain deadlines; providing penalties; amending Minnesota Statutes 1980, Sections 487.30, by adding a subdivision; 488A.13, Subdivision 2; 488A.14, Subdivisions 4 and 5; 488A.16, Subdivisions 2, 5, 6 and 8; 488A.17, Subdivisions 2 and 3; 488A.30, Subdivision 2; 488A.31, Subdivisions 4 and 5; 488A.33, Subdivisions 2, 5, 7 and 8; 488A.34, Subdivisions 2 and 12.

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

Forsythe; Himle; Clark, J.; Vanasek and Levi introduced:

H. F. No. 1092, A bill for an act relating to charitable organizations; providing for registration and reporting requirements applicable to certain charitable organizations; amending Minnesota Statutes 1980, Sections 309.52, by adding subdivisions; 309.53, by adding subdivisions; 309.532, by adding a subdivision; and 309.534, by adding a subdivision.

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

Clawson and Anderson, B., introduced:

H. F. No. 1093, A bill for an act relating to the practice of law; requiring the supreme court to promulgate a rule which mandates law students to participate in a legal education or legal internship program as a condition for admission to practice of law; amending Minnesota Statutes 1980, Sections 480.05; and 481.01.

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

Anderson, B.; Greenfield; Nelsen, B.; Stowell and Welch introduced:

H. F. No. 1094, A bill for an act relating to crimes; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 595.02; 609.348; 609.35; and 626.556, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 609.

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

Clark, K.; Greenfield; Heinitz; Byrne and Reif introduced:

H. F. No. 1095, A bill for an act relating to handicapped persons; providing that certain social services be available to recipients of attendant care; proposing new law coded in Minnesota Statutes, Chapter 256C.

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

Harens, Blatz, Battaglia, Lehto and Rose introduced:

H. F. No. 1096, A bill for an act relating to crimes; prescribing mandatory minimum and mandatory sentences for certain offenses relating to promotion of prostitution; amending Minnesota Statutes 1980, Section 609.322, Subdivision 1.

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

Munger, Lehto, Norton, Laidig and Skoglund introduced:

H. F. No. 1097, A bill for an act relating to natural resources; prohibiting copper-nickel exploration, development or mining in areas wherein waters are directly tributary to the boundary waters canoe area; amending Minnesota Statutes, Section 84.523, Subdivision 3.

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

Simoneau introduced:

H. F. No. 1098, A bill for an act relating to the state auditor; providing funding to be used to prepare the report to the legislature on the general financial condition of the various volunteer firefighters' relief associations; appropriating money.

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

Ogren, Clawson, Redalen, Eken and Anderson, I., introduced:

H. F. No. 1099, A bill for an act relating to agriculture; providing an additional tax on certain capital gains from the sale of agricultural land; amending Minnesota Statutes 1980, Section 290.01, Subdivision 20; proposing new law coded in Minnesota Statutes, Chapter 290.

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

Sarna, Dahlvang, Friedrich, Ogren and Zubay introduced:

H. F. No. 1100, A bill for an act relating to franchises; requiring motor fuel franchises to extend to and bind the successors of both parties; proposing new law coded in Minnesota Statutes, Chapter 80C.

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

Rice introduced:

H. F. No. 1101, A bill for an act relating to workers' compensation; allowing the special compensation fund the right of subrogation to the rights of the employee or employee's dependents under certain circumstances; amending Minnesota Statutes 1980, Section 176.061, Subdivisions 1, 3, 4, 5, 6, and 7.

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

Begich introduced:

H. F. No. 1102, A bill for an act relating to workers' compensation; providing for rounding of benefits to the nearest dollar; proposing new law coded in Minnesota Statutes, Chapter 176.

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

Kaley, Brinkman, Heinitz, Stadum and Anderson, B., introduced:

H. F. No. 1103, A bill for an act relating to workers' compensation; patterning the law after the law of Wisconsin; generally changing all facets of the workers' compensation law; amending Minnesota Statutes 1980, Sections 10.30; 43.12, Subdivision 18; 60B.26, Subdivision 1; 60B.39, Subdivision 5; 60C.02, Subdivision 1; 62A.22; 70A.02, Subdivision 2; 84.089, Subdivision 3; 175.006; 175.07; 175.08; 175.10; 175.101; 175.11, Subdivision 1; 175.14; 175.17; 181.80; 251.043, Subdivision 3; 256.482, Subdivision 5; 257.34, Subdivision 1; 393.07, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 175; proposing new law coded as Minnesota Statutes, Chapters 79A and 176A; repealing Minnesota Statutes 1980, Sections 175.0061; 175.007; and 175.09 and Chapters 79 and 176.

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

Voss, Dempsey and Jude introduced:

H. F. No. 1104, A bill for an act relating to courts; authorizing the judges of the courts within each judicial district to elect to reorganize to form one unified court; proposing new law coded as Minnesota Statutes, Chapter 484A.

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

Anderson, I.; Jude; Dahlvang; Himle and Piepho introduced:

H. F. No. 1105, A bill for an act relating to trade regulation; prohibiting certain unfair and deceptive practices and unreasonable restraints of trade in the business of motion picture distribution; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 325D.

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

Nelsen, B.; Carlson, L.; Olsen; Murphy and Dean introduced:

H. F. No. 1106, A bill for an act relating to education; maintaining a low-power television transmission project; authorizing the department of education to hire consultants to review the existing low-power television transmission project, study the need for expanding the project, recommend sites and procedures for additional projects, and assist school districts in applying for federal communications licenses; appropriating money.

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

Forsythe, Swanson, Den Ouden, Samuelson and Reif introduced:

H. F. No. 1107, A bill for an act relating to public welfare; changing the general assistance program so that it covers only emergency needs; providing for vendor and voucher payments; setting standards for eligibility; limiting the duration of assistance; amending Minnesota Statutes 1980, Sections 256D.01, Subdivision 1; 256D.02, Subdivisions 4, 4a, 11, and 13, and by adding a subdivision; 256D.03; 256D.04; 256D.05; 256D.06, Subdivisions 1 and 3, and by adding a subdivision; 256D.07; 256D.08; 256D.09, Subdivision 1; 256D.10; 256D.11, Subdivisions 1, 4, 5, and 8, and by adding a subdivision; 256D.13, Subdivision 1; 256D.15; and 256D.16; repealing Minnesota Statutes 1980, Sections 256D.06, Subdivisions 1a and 2; 256D.09, Subdivision 2; and 256D.11, Subdivisions 1a, 2a, and 3a.

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

Clark, K., and Otis introduced:

H. F. No. 1108, A bill for an act relating to health; prohibiting disciplinary action against a physician who administers dimethyl sulfoxide under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 147.

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

Clark, K., and Rodriguez, F., introduced:

H. F. No. 1109, A bill for an act relating to investment of retirement funds; clarifying the appointing authority of the investment advisory council; creating a state board of pension investment; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1980, Sections 11A.01; 11A.02, Subdivisions 2 and 4; 11A.04; 11A.08, Subdivision 1; 11A.13, Subdivision 1; 43.064; 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 11B; repealing Minnesota Statutes 1980, Sections 11A.13, Subdivision 2; 11A.14; 11A.17 to 11A.19; 11A.23; and 11A.24.

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

Clark, K., introduced:

H. F. No. 1110, A bill for an act relating to labor; providing for occupational safety and health; defining "toxic substance"; requiring certain information; creating a right to refuse work with a toxic substance under certain conditions; amending Minnesota Statutes 1980, Sections 182.651, by adding a subdivision; 182.654, by adding a subdivision; and 182.655, Subdivision 10.

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

Pogemiller, Kahn, Kelly, Dean and Norton introduced:

H. F. No. 1111, A bill for an act relating to state government; establishing a separate bureau within the department of administration to perform certain computer activities; establishing a contingency fund in the department of administration; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 16.

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

Rothenberg, Heap and Ewald introduced:

H. F. No. 1112, A bill for an act relating to elections; changing certain procedures and the effect of absentee ballots; amending Minnesota Statutes 1980, Section 207.05, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 207.

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

Kelly, Weaver, Kostohryz, Long and Jacobs introduced:

H. F. No. 1113, A bill for an act relating to education; eliminating the aid for the costs of necessary equipment for certain secondary vocational education programs; authorizing an aid for necessary equipment costs in certain programs; requiring secondary vocational trade and industrial arts courses to be held for a specified amount of time to receive funding; restricting the aids to certain vocational programs which replace nonvocational programs; requiring a report; imposing certain duties on the commissioner of education; amending Minnesota Statutes 1980, Section 124.573, Subdivisions 2 and 3, and by adding a subdivision.

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

Sieben, M., and Levi introduced:

H. F. No. 1114, A bill for an act relating to education; authorizing school districts to levy the amount of the regional average grandfather levy; providing matching foundation aid; providing foundation aid for the 1982-1983 school year; amending Minnesota Statutes 1980, Sections 124.212, by adding a subdivision; and 275.125, by adding a subdivision.

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

Lehto and Voss introduced:

H. F. No. 1115, A bill for an act relating to transportation; establishing subsidy limits for transit grant recipients; defining terms; amending Minnesota Statutes 1980, Sections 174.22, Subdivision 5, and by adding subdivisions; 174.23, Subdivision 6; 174.24, Subdivision 3, and by adding subdivisions; repealing Minnesota Statutes 1980, Section 174.26.

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

Swanson introduced:

H. F. No. 1116, A bill for an act relating to public welfare; requiring criteria for the determination of appropriate chemical dependency care; requiring certain limitations on hospital utilization by medical assistance recipients; amending Minnesota Statutes 1980, Sections 254A.03, by adding a subdivision; and 256B.02, Subdivision 8.

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

CONSENT CALENDAR

H. F. No. 502 was reported to the House.

Upon objection of ten members H. F. No. 502 was stricken from the Consent Calendar and returned to General Orders.

H. F. No. 503 was reported to the House.

There being no objection H. F. No. 503 was continued on the Consent Calendar for one day.

CALENDAR

H. F. No. 98, A bill for an act relating to energy; amending certain provisions for home energy disclosure reports; amending Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 7.

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 84 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Ewald	Laidig	Onnen	Sherwood
Battaglia	Fjoslien	Lehto	Otis	Simoneau
Begich	Greenfield	Lemen	Peterson, D.	Skoglund
Berkelman	Gustafson	Long	Piepho	Staten
Blatz	Halberg	Luknic	Pogemiller	Stowell
Brandl	Hanson	Mann	Reding	Stumpf
Byrne	Hauge	McCarron	Rees	Swanson
Carlson, L.	Heinitz	McEachern	Reif	Tomlinson
Clark, K.	Hokanson	Mehrkens	Rice	Valento
Clawson	Hokr	Metzen	Rodriguez, C.	Vanasek
Dahlvang	Jacobs	Munger	Rodriguez, F.	Vellenga
Dean	Johnson, D.	Nelson, K.	Rothenberg	Voss
Dempsey	Jude	Norton	Sarna	Weaver
Eken	Kahn	Novak	Schreiber	Wenzel
Elioff	Kelly	O'Connor	Searles	Wynia
Ellingson	Knickerbocker	Ogren	Shea	Spkr. Sieben, H.
Esau	Kvam	Olsen	Sherman	

Those who voted in the negative were:

Aasness	Erickson	Johnson, C.	Nelsen, B.	Svigum
Ainley	Evans	Kaley	Niehaus	Valan
Anderson, G.	Forsythe	Kalis	Nysether	Welker
Anderson, R.	Friedrich	Levi	Redalen	Wieser
Brinkman	Gruenes	Ludeman	Rose	Wigley
Carlson, D.	Himle	Marsh	Samuelson	Zubay
Den Ouden	Hoberg	McDonald	Schafer	
Drew	Jennings	Minne	Schoenfeld	

The bill was passed and its title agreed to.

S. F. No. 30, A bill for an act relating to public utilities; redefining the term "public utility" so as to exempt from public service commission jurisdiction certain small natural gas utilities; amending Minnesota Statutes 1980, Section 216B.02, Subdivision 4.

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

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 4 nays as follows:

Those who voted in the affirmative were :

Aasness	Esau	Kostohryz	Ogren	Sieben, M.
Ainley	Evans	Kvam	Olsen	Simoneau
Anderson, B.	Ewald	Laidig	Onnen	Skoglund
Anderson, G.	Fjoslien	Lehto	Otis	Staten
Anderson, R.	Forsythe	Lemen	Peterson, D.	Stowell
Battaglia	Friedrich	Levi	Piepho	Stumpf
Begich	Gruenes	Long	Pogemiller	Sviggum
Berkelman	Gustafson	Ludeman	Redalen	Swanson
Blatz	Halberg	Luknic	Reding	Tomlinson
Brandl	Hauge	Mann	Rees	Valan
Brinkman	Haukoos	Marsh	Reif	Valento
Byrne	Heap	McCarron	Rice	Vanasek
Carlson, D.	Heinitz	McDonald	Rodriguez, C.	Vellenga
Carlson, L.	Himle	McEachern	Rodriguez, F.	Voss
Clark, K.	Hoberg	Mehrkens	Rose	Weaver
Clawson	Hokanson	Metzen	Rothenberg	Welch
Dahlvang	Hokr	Minne	Samuelson	Welker
Dean	Jacobs	Munger	Sarna	Wenzel
Dempsey	Jennings	Murphy	Schafer	Wieser
Den Ouden	Johnson, C.	Nelsen, B.	Schoenfeld	Wigley
Drew	Johnson, D.	Nelson, K.	Schrelber	Wynia
Eken	Jude	Niehaus	Searles	Zubay
Elioff	Kaley	Norton	Shea	Spkr. Sieben, H.
Ellingson	Kalis	Novak	Sherman	
Erickson	Knickerbocker	Nysether	Sherwood	

Those who voted in the negative were :

Anderson, I. Greenfield Hanson Kelly

The bill was passed and its title agreed to.

H. F. No. 509, A bill for an act relating to commerce; requiring disclosure in motor vehicle transactions; proposing new law coded in Minnesota Statutes, Chapter 168.

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

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 4 nays as follows :

Those who voted in the affirmative were :

Aasness	Clark, K.	Forsythe	Hokr	Lehto
Anderson, B.	Clawson	Friedrich	Jacobs	Lemen
Anderson, G.	Dean	Greenfield	Jennings	Levi
Anderson, I.	Dempsey	Gruenes	Johnson, C.	Long
Anderson, R.	Den Ouden	Gustafson	Johnson, D.	Ludeman
Battaglia	Drew	Halberg	Jude	Luknic
Begich	Eken	Hanson	Kahn	Mann
Berkelman	Elioff	Hauge	Kaley	Marsh
Blatz	Ellingson	Haukoos	Kalis	McCarron
Brandl	Erickson	Heap	Kelly	McEachern
Brinkman	Esau	Heinitz	Knickerbocker	Mehrkens
Byrne	Evans	Himle	Kostohryz	Metzen
Carlson, D.	Ewald	Hoberg	Kvam	Minne
Carlson, L.	Fjoslien	Hokanson	Laidig	Munger

Murphy	Peterson, B.	Rose	Sieben, M.	Vanasek
Nelson, K.	Peterson, D.	Rothenberg	Simoneau	Voss
Niehaus	Piepho	Samuelson	Skoglund	Weaver
Norton	Pogemiller	Sarna	Staten	Welch
Novak	Redalen	Schafer	Stowell	Wenzel
Nysether	Reding	Schoenfeld	Stumpf	Wigley
O'Connor	Rees	Schreiber	Svigum	Wynia
Ogren	Reif	Searles	Swanson	Zubay
Olsen	Rice	Shea	Tomlinson	Spkr. Sieben, H.
Onnen	Rodriguez, C.	Sherman	Valan	
Otis	Rodriguez, F.	Sherwood	Valento	

Those who voted in the negative were:

Ainley McDonald Welker Wieser

The bill was passed and its title agreed to.

S. F. No. 121, A bill for an act relating to statutory cities and urban towns; permitting publication of summaries of ordinances prior to enactment; amending Minnesota Statutes 1980, Sections 368.01, Subdivision 21; and 412.191, Subdivision 4.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kostohryz	Ogren	Sieben, M.
Anderson, B.	Forsythe	Kvam	Olsen	Simoneau
Anderson, G.	Friedrich	Laidig	Onnen	Skoglund
Anderson, I.	Greenfield	Lehto	Otis	Staten
Battaglia	Gruenes	Lemen	Peterson, B.	Stowell
Begich	Gustafson	Levi	Peterson, D.	Stumpf
Berkelman	Halberg	Long	Piepho	Svigum
Blatz	Hanson	Ludeman	Pogemiller	Swanson
Brandl	Hauge	Luknic	Redalen	Tomlinson
Brinkman	Haukoos	Mann	Reding	Valan
Byrne	Heap	Marsh	Rees	Valento
Carlson, D.	Heinritz	McCarron	Reif	Vanasek
Carlson, L.	Himle	McDonald	Rice	Voss
Clark, K.	Hoberg	McEachern	Rodriguez, C.	Weaver
Clawson	Hokanson	Mehrkens	Rodriguez, F.	Welch
Dahlvang	Hokr	Metzen	Rose	Welker
Dean	Jacobs	Minne	Rothenberg	Wenzel
Den Ouden	Jennings	Munger	Samuelson	Wieser
Drew	Johnson, C.	Murphy	Sarna	Wigley
Eken	Johnson, D.	Nelsen, B.	Schafer	Wynia
Elioff	Jude	Nelson, K.	Schoenfeld	Zubay
Ellingson	Kahn	Niehaus	Schreiber	Spkr. Sieben, H.
Erickson	Kaley	Norton	Searles	
Essau	Kalis	Novak	Shea	
Evans	Kelly	Nysether	Sherman	
Ewald	Knickerbocker	O'Connor	Sherwood	

Those who voted in the negative were:

Ainley Anderson, R.

The bill was passed and its title agreed to.

H. F. No. 258, A bill for an act relating to commerce; allowing the manufacture, sale, and shipment of gambling devices for use in other states; amending Minnesota Statutes 1980, Sections 349.31, Subdivision 1; 609.75, Subdivision 1; 609.76; proposing new law coded in Minnesota Statutes, Chapter 349.

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 115 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Ainley	Evans	Kalis	Novak	Searles
Anderson, B.	Ewald	Kelly	Nysether	Shea
Anderson, G.	Fjoslien	Knickerbocker	O'Connor	Sherman
Anderson, I.	Forsythe	Kostohryz	Ogren	Sieben, M.
Anderson, R.	Friedrich	Kvam	Olsen	Simoneau
Battaglia	Greenfield	Lehto	Onnen	Skoglund
Begich	Gruenes	Levi	Otis	Staten
Berkelman	Gustafson	Long	Peterson, B.	Stowell
Blatz	Halberg	Ludeman	Peterson, D.	Stumpf
Brinkman	Hauge	Luknic	Pogemiller	Sviggum
Byrne	Haukoos	Mann	Redalen	Swanson
Carlson, L.	Heap	Marsh	Reding	Tomlinson
Clark, K.	Heinitz	McCarron	Rees	Valan
Clawson	Himle	McDonald	Reif	Valento
Dahlvang	Hoberg	McEachern	Rice	Vanasek
Dean	Hokanson	Mehrkins	Rodriguez, C.	Voss
Dempsey	Hokr	Metzen	Rodriguez, F.	Weaver
Den Ouden	Jacobs	Minne	Rose	Welch
Drew	Jennings	Munger	Samuelson	Welker
Eken	Johnson, C.	Murphy	Sarna	Wieser
Elioff	Johnson, D.	Nelsen, B.	Schafer	Wigley
Ellingson	Jude	Nelson, K.	Schoenfeld	Zubay
Erickson	Kaley	Norton	Schreiber	Spkr. Sieben, H.

Those who voted in the negative were:

Aasness	Hanson	Lemen	Rothenberg	Wenzel
Esau	Laidig	Niehaus	Sherwood	Wynia

The bill was passed and its title agreed to.

H. F. No. 349, A bill for an act relating to agriculture; regulating livestock marketing; providing a penalty; amending Minnesota Statutes 1980, Sections 17A.02; 17A.03, Subdivision 7; 17A.14; proposing new law coded in Minnesota Statutes, Chapter 17A.

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	Esau	Kalis	Novak	Shea
Ainley	Evans	Kelly	Nysether	Sherman
Anderson, B.	Ewald	Knickerbocker	O'Connor	Sherwood
Anderson, G.	Fjoslien	Kostohryz	Ogren	Sieben, M.
Anderson, I.	Forsythe	Kvam	Olsen	Simoneau
Anderson, R.	Friedrich	Laidig	Onnen	Skoglund
Battaglia	Greenfield	Lehto	Otis	Staten
Begich	Gruenes	Lemen	Peterson, B.	Stowell
Berkelman	Gustafson	Levi	Peterson, D.	Stumpf
Blatz	Halberg	Long	Piepho	Sviggum
Brandl	Hanson	Ludeman	Pogemiller	Swanson
Brinkman	Hauge	Luknic	Redalen	Tomlinson
Byrne	Haukoos	Mann	Reding	Valan
Carlson, D.	Heap	Marsh	Rees	Valento
Carlson, L.	Heinitz	McCarron	Reif	Vanasek
Clark, K.	Himle	McDonald	Rice	Voss
Clawson	Hoberg	McEachern	Rodriguez, C.	Weaver
Dahlvang	Hokanson	Mehrken	Rodriguez, F.	Welch
Dean	Hokr	Metzen	Rose	Welker
Dempsey	Jacobs	Minne	Rothenberg	Wenzel
Den Ouden	Jennings	Munger	Samuelson	Wieser
Drew	Johnson, C.	Murphy	Sarna	Wigley
Eken	Johnson, D.	Nelsen, B.	Schafer	Wynia
Elioff	Jude	Nelson, K.	Schoenfeld	Zubay
Ellingson	Kahn	Niehaus	Schreiber	Spkr. Sieben, H.
Erickson	Kaley	Norton	Searles	

The bill was passed and its title agreed to.

H. F. No. 435, A bill for an act relating to taxation; income; property tax refund; adopting certain federal income tax amendments; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 290.06, Subdivision 14; 290.07, Subdivision 5; 290.077, Subdivision 4; 290.08, Subdivisions 8 and 20; 290.09, Subdivisions 3, 4, 17a, and 19; 290.091; 290.131, Subdivision 2; 290.132, Subdivision 2; 290.135, Subdivision 2; 290.136, Subdivision 1; 290.138, by adding a subdivision; 290.26, Subdivision 2; 290.31, Subdivision 3; 290.41, by adding subdivisions; 290.92, Subdivision 20; 290.934, Subdivision 4; 290.971, by adding a subdivision; 290A.03, Subdivision 3; 474.12, Subdivision 2; and Laws 1980, Chapter 607, Article I, Section 34; repealing Minnesota Statutes 1980, Sections 290.08, Subdivisions 7 and 13; 290.09, Subdivision 12; 290.136, Subdivisions 2, 3, 4, 5, 6, 7, and 9; 290.137 and 290.138, Subdivisions 1 and 2.

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 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kalis	Novak	Shea
Ainley	Evans	Kelly	Nysether	Sherman
Anderson, B.	Ewald	Knickerbocker	O'Connor	Sherwood
Anderson, G.	Fjoslien	Kostohryz	Ogren	Simoneau
Anderson, I.	Forsythe	Kvam	Olsen	Skoglund
Anderson, R.	Friedrich	Laidig	Onnen	Staten
Battaglia	Greenfield	Lehto	Otis	Stowell
Begich	Gruenes	Lemen	Peterson, B.	Stumpf
Berkelman	Gustafson	Levi	Peterson, D.	Sviggum
Blatz	Halberg	Long	Piepho	Swanson
Brandl	Hanson	Ludeman	Pogemiller	Tomlinson
Brinkman	Hauge	Luknic	Redalen	Valan
Byrne	Haukoos	Mann	Reding	Valento
Carlson, D.	Heap	Marsh	Rees	Vanasek
Carlson, L.	Heinitz	McCarron	Reif	Voss
Clark, K.	Himle	McDonald	Rice	Weaver
Clawson	Hoberg	McEachern	Rodriguez, C.	Welch
Dahlvang	Hokanson	Mehrkens	Rodriguez, F.	Wenzel
Dean	Hokr	Metzen	Rose	Wieser
Dempsey	Jacobs	Minne	Rothenberg	Wigley
Den Ouden	Jennings	Munger	Samuelson	Wynia
Drew	Johnson, C.	Murphy	Sarna	Zubay
Eken	Johnson, D.	Nelsen, B.	Schafer	Spkr. Sieben, H.
Elioff	Jude	Nelson, K.	Schoenfeld	
Ellingson	Kahn	Niehaus	Schreiber	
Erickson	Kaley	Norton	Searles	

Those who voted in the negative were:

Welker

The bill was passed and its title agreed to.

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from 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. 366, A bill for an act relating to taxation; providing a new schedule for payment of income taxes withheld from wages; giving temporary rulemaking authority; appropriating money; amending Minnesota Statutes 1980, Section 290.92, Subdivision 6.

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. 366

A bill for an act relating to taxation; providing a new schedule for payment of income taxes withheld from wages; giving temporary rulemaking authority; appropriating money; amending Minnesota Statutes 1980, Section 290.92, Subdivision 6.

March 26, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 366, 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. 366 be amended as follows:

Page 2, line 26, after "\$200," insert "*or beginning January 1, 1982, \$500,*"

Page 7, delete sections 3 and 4

Page 7, lines 22 and 23, delete "*Sections 2, 3 and 4 are*" and insert "*Section 2 is*"

Renumber the sections

Further, amend the title as follows:

Page 1, line 4, delete "appropriating money;"

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

Senate Conferees: ROGER MOE, DOUGLAS J. JOHNSON, RON SIELOFF, MEL FREDERICK and MARVIN HANSON.

House Conferees: JOEL JACOBS, TERRY DEMPSEY and HARRY A. SIEBEN, JR.

Jacobs moved that the report of the Conference Committee on S. F. No. 366 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 366, A bill for an act relating to taxation; providing a new schedule for payment of income taxes withheld from

wages; giving temporary rulemaking authority; appropriating money; amending Minnesota Statutes 1980, Section 290.92, Subdivision 6.

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 107 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kelly	O'Connor	Simoneau
Ainley	Ewald	Knickerbocker	Olsen	Staten
Anderson, B.	Fjoslien	Kostohryz	Onnen	Stowell
Anderson, R.	Forsythe	Kvam	Otis	Stumpf
Battaglia	Friedrich	Laidig	Peterson, B.	Sviggum
Blatz	Greenfield	Lehto	Piepho	Swanson
Brandl	Gruenes	Lemen	Redalen	Tomlinson
Brinkman	Halberg	Levi	Reding	Valan
Byrne	Hanson	Luknic	Rees	Valento
Carlson, D.	Hauge	Mann	Reif	Vanasek
Carlson, L.	Haukoos	Marsh	Rice	Weaver
Clark, K.	Heap	McDonald	Rodriguez, F.	Welch
Clawson	Heinitz	McEachern	Rose	Welker
Dahlvang	Himle	Mehrkens	Rothenberg	Wenzel
Dean	Hoberg	Metzen	Sarna	Wieser
Dempsey	Hokanson	Munger	Schafer	Wigley
Den Ouden	Hokr	Murphy	Schreiber	Wynia
Drew	Jacobs	Nelsen, B.	Searles	Zubay
Eken	Johnson, C.	Nelson, K.	Shea	Spkr. Sieben, H.
Ellingson	Johnson, D.	Niehaus	Sherman	
Erickson	Jude	Norton	Sherwood	
Esau	Kaley	Nysether	Sieben, M.	

Those who voted in the negative were:

Anderson, G.	Gustafson	Long	Ogren	Schoenfeld
Anderson, I.	Jennings	Ludeman	Peterson, D.	Skoglund
Begich	Kahn	Minne	Rodriguez, C.	Voss
Elioff	Kalis	Novak	Samuelson	

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

Nelsen, B., was excused at 2:35 p.m. Tomlinson was excused at 3:40 p.m. Heinitz was excused at 4:20 p.m. Anderson, B., was excused at 4:35 p.m.

GENERAL ORDERS

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

REPORT OF COMMITTEE OF THE WHOLE

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

H. F. Nos. 150, 305, 306, 356, 378, 443, 539 and 829 which it recommended to pass.

H. F. No. 372 which it recommended progress.

H. F. No. 18 which it recommended progress until Monday, April 13, 1981.

S. F. No. 209 which it recommended progress.

S. F. No. 346 which it recommended progress retaining its place on General Orders.

H. F. No. 371 which it recommended to pass with the following amendment offered by Wynia:

Page 1, line 25, after "establishment." insert:

"No owner, director or employee of a funeral establishment, nor trade association of funeral establishments shall receive any fee for endorsing insurance policies, plans or services. A trade association may receive reimbursement for its expenses of administering such a policy or services."

H. F. No. 603 which it recommended to pass with the following amendment offered by Wieser:

Page 1, line 30, after "section 86A.05" insert ", subdivision 5"

H. F. No. 471 which it recommended to pass with the following amendment offered by Welch:

Page 2, line 14, delete "a"

Page 2, line 15, delete "separate account known as"

Page 2, line 16, delete "which is annually" and insert "in the general fund. These funds shall be"

On the motion of Eken the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

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

The question was taken on the motion to recommend passage of H. F. No. 305 and the roll was called. There were 112 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kahn	Niehaus	Sherwood
Ainley	Esau	Kaley	Norton	Sieben, M.
Anderson, B.	Evans	Kalis	Novak	Simoneau
Anderson, G.	Ewald	Kelly	Nysether	Skoglund
Anderson, I.	Fjoslien	Knickerbocker	Ogren	Staten
Battaglia	Forsythe	Kostohryz	Olsen	Stumpf
Begich	Friedrich	Laidig	Onnen	Sviggum
Berkelman	Greenfield	Lehto	Otis	Swanson
Blatz	Gruenes	Lemen	Peterson, D.	Valan
Brandl	Gustafson	Levi	Pogemiller	Valento
Brinkman	Halberg	Long	Redalen	Vanasek
Byrne	Hanson	Ludeman	Reding	Voss
Carlson, D.	Hauge	Luknic	Reif	Weaver
Carlson, L.	Haukoos	Mann	Rice	Welch
Clark, K.	Heap	Marsh	Rodriguez, C.	Welker
Clawson	Himle	McCarron	Rodriguez, F.	Wenzel
Dahlvang	Hokanson	McEachern	Rose	Wieser
Dean	Hokr	Mehrkens	Samuelson	Wynia
Dempsey	Jacobs	Metzen	Sarna	Zubay
Den Ouden	Jennings	Minne	Schafer	Spkr. Sieben, H.
Drew	Johnson, C.	Munger	Schoenfeld	
Eken	Johnson, D.	Murphy	Schreiber	
Elioff	Jude	Nelson, K.	Shea	

Those who voted in the negative were:

Anderson, R.	Kvam	Piepho	Rothenberg	Stowell
Heinitz	Peterson, B.	Rees	Searles	Wigley

The motion prevailed.

The question was taken on the motion to recommend passage of H. F. No. 829 and the roll was called. There were 69 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Clark, K.	Hokanson	McCarron	Otis
Anderson, I.	Clawson	Jacobs	McEachern	Peterson, D.
Anderson, R.	Dahlvang	Johnson, C.	Metzen	Pogemiller
Battaglia	Eken	Jude	Minne	Reding
Begich	Elioff	Kahn	Munger	Rees
Berkelman	Ellingson	Kalis	Murphy	Rice
Brandl	Evans	Kelly	Nelson, K.	Rodriguez, C.
Brinkman	Greenfield	Kostohryz	Norton	Rodriguez, F.
Byrne	Gustafson	Lehto	Novak	Samuelson
Carlson, L.	Hanson	Long	O'Connor	Sarna
Clark, J.	Hauge	Mann	Ogren	Schoenfeld

Shea
Sieben, M.
Simoneau

Skoglund
Staten
Stumpf

Swanson
Vanasek
Vellenga

Voss
Welch
Wenzel

Wynia
Spkr. Sieben, H.

Those who voted in the negative were:

Aasness
Ainley
Blatz
Carlson, D.
Dempsey
Den Ouden
Drew
Erickson
Esau
Ewald
Fjoslien

Forsythe
Friedrich
Gruenes
Halberg
Haukoos
Heap
Himle
Hokr
Jennings
Johnson, D.
Knickerbocker

Kvam
Laidig
Lemen
Ludeman
Luknic
Marsh
McDonald
Mehrkens
Niehaus
Nysether
Olsen

Onnen
Peterson, B.
Piepho
Redalen
Reif
Rose
Rothenberg
Schafer
Schreiber
Searles
Sherman

Sherwood
Stowell
Sviggum
Valan
Valento
Weaver
Welker
Wieser
Wigley
Zubay

The motion prevailed.

MOTIONS AND RESOLUTIONS

Welch moved that the name of Clawson be added as an author on H. F. No. 1051. The motion prevailed.

Dean moved that his name be stricken as an author on H. F. No. 150. The motion prevailed.

Ogren moved that the name of Staten be added as an author on H. F. No. 1036. The motion prevailed.

Rodriguez, C., moved that the name of Wynia be added as an author on H. F. No. 1008. The motion prevailed.

Munger moved that H. F. No. 848 be recalled from the Committee on Energy and be re-referred to the Committee on Local and Urban Affairs. The motion prevailed.

Onnen moved that H. F. No. 770 be recalled from the Committee on Judiciary and be re-referred to the Committee on Health and Welfare. The motion prevailed.

Voss moved that the name of Jude be added as an author on H. F. No. 1034. The motion prevailed.

Simoneau moved that the name of McCarron be added as an author on H. F. No. 378. The motion prevailed.

Peterson, D., moved that H. F. No. 1005 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on General Legislation and Veterans Affairs. The motion prevailed.

Elioff moved that H. F. No. 910 be recalled from the Committee on Taxes and be re-referred to the Committee on Education. The motion prevailed.

Long moved that H. F. No. 1086 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Local and Urban Affairs. The motion prevailed.

Rodriguez, C., moved that the names of Halberg and Levi be added as authors on H. F. No. 1060. The motion prevailed.

Luknic moved that the name of Sviggum be added as an author on H. F. No. 155. The motion prevailed.

McEachern moved that the name of Jacobs be added as an author on H. F. No. 1066. The motion prevailed.

Brinkman moved that the name of Den Ouden be added as an author on H. F. No. 1063. The motion prevailed.

Simoneau moved that the name of Rodriguez, C., be added as an author on H. F. No. 378. The motion prevailed.

Clark, K., moved that the names of Blatz and Rice be added as authors on H. F. No. 826. The motion prevailed.

Jennings moved that H. F. No. 80 be returned to its author. The motion prevailed.

Swanson moved that the name of Samuelson be added as an author on H. F. No. 1116. The motion prevailed.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 30, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, March 30, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

