

## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1981

## FIFTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 18, 1981

The House of Representatives convened at 9:00 a.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Reverend Sylvan Lee, Minneapolis, Minnesota.

The roll was called and the following members were present.

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

A quorum was present.

Elioff was excused until 9:40 a.m.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 501, 301, 1263, 1454 and 990 and S. F. Nos. 810, 775 and 1164 have been placed in the members' files.

## PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 15, 1981

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

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 619, relating to intoxicating liquor; correcting the wording of the ballot question for a municipal liquor store referendum;

H. F. No. 6, relating to commerce; prohibiting the sale of certain petroleum products on any basis other than gross volume;

H. F. No. 276, relating to juveniles; prescribing the elements of a prima facie case for referring a child to adult court for criminal prosecution;

H. F. No. 704, relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; re-defining a private passenger vehicle for certain purposes; clarifying certain requirements for front and rear bumpers; providing penalties;

H. F. No. 979, relating to health; encouraging philanthropic support of hospitals; providing that funds derived from specified types of gifts or grants shall not be deducted from the operating costs of a hospital; granting a hospital a specific

waiver from certificate of need requirements; proposing new law coded in Minnesota Statutes, Chapter 144.

Sincerely,

ALBERT H. QUIE  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 15, 1981

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

Dear Speaker Sieben:

I have the honor to inform you that I received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 192, relating to labor; regulating migrant labor; requiring employers and recruiters to provide employment statements to migrant workers; setting requirements for employment statements and for payment of wages to migrant workers; providing for private causes of action; proposing new law coded in Minnesota Statutes, Chapter 181.

Sincerely,

ALBERT H. QUIE  
Governor

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

May 15, 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>
	6	197	May 15	May 15
	619	198	May 15	May 15
	704	199	May 15	May 15
	979	200	May 15	May 15
	276	201	May 15	May 15
145		202	May 15	May 15
159		203	May 15	May 15
209		204	May 15	May 15
215		205	May 15	May 15
399		206	May 15	May 15
558		207	May 15	May 15
805		208	May 15	May 15
835		209	May 15	May 15
876		210	May 15	May 15
1087		211	May 15	May 15

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

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

May 15, 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>
	192	212	May 15	May 15

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

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

May 18, 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, Sec. 23:

Due to oversight, H. F. No. 486, being Chapter 154, 1981 Session Laws, is being vacated, on advice of the Revisor's Office.

H. F. No. 486 was intended to be, and is, a Resolution (No. 001) and is to be treated as such.

Please correct your records; delete Chapter 154—that number will not be used for 1981; add Resolution 001 (for H. F. No. 486).

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 321, A bill for an act relating to the city of St. Paul; authorizing the issuance of a license for the sale of intoxicating liquor at Town Square Park.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Norton moved that the House concur in the Senate amendments to H. F. No. 321 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 321, A bill for an act relating to the city of St. Paul; authorizing the city of St. Paul to permit the dispensing of intoxicating liquor at Town Square Park.

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

The question was taken on the repassage of the bill and the roll was called. There were 112 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Aasness	Begich	Carlson, L.	Drew	Friedrich
Ainley	Berkelman	Clark, J.	Eken	Greenfield
Anderson, B.	Blatz	Clark, K.	Ellingson	Gruenes
Anderson, G.	Brandl	Dahlvang	Evans	Gustafson
Anderson, I.	Brinkman	Dean	Fjoslien	Hanson
Battaglia	Byrne	Dempsey	Forsythe	Harens

Hauge	Knickerbocker	Nelsen, B.	Reif	Sviggum
Haukoos	Kostohryz	Nelson, K.	Rice	Valan
Heap	Lehto	Niehaus	Rodriguez, C.	Valento
Heinitz	Levi	Norton	Rodriguez, F.	Vanasek
Himle	Long	Novak	Rose	Vellenga
Hoberg	Ludeman	Nysether	Rothenberg	Voss
Hokanson	Luknic	Ogren	Samuelson	Weaver
Hokr	Mann	Olsen	Sarna	Welch
Jacobs	Marsh	Osthoff	Searles	Welker
Jennings	McCarron	Otis	Shea	Wenzel
Johnson, C.	McDonald	Peterson, B.	Sherman	Wigley
Johnson, D.	McEachern	Peterson, D.	Sieben, M.	Wynia
Jude	Mehrkens	Piepho	Simoneau	Zubay
Kahn	Metzen	Pogemiller	Skoglund	Spkr. Sieben, H.
Kaley	Minne	Redalen	Stadum	
Kalis	Munger	Reding	Staten	
Kelly	Murphy	Rees	Stowell	

Those who voted in the negative were:

Den Ouden	Kvam	Lemen	Sherwood	Wieser
Erickson	Laidig	Schafer		

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

Mr. Speaker:

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

S. F. No. 31.

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. 31

A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

May 16, 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. 31, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 31 be amended as follows:

Page 1, after line 15, insert:

*"Nothing in this section shall be construed to restrict the study of options under consideration regarding the completion of Interstate 35E."*

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

Senate Conferees: NEIL DIETERICH and PETER P. STUMPF.

House Conferees: WALTER R. HANSON and RANDY C. KELLY.

Harens moved that the House refuse to adopt the Conference Committee report on S. F. No. 31, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Harens motion and the roll was called. There were 75 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Hokr	Niehaus	Shea
Ainley	Evans	Jennings	Nysether	Sherman
Anderson, G.	Fjoslien	Johnson, C.	Olsen	Sherwood
Anderson, I.	Forsythe	Johnson, D.	Onnen	Sieben, M.
Anderson, R.	Friedrich	Kaley	Osthoff	Stadum
Blatz	Gruenes	Knickerbocker	Peterson, B.	Stumpf
Carlson, D.	Gustafson	Kvam	Piepho	Sviggunn
Carlson, L.	Halberg	Lemen	Redalen	Valan
Clark, K.	Harens	Levi	Rees	Valento
Dahlvang	Haukoos	Ludeman	Reif	Weaver
Dean	Heap	Luknic	Rothenberg	Welker
Dempsey	Heinitz	Marsh	Schafer	Wenzel
Den Ouden	Himle	McDonald	Schoenfeld	Wieser
Drew	Hoberg	Mehrkens	Schreiber	Wigley
Erickson	Hokanson	Nelsen, B.	Searles	Zubay

Those who voted in the negative were:

Anderson, B.	Greenfield	McCarron	Pogemiller	Tomlinson
Battaglia	Hanson	McEachern	Reding	Vanasek
Begich	Hauge	Metzen	Rodriguez, C.	Vellenga
Berkelman	Kahn	Minne	Rodriguez, F.	Voss
Brandl	Kalis	Munger	Rose	Welch
Byrne	Kelly	Nelson, K.	Samuelson	Wynia
Clark, J.	Kostohryz	Norton	Simoneau	Spkr. Sieben, H.
Clawson	Laidig	Novak	Skoglund	
Eken	Long	Otis	Staten	
Ellingson	Mann	Peterson, D.	Stowell	

The motion prevailed.

Mr. Speaker:

I hereby inform you that the Conference Committee report on S. F. No. 452 has been rejected by the Senate, the conferees have been discharged and a new Conference Committee has been appointed.

S. F. No. 452, A bill for an act relating to the state board of investment; establishing standards for the selection of certain prudent investments; amending Minnesota Statutes 1980, Section 11A.09.

The Senate has appointed as such committee, Messrs. Spear; Moe, D. M. and Dahl.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark, K., moved that the House accede to the request of the Senate and that the Speaker appoint a new Conference Committee of 3 members. The motion prevailed.

Mr. Speaker:

I hereby announce that Senator Keefe has been replaced by Senator Renneke on the Conference Committee for H. F. No. 1474:

H. F. No. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 3, A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and

2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

The Senate has appointed as such committee Messrs. Tennesen, Knutson and Spear.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

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.

The Senate has appointed as such committee Messrs. Menning, Penny, Luther, Sieloff and Renneke.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 64.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 64, A bill for an act relating to no-fault automobile insurance; increasing basic economic loss benefits; increasing the weekly maximums for certain first-party benefits; clarifying legislative intent concerning stacking of insurance policies; coordinating the priority of applicability of security for payment

of certain benefits; increasing residual liability benefits; increasing certain uninsured benefits; establishing tort threshold limitations on uninsured motorist coverage; providing mandatory underinsured motorist coverage; increasing certain limitation of damages; amending Minnesota Statutes 1980, Sections 65B.44, Subdivisions 1, 3, 6, and 7; 65B.47, Subdivision 2, and by adding subdivisions; 65B.49, Subdivisions 3 and 4, and by adding a subdivision; and 65B.51, Subdivision 3.

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 817

A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, Subdivision 3.

May 16, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 817, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment, and that H. F. No. 817 be further amended as follows:

Page 2, line 16, after "*limited*" insert "*“, provided that programs or events are provided for each sex to the extent the educational institution or public service determines that these programs or events are necessary to accommodate the demonstrated interest of each sex to participate in wrestling”*

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

House Conferees: JERRY E. SCHOENFELD, LEO J. REDING and JOHN L. WEAVER.

Senate Conferees: CLARENCE M. PURFEERST, ALLAN H. SPEAR and NANCY BRATAAS.

Schoenfeld moved that the report of the Conference Committee on H. F. No. 817 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 817, A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, Subdivision 3.

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 122 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Clark, K.      Greenfield

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

#### MOTION FOR RECONSIDERATION

Hokanson moved that the vote whereby the Harens motion prevailed to return S. F. No. 31 to Conference Committee be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Hokanson motion and the roll was called. There were 68 yeas and 64 nays as follows:



Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kalls	Norton	Skoglund
Battaglia	Evans	Kelly	Novak	Staten
Begich	Fjoslien	Kostohryz	O'Connor	Stumpf
Berkelman	Forsythe	Laidig	Otis	Tomlinson
Brandl	Greenfield	Lehto	Peterson, D.	Vanasek
Brinkman	Gustafson	Long	Pogemiller	Vellenga
Byrne	Halberg	Luknic	Reding	Voss
Carlson, L.	Hanson	Mann	Rice	Welch
Clark, J.	Hauge	McCarron	Rodriguez, C.	Wenzel
Clark, K.	Hokanson	Metzen	Rodriguez, F.	Wigley
Clawson	Jacobs	Minne	Samuelson	Wynia
Dean	Johnson, C.	Munger	Shea	Spkr. Sieben, H.
Eken	Jude	Murphy	Sieben, M.	
Elioff	Kahn	Nelson, K.	Simoneau	

Those who voted in the negative were:

Aasness	Ewald	Knickerbocker	Onnen	Sherman
Ainley	Friedrich	Kvam	Osthoff	Sherwood
Anderson, G.	Gruenes	Lemen	Peterson, B.	Stadum
Anderson, I.	Harens	Levi	Piepho	Stowell
Anderson, R.	Haukoos	Ludeman	Redalen	Sviggun
Blatz	Heap	Marsh	Rees	Swanson
Carlson, D.	Heinitz	McDonald	Reif	Valan
Dahlvang	Himle	McEachern	Rose	Valento
Dempsey	Hoberg	Mehrkins	Rothenberg	Weaver
Den Ouden	Hokr	Nelsen, B.	Schafer	Welker
Drew	Jennings	Niehaus	Schoenfeld	Wieser
Erickson	Johnson, D.	Nysether	Schreiber	Zubay
Esau	Kaley	Olsen	Searles	

The motion prevailed.

The question recurred on the Harens motion that the House refuse to adopt the Conference Committee report on S. F. No. 31, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Harens motion and the roll was called. There were 65 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kaley	Olsen	Searles
Ainley	Forsythe	Knickerbocker	Onnen	Sherman
Anderson, G.	Friedrich	Kvam	Osthoff	Sherwood
Anderson, I.	Gruenes	Lemen	Peterson, B.	Stadum
Anderson, R.	Harens	Levi	Piepho	Stowell
Blatz	Haukoos	Ludeman	Redalen	Sviggun
Carlson, D.	Heap	Luknic	Rees	Swanson
Dahlvang	Heinitz	Marsh	Reif	Valan
Dempsey	Himle	McDonald	Rothenberg	Valento
Den Ouden	Hoberg	Mehrkins	Sarna	Weaver
Drew	Hokr	Nelsen, B.	Schafer	Welker
Erickson	Jennings	Niehaus	Schoenfeld	Wieser
Esau	Johnson, D.	Nysether	Schreiber	Zubay

Those who voted in the negative were:

Anderson, B.	Ellingson	Kelly	O'Connor	Staten
Battaglia	Ewald	Kostohryz	Otis	Stumpf
Begich	Fjoslien	Lehto	Peterson, D.	Tomlinson
Berkelman	Greenfield	Long	Pogemiller	Vanasek
Brandl	Gustafson	Mann	Reding	Vellenga
Brinkman	Halberg	McCarron	Rice	Voss
Byrne	Hanson	McEachern	Rodriguez, C.	Welch
Carlson, L.	Hauge	Metzen	Rodriguez, F.	Wenzel
Clark, J.	Hokanson	Minne	Rose	Wigley
Clark, K.	Jacobs	Munger	Samuelson	Wynia
Clawson	Johnson, C.	Murphy	Shea	Spkr. Sieben, H.
Dean	Jude	Nelson, K.	Sieben, M.	
Eken	Kahn	Norton	Simoneau	
Elioff	Kalis	Novak	Skoglund	

The motion did not prevail.

Hanson moved that the report of the Conference Committee on S. F. No. 31 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Hanson motion and the roll was called. There were 66 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	O'Connor	Stumpf
Anderson, R.	Ellingson	Laidig	Otis	Tomlinson
Battaglia	Greenfield	Lehto	Peterson, D.	Vanasek
Begich	Gustafson	Long	Pogemiller	Vellenga
Berkelman	Halberg	Mann	Reding	Voss
Brandl	Hanson	McCarron	Rice	Welch
Brinkman	Hauge	McEachern	Rodriguez, C.	Wenzel
Byrne	Hokanson	Metzen	Rodriguez, F.	Wigley
Carlson, L.	Jacobs	Minne	Samuelson	Wynia
Clark, J.	Johnson, C.	Munger	Shea	Spkr. Sieben, H.
Clark, K.	Jude	Murphy	Sieben, M.	
Clawson	Kahn	Nelson, K.	Simoneau	
Dean	Kalis	Norton	Skoglund	
Eken	Kelly	Novak	Staten	

Those who voted in the negative were:

Aasness	Forsythe	Knickerbocker	Onnen	Searles
Ainley	Friedrich	Kvam	Osthoff	Sherman
Anderson, G.	Gruenes	Lemen	Peterson, B.	Sherwood
Anderson, I.	Harens	Levi	Piepho	Stadum
Blatz	Haukoos	Ludeman	Redalen	Stowell
Carlson, D.	Heap	Luknic	Rees	Sviggum
Dahlvang	Heimitz	Marsh	Reif	Swanson
Dempsey	Himle	McDonald	Rose	Valan
Den Ouden	Hoberg	Mehrkens	Rothenberg	Valento
Drew	Hokr	Nelsen, B.	Sarna	Weaver
Erickson	Jennings	Niehaus	Schafer	Welker
Esau	Johnson, D.	Nysether	Schoenfeld	Wieser
Ewald	Kaley	Olsen	Schreiber	Zubay

The motion prevailed.

S. F. No. 31, A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

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 68 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kelly	Novak	Simoneau
Anderson, G.	Elioff	Kostohryz	O'Connor	Skoglund
Anderson, R.	Ellingson	Laidig	Ogren	Staten
Battaglia	Greenfield	Lehto	Otis	Stumpf
Begich	Gustafson	Long	Peterson, D.	Tomlinson
Berkelman	Halberg	Mann	Pogemiller	Vanasek
Brandl	Hanson	McCarron	Reding	Vellenga
Brinkman	Hauge	McEachern	Rice	Voss
Byrne	Hokanson	Metzen	Rodriguez, C.	Welch
Carlson, L.	Jacobs	Minne	Rodriguez, F.	Wenzel
Clark, J.	Johnson, C.	Munger	Samuelson	Wynia
Clark, K.	Jude	Murphy	Schoenfeld	Spkr. Sieben, H.
Clawson	Kahn	Nelson, K.	Shea	
Dean	Kalis	Norton	Sieben, M.	

Those who voted in the negative were:

Aasness	Forsythe	Knickerbocker	Onnen	Sherman
Ainley	Friedrich	Kvam	Osthoff	Sherwood
Anderson, I.	Gruenes	Lemen	Peterson, B.	Stadum
Blatz	Harens	Levi	Piepho	Stowell
Carlson, D.	Haukoos	Ludeman	Redalen	Sviggum
Dahlvang	Heap	Luknic	Rees	Swanson
Dempsey	Heinitz	Marsh	Reif	Valan
Den Ouden	Himle	McDonald	Rose	Valento
Drew	Hoberg	Mehrkens	Rothenberg	Weaver
Erickson	Hokr	Nelsen, B.	Sarna	Welker
Esau	Jennings	Niehaus	Schafer	Wieser
Evans	Johnson, D.	Nysether	Schreiber	Zubay
Ewald	Kaley	Olsen	Searles	

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

#### REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Be It Resolved*, by the Committee on Rules and Legislative Administration, that the Chief Clerk of the House of Represen-

tatives be instructed that during the period of time between May 18, 1981, and the convening of the House of Representatives in 1982, the House Chamber, House Retiring Room, House Hearing and Conference Rooms, House Offices, and the Chief Clerk's Office, shall be left in their present status and reserved for use by the House of Representatives, Legislative Interim Committees, House Standing Committees and Subcommittees, and to such other use as may be necessary. The House Chamber and House Retiring Room shall be let out for the annual meeting of the Territorial Pioneers; and the House Chamber, House Retiring Room and the unused hearing rooms shall be available annually to the Hi-Y Model Legislature, Girls' State, the Young Leaders Organization, the National Forensic League, and the 4-H Leadership Conference.

*Be It Further Resolved*, that the Custodian of the State Capitol shall be instructed to keep the corridors and rotunda clear of all furniture and that all legislative furniture remain in the legislative rooms.

The motion prevailed and the report was adopted.

Eken, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Be It Resolved*, that the House of Representatives retain parking lots B, D & E for the period from May 18, 1981 to the convening of the House of Representatives in 1982, for use of members and employees of the House of Representatives;

*Be It Further Resolved*, that the Sergeant at Arms be directed to manage and direct operation of said lots during the period of adjournment of the House of Representatives.

The question was taken on the motion to adopt the report from the Committee on Rules and Legislative Administration and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The motion prevailed and the report was adopted.

Eken, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Be It Resolved*, that the Chief Clerk of the House be authorized and is hereby directed to correct and approve the Journal of the House for today, Monday, May 18, 1981.

*Be It Further Resolved*, that the Chief Clerk of the House be authorized to include in the Journal for Monday, May 18, 1981, any proceedings including subsequent proceedings and any legislative interim committees or commissions created or appointments made pursuant thereto by legislative action or by law.

The motion prevailed and the report was adopted.

There being no objection the order of business reverted to Introduction and First Reading of House Bills.

#### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Schafer and Stowell introduced:

H. F. No. 1520, A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

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

Sviggum, Aasness, Harens, Wenzel and Sherwood introduced:

H. F. No. 1521, A bill for an act relating to controlled substances; providing penalties for possession of small amounts of marijuana; amending Minnesota Statutes 1980, Section 152.15, Subdivision 2.

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

Ellingson introduced:

H. F. No. 1522, A bill for an act relating to public finance; providing an alternative general system to issue state and local debt obligations; enacting the "Minnesota All-Government Bond Act"; appropriating money; proposing new law coded as Minnesota Statutes, Chapter 16B.

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

Byrne introduced:

H. F. No. 1523, A bill for an act relating to driver licensing; requiring certain reports to be made to the commissioner of public safety; making insurance coverage inapplicable in certain instances; proposing new law coded in Minnesota Statutes, Chapters 65B and 171.

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

Aasness, Harens, Marsh and Onnen introduced:

H. F. No. 1524, A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

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

Den Ouden, Valento, Dempsey, Piepho and Erickson introduced:

H. F. No. 1525, A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

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

Sviggum and Ludeman introduced:

H. F. No. 1526, A bill for an act relating to administrative rulemaking; providing for legislative approval of adopted rules which are determined to be substantially different from the proposed rules; amending Minnesota Statutes 1980, Section 15.0412, Subdivision 4e.

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

Pogemiller, Levi and Brandl introduced:

H. F. No. 1527, A bill for an act relating to metropolitan government; establishing a legislative commission on metropolitan county government; providing for election of the members of the council; amending Minnesota Statutes 1980, Section 473.123, Subdivisions 2, 3, 4, and 5, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 3.

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

Greenfield, Swanson and Reif introduced:

H. F. No. 1528, A bill for an act relating to public health; providing for the development, promotion and coordination of regional emergency medical services systems; providing for the organization of emergency medical services districts; proposing new law coded in Minnesota Statutes, Chapter 145.

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

Niehaus, Harens, Brinkman, Aasness and Gruenes introduced:

H. F. No. 1529, A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

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

Clark, K., and Staten introduced:

H. F. No. 1530, A bill for an act relating to human rights; requiring elimination of certain disparities in the workforce of certain employers; providing penalties; proposing new law coded as Minnesota Statutes, Chapter 363A.

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

Reding introduced:

H. F. No. 1531, A bill for an act relating to retirement; clarifying procedures for crediting periods of service; establishing service credit for vesting purposes separate from benefit accrual purposes; providing for part-time benefit accrual service credit in the event of part-time employment; amending Minnesota Statutes 1980, Sections 43.60, Subdivision 3; 352.01, Subdivisions 11, 16 and by adding subdivisions; 352.029, Subdivision 4; 352.041, Subdivision 1; 352.115, Subdivision 3; 352.22, Subdivision 3; 352.27; 352.271; 352.72, Subdivisions 1 and 2; 352.75, Subdivision 1; 352.93, Subdivisions 1, 2, 4 and 5; 352.95, Subdivisions 1, 2 and 6; 352B.01, by adding a subdivision; 352B.08, Subdivision 2; 352B.10; 352B.11, Subdivision 2; 352B.30, Subdivisions 1 and 2; 352D.085, Subdivision 1; 353.01, Subdivisions 7, 16, 18, 31 and by adding subdivisions; 353.017, Subdivision 4; 353.29, Subdivisions 2 and 3; 353.31, Subdivision 1; 353.33, Subdivisions 3 and 9; 353.36, Subdivision 2; 353.651, Subdivisions 2 and 3; 353.656, Subdivisions 1 and 3; 353.657, Subdivision 2; 353.661, Subdivision 1; 353.69; 353.71, Subdivisions 1, 2, 3 and 5; 353.74; 353.75; 354.05, Subdivisions 13, 25, 32 and by adding subdivisions; 354.09, Subdivision 1; 354.092; 354.093; 354.094, Subdivisions 1 and 6; 354.41, Subdivision 6; 354.44, Subdivisions 6 and 7; 354.50, Subdivision 1; 354.51, Subdivision 1; 354.53, Subdivision 1; 354.60; 354.66, Subdivisions 4, 5, 7, 8, 9, 10 and 11; 354A.011, Subdivision 4 and by adding a subdivision; 354A.31, Subdivision 4; 354A.35, Subdivision 2; 354A.36, Subdivision 3; 354A.39; 354A.40; 356.30, Subdivision 1; 356.32, Subdivision 1; 356.453; 356.60, Subdivision 1; 422A.01, by adding subdivisions; 422A.08, Subdivision 5; 422A.09, Subdivision 3; 422A.11, Subdivisions 1 and 2; 422A.13, Subdivision 2; 422A.15, Subdivisions 1, 3 and 4; 422A.155; 422A.156; 422A.16, Subdivisions 1, 3a, 7, 8 and 9; 422A.18, Subdivisions 1 and 2; 422A.22, Subdivision 2; 422A.23, Subdivisions 1, 7 and 9; 490.121, Subdivisions 4, 21 and by adding a subdivision; and 490.124, Subdivisions 1, 2 and 6; repealing Minnesota Statutes 1980, Sections 422A.01, Subdivisions 14, 15 and 16; 422A.30; 422A.31; 422A.32; 422A.33; 422A.34; 422A.35; and 422A.39.

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

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Aasness introduced:

H. A. No. 43, A proposal to identify a role for parents and the public in determining children's education.

The advisory was referred to the Committee on Education.

Peterson, D.; Minne; Anderson, I.; Brandl and Halberg introduced:



H. A. No. 44, A proposal to study tax provisions relating to child day care.

The advisory was referred to the Committee on Taxes.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 452:

Sarna; Clark, K., and Dean.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 818:

Reding, Battaglia and Drew.

#### SPECIAL ORDERS

S. F. No. 568 was reported to the House.

Brinkman moved that S. F. No. 568 be re-referred to the Committee on Financial Institutions and Insurance. The motion prevailed.

The following conference committee reports were received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO 1474

A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

May 18, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 1474, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendment and H. F. No. 1474 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [PUBLIC LAND AND BUILDINGS; APPROPRIATIONS.] The sums set forth in the column designated "APPROPRIATIONS" are appropriated from the state building fund, or any other fund designated, to the state agencies indicated, to be expended for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, as more specifically described in the following sections of this act.

### SUMMARY

EDUCATION .....	\$14,145,300
STATE UNIVERSITIES .....	1,621,000
COMMUNITY COLLEGES .....	620,000
UNIVERSITY OF MINNESOTA .....	38,057,100
BOND SALE EXPENSES .....	50,000
TOTAL .....	54,493,400
Building Fund .....	54,493,400

### APPROPRIATIONS

	1982	1983
	\$	\$
Sec. 2. [EDUCATION.]		

Subdivision 1. To the state board of education for post-secondary vocational-technical construction in the school districts listed in this subdivision .....

14,145,300

Independent School District No. 241,  
Albert Lea .....

253,000

The total cost of the project shall not exceed \$297,000, whether paid from state, local, or federal money.

Independent School District No. 31,  
Bemidji .....

654,500

The total cost of the construction shall not exceed \$770,000, whether paid from state, local, or federal money.

Independent School District No. 917,  
Dakota County .....

300,000

	1982	1983
	\$	\$
The total cost of the construction shall not exceed \$352,000, whether paid from state, local, or federal money.		
Independent School District No. 22, Detroit Lakes .....	318,700	
The total cost of the construction shall not exceed \$375,000, whether paid from state, local, or federal money.		
Independent School District No. 595, East Grand Forks .....	680,000	
The total cost of the construction shall not exceed \$800,000, whether paid from state, local, or federal money.		
Independent School District No. 894, Granite Falls .....	362,000	
The total cost of the construction shall not exceed \$425,900, whether paid from state, local, or federal money.		
Independent School District No. 324, Jackson .....	234,000	
The total cost of the construction shall not exceed \$275,000, whether paid from state, local, or federal money.		
Independent School District No. 77, Mankato .....	234,000	
This appropriation is for construction at the main campus of the Mankato Area Vocational Technical Institute.		
The total cost of the project shall not exceed \$275,000, whether paid from state, local, or federal money.		
Independent School District No. 916 ..	203,000	
The local portion of the cost of this project is \$87,000.		
The total cost of the construction shall not exceed \$290,000, whether paid from state, local, or federal money.		

	1982	1983
	\$	\$
Independent School District No. 152, Moorhead .....	202,000	

The total cost of the construction shall not exceed \$237,400, whether paid from state, local, or federal money.

Independent School District No. 742, St. Cloud .....	1,100,000
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The local portion of the cost of this project shall be a minimum of \$194,000 and a maximum of \$900,000. The total cost of the project shall not exceed \$2,000,000, whether paid from state, local, or federal money.

Independent School District No. 625, St. Paul .....	3,825,000
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This appropriation is for a construction project on the grounds of the main campus of the St. Paul Technical Vocational Institute.

The total cost of the project shall not exceed \$4,500,000, whether paid from state, local, or federal money.

Independent School District No. 793, Staples .....	3,059,000
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This amount shall not be paid unless the district, with the approval of the voters as provided in Minnesota Statutes, Chapter 475, finances \$741,000 of the cost of the post-secondary vocational-technical construction project approved in this clause through the issuance of local bonds.

Notwithstanding the provisions of Minnesota Statutes, Section 124.564, starting in fiscal year 1983, the district shall not receive post-secondary vocational debt service aid for the state portion of debt service costs with respect to bonds issued in 1960 and that portion of bonds issued in 1969 and in 1971 to

	1982	1983
\$		\$

finance the "South Campus" post-secondary vocational-technical wing of the district's high school building and interest thereon, but instead, starting with the levy certified in 1981, shall provide fully for the payments due on these bonds and interest thereon through local tax levies as provided in Minnesota Statutes, Chapter 475.

The total cost of the new construction project shall not exceed \$3,849,100, whether paid from state, local, or federal money.

Joint Independent School District No. 287, Suburban Hennepin .....	1,533,900
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The local portion of the cost of this project shall be a minimum of \$655,200 and a maximum of \$1,210,100. The total cost of the project including money from post-secondary vocational, secondary vocational, and special education services shall not exceed \$2,744,000, whether paid from state, local, or federal money.

Independent School District No. 819, Wadena .....	698,300
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The local portion of the cost of this project shall be a minimum of \$121,500 and a maximum of \$253,900. The total cost of the project shall not exceed \$952,200, whether paid from state, local, or federal money.

Independent School District No. 347, Willmar .....	187,900
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The total cost of the construction shall not exceed \$221,000, whether paid from state, local, or federal money.

Independent School District No. 861, Winona .....	300,000
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The local portion of this project shall be a minimum of \$53,000 and a maximum of \$1,000,000. The total cost of the

	1982	1983
	\$	\$
construction shall not exceed \$1,300,000, whether paid from state, local, or federal money.		

Subd. 2. The Minneapolis area vocational-technical institute shall provide temporary space for the Minneapolis community college during the period in which the college is undergoing construction.

### Sec. 3. [STATE UNIVERSITIES.]

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section .....	1,621,000
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Subd. 2. Winona Campus Rehabilitate Somsen Hall .....	700,000
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This appropriation is for the following projects:

(1) Replace windows .....	399,000
(2) Install elevator .....	225,000
(3) Architect fees and other related expenses .....	76,000

The state university board may transfer amounts among clauses (1) to (3) as needed.

Subd. 3. Moorhead Campus Rehabilitate Lommen Hall .....	800,000
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Subd. 4. Mankato Campus Improve heating, ventilation, and air conditioning at Armstrong Hall .....	121,000
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### Sec. 4. [COMMUNITY COLLEGES.]

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section .....	620,000
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	1982	1983
	\$	\$
Subd. 2. Preparation of plans for expansion of college center, and physical education classroom facilities at Vermilion and Rainy River community colleges		120,000
Subd. 3. Roof replacement, construct roads and parking lots		500,000

# Sec. 5. [UNIVERSITY OF MINNESOTA.]

Subdivision 1. To the regents of the university of Minnesota for the purposes more specifically described in the following subdivisions of this section .. 38,057,100

Subd. 2. Minneapolis Campus ..... 18,284,000

(a) Construct two interconnected buildings on the West Bank to serve the needs of the Hubert H. Humphrey Institute and the College of Business Administration ..... 16,484,000

\$480,000 of this appropriation is for planning and working drawings for the Hubert H. Humphrey Institute. Upon completion of the working drawings, the regents shall report to the house appropriations and senate finance committees on the progress and cost of the project.

The two buildings shall be designed and constructed in a manner which avoids duplication between facilities and duplication of existing facilities. The buildings shall maximize access and sharing of facilities common to both programs. Construction of either facility may commence following completion of working drawings. The total cost shall not exceed \$16,484,000. This total amount is less than the amount requested by the regents. The regents shall apportion the reduction to each of the buildings in proportion to the number of gross square feet in the regents' request for the two buildings.

(b) Complete basement space in Kolthoff Hall ..... 900,000

	1982	1983
	\$	\$
(c) Prepare working drawings for remodeling Smith Hall .....	900,000	
The total cost of this project shall not exceed \$22,000,000.		
Subd. 3. St. Paul Campus .....		17,300,000
Construct agronomy and plant genetics, plant pathology, and soil science building		
Subd. 4. Duluth Campus .....		851,000
(a) Construct greenhouse .....	319,000	
(b) Business building remodeling..	532,000	
Subd. 5. Morris Campus		
Remodel Behmler Hall .....		320,000
Subd. 6. Waseca Campus .....		551,000
Construct livestock laboratory and holding facility		
Subd. 7. Crookston Campus .....		52,800
Prepare plans for Owen Hall remodeling		
Subd. 8. Southern Experiment Station—Waseca .....		184,800
Construct dairy heifer facility		
This building is considered an agricultural building and is exempt from the provisions of the state designer selection board and the state building code relating to public buildings.		
Subd. 9. The Northwest Experiment Station—Crookston .....		20,000
Construct chemical storage facility		
Subd. 10. Southwest Experiment Station—Lamberton .....		154,500



	1982	1983
	\$	\$

Construct a field laboratory and addition to plot building

**Subd. 11. North Central Experiment Station—Grand Rapids**

The board of regents is authorized to purchase, using nonstate funds only, a 39 acre parcel of land near the North Central Experiment Station at Grand Rapids.

<b>Subd. 12. Hormel Institute</b>	<b>339,000</b>
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Completion and equipping of animal research facility

**Sec. 6. [BOND SALE EXPENSES.]**

To the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Section 16A.64, Subdivision 4.	<b>50,000</b>
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**Sec. 7. [BOND SALE; DEBT SERVICE.]** *To provide the money appropriated in this act from the state building fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$54,495,000 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. 8. [CONSULTATION REQUIRED.]** *No land shall be purchased and no buildings shall be purchased, constructed, or erected on lands of the university of Minnesota until the regents have first consulted with the chairman of the senate finance committee and the chairman of the house appropriations committee and obtained their recommendations, which are advisory only.*

**Sec. 9. [REVIEW OF PLANS.]** *The commissioner of administration and the board of regents of the university of Minnesota shall not prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

**Sec. 10. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.]** *Upon the awarding of final contracts for the completion of any project for construction or other permanent improvement authorized by this act, the commissioner of administration and the board of regents of the university of Minnesota as to appropriations made to them may transfer any unencumbered balance in the project account to any other project enumerated in the same section of the appropriation act as the project about to be completed. The money transferred pursuant to this section is appropriated for the purposes for which transferred. The commissioner of administration and the board of regents of the university of Minnesota shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.*

**Sec. 11. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.]** *The commissioner of administration and the board of regents of the university of Minnesota shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration and the board of regents, as appropriate, have consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

**Sec. 12. [METHODS OF ACQUISITION.]** *Where money has been appropriated by this act to the commissioner of administration to acquire lands or sites for public buildings or real estate, acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings shall be pursuant to chapter 117.*

**Sec. 13. [121.2155] [VOCATIONAL-TECHNICAL BUILDING APPROPRIATIONS.]**

*Money appropriated from the state building fund to the state board of education for post-secondary vocational-technical construction in school districts shall be used for grants to school districts for the acquisition and betterment of land, buildings, and capital improvements for area vocational-technical institutes. These grants shall only be made upon the conditions and in accordance with all standards and criteria established in state board rules and in the legislative act authorizing the specific post-secondary vocational facilities project. A grant shall cover 85 percent of the cost of the post-secondary vocational facilities authorized by the specific legislative act, and 15 percent of the cost of these facilities shall be financed by the school district operat-*

*ing the post-secondary vocational-technical school, unless otherwise provided by the specific legislative act. No local bonds shall be authorized, issued, or sold, nor shall any election be held to authorize the issuance of bonds, if the proceeds will be used to finance a project for which specific legislative approval is required, until after that specific legislative approval has been given.*

#### Sec. 14. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*

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

House Conferees: MICHAEL R. SIEBEN, LYNDON R. CARLSON, RICHARD J. WELCH, BRUCE G. NELSON and WENDELL O. ERICKSON.

Senate Conferees: TOM A. NELSON, TIMOTHY J. PENNY, GERALD L. WILLET, JOHN B. KEEFE and PETER P. STUMPF.

#### CALL OF THE HOUSE

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

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

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

Carlson, L., moved that the report of the Conference Committee on H. F. No. 1474 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

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.

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

There were 100 yeas and 33 nays as follows :

Those who voted in the affirmative were :

Aasness	Elioff	Jude	Norton	Shea
Anderson, B.	Ellingson	Kalis	Novak	Sherwood
Anderson, G.	Erickson	Kelly	Nysether	Sieben, M.
Anderson, I.	Evans	Knickerbocker	O'Connor	Simoneau
Anderson, R.	Ewald	Kostohryz	Ogren	Skoglund
Battaglia	Greenfield	Laidig	Osthoff	Stadum
Begich	Gruenes	Lehto	Otis	Staten
Berkelman	Gustafson	Long	Peterson, D.	Stowell
Brandl	Halberg	Luknic	Piepho	Stumpf
Brinkman	Hanson	Mann	Pogemiller	Swanson
Byrne	Harens	Marsh	Reding	Tomlinson
Carlson, D.	Hauge	McCarron	Rees	Valan
Carlson, L.	Haukoos	McEachern	Rice	Vanasek
Clark, J.	Heap	Mehrkins	Rodriguez, C.	Vellenga
Clawson	Himle	Metzen	Rodriguez, F.	Voss
Dahlvang	Hoberg	Minne	Rose	Weaver
Dean	Hokanson	Munger	Samuelson	Welch
Dempsey	Jacobs	Murphy	Sarna	Wenzel
Drew	Johnson, C.	Nelsen, B.	Schoenfeld	Wynia
Eken	Johnson, D.	Nelson, K.	Schreiber	Spkr. Sieben, H.

Those who voted in the negative were :

Ainley	Heinitz	Levi	Redalen	Valento
Blatz	Hokr	Ludeman	Reif	Welker
Den Ouden	Jennings	McDonald	Rothenberg	Wieser
Esau	Kahn	Niehaus	Schafer	Wigley
Fjoslien	Kaley	Olsen	Searles	Zubay
Forsythe	Kvam	Onnen	Sherman	
Friedrich	Lemen	Peterson, B.	Svigum	

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

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 1445

A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions: 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Sub-

divisions 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33.

May 18, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 1445, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede its amendments and that H. F. No. 1445 be amended as follows:

Delete everything after the enacting clause and insert:

*“ARTICLE I*  
*INCOME TAX*

Section 1. Minnesota Statutes 1980, Section 290.06, Subdivision 2d, is amended to read:

Subd. 2d. [INFLATION ADJUSTMENT OF BRACKETS.] (FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1978, THE TAXABLE NET INCOME BRACKETS IN SUBDIVISION 2C SHALL BE ADJUSTED FOR INFLATION. THE COMMISSIONER OF REVENUE SHALL DETERMINE THE PERCENTAGE INCREASE FOR EACH YEAR IN THE REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA PREPARED BY THE UNITED STATES DEPARTMENT OF LABOR WITH 1967 AS A BASE YEAR. THE COMMISSIONER SHALL DETERMINE THE PERCENTAGE INCREASE FROM AUGUST, 1978 TO, IN 1979, AUGUST, 1979 AND IN EACH SUBSEQUENT YEAR, FROM AUGUST OF THE PRECEDING YEAR TO AUGUST OF THE CURRENT YEAR, AND SHALL ANNOUNCE THE PERCENTAGE FIGURE BY OCTOBER 1 EACH YEAR. THE DOLLAR AMOUNTS IN EACH TAXABLE NET INCOME BRACKET FOR THE PRIOR YEAR IN SUBDIVISION 2C SHALL BE MULTIPLIED BY A FIGURE EQUAL TO 85 PERCENT OF THAT PERCENTAGE. THE PRODUCT OF THE CALCULATION SHALL BE ADDED TO EACH INFLATION ADJUSTED TAXABLE NET INCOME BRACKET FOR

THE PRIOR YEAR TO PRODUCE THE INFLATION ADJUSTED TAXABLE NET INCOME BRACKETS FOR EACH SUCCEEDING YEAR. IF THE PRODUCT EXCEEDS A WHOLE DOLLAR AMOUNT, IT SHALL BE RAISED TO THE NEXT HIGHEST WHOLE DOLLAR.) *For taxable years beginning after December 31, 1980, the taxable net income brackets in subdivision 2c shall be adjusted for inflation. For the purpose of making the adjustment as provided in this subdivision all of the brackets provided in subdivision 2c shall be the adjusted brackets as they existed for taxable years beginning after December 31, 1979 and before January 1, 1981. The commissioner shall determine: (a) the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor. He shall then determine the percent change from August, 1980, to, in 1981, August, 1981, and in each subsequent year, from August of the preceding year to August of the current year; and (b) the percentage increase in average Minnesota gross income from tax year 1980 to, in 1981, tax year 1981, and in each subsequent tax year between the previous tax year and the current tax year. The percent increases in Minnesota gross income shall be estimated using the best available data sources and reasonable forecasting procedures. The determination of the commissioner pursuant to this section shall not be considered a "rule" and shall not be subject to the administrative procedures act contained in chapter 15.*

*The dollar amount in each taxable net income bracket for the prior year in subdivision 2c shall be multiplied by a figure calculated as one plus 100 percent of the consumer price index increase or 100 percent of the Minnesota gross income increase, whichever is smaller. The product of the calculation shall yield the inflation adjusted tax brackets for each succeeding year. If the product exceeds a whole dollar amount, it shall be rounded to the nearest whole dollar.*

*No later than October 1 of each year, the commissioner shall announce both percentage increases and the specific percentage that will be used to adjust the tax brackets, the maximum standard deduction amount, and the personal credit amounts.*

Sec. 2. Minnesota Statutes 1980, Section 290.06, Subdivision 3g, is amended to read:

Subd. 3g. [INFLATION ADJUSTMENT OF CREDITS.] For taxable years beginning after December 31, 1980, the credits provided for individuals in subdivision 3f shall be adjusted for inflation. (THE COMMISSIONER OF REVENUE SHALL DETERMINE THE PERCENTAGE INCREASE FOR EACH YEAR IN THE REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA PREPARED BY THE UNITED STATES DEPARTMENT OF LABOR WITH 1967 AS A BASE YEAR. THE COMMISSIONER SHALL DETERMINE THE PERCENTAGE INCREASE FROM AUGUST, 1980 TO, IN 1981, AUGUST, 1981 AND IN EACH SUBSEQUENT

YEAR, FROM AUGUST OF THE PRECEDING YEAR TO AUGUST OF THE CURRENT YEAR, AND SHALL ANNOUNCE THE PERCENTAGE FIGURE BY OCTOBER 1 EACH YEAR. THE DOLLAR AMOUNT OF EACH INFLATION ADJUSTED CREDIT FOR THE PRIOR YEAR IN SUBDIVISION 3F SHALL BE MULTIPLIED BY A FIGURE EQUAL TO THAT PERCENTAGE. THE PRODUCT OF THE CALCULATION SHALL BE ADDED TO THE INFLATION ADJUSTED CREDIT FOR THE PRIOR YEAR TO PRODUCE THE INFLATION ADJUSTED INDIVIDUAL CREDITS FOR EACH SUCCEEDING YEAR. IF THE PRODUCT EXCEEDS A WHOLE DOLLAR AMOUNT, IT SHALL BE ROUNDED TO THE NEAREST WHOLE DOLLAR.) *The dollar amount of each credit for the prior year in subdivision 3f shall be increased in the same manner as provided in subdivision 2d for the expansion of the taxable net income brackets.*

Sec 3. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

*Subd. 1a. [ADDITIONAL CORPORATE TAX.] In addition to the tax computed according to Subdivision 1 and Section 290.361, there is hereby imposed an additional privilege and income tax which shall be computed by applying the following rates to the tax computed pursuant to subdivision 1, sections 290.361 and 290.091 less the credits allowed by section 62E.11, subdivision 8 and section 290.06, subdivisions 3f, 9, 9a, and 14:*

*(1) For taxable years beginning after December 31, 1980, but before January 1, 1982, 2 1/2 percent;*

*(2) For taxable years beginning after December 31, 1981, but before January 1, 1983, five percent;*

*(3) For taxable years beginning after December 31, 1982, but before January 1, 1984, 2 1/2 percent.*

*For corporations that change their accounting period while the subdivision is in effect, the surtax assessment applying to the tax on the annual basis would be determined by multiplying five percent by the ratio determined by dividing the number of months in the accounting period which falls between June 30, 1981 and July 1, 1983 by the number of months in the accounting period. The additional privilege and income tax imposed pursuant to this subdivision shall be computed and shown as a separate item on returns filed by the corporations subject to the tax.*

Sec. 4. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

*Subd. 2e [ADDITIONAL INCOME TAX.] In addition to the tax computed pursuant to subdivisions 2c and 2d or subdivision 3d, there is hereby imposed an additional income tax on individuals, estates, and trusts, other than those taxable as corporations. The additional tax shall be computed by applying the rate of one percent to the tax computed pursuant to subdivision*



3d or, in the case of an individual who does not qualify for the low income alternative tax and estates and trusts, the tax computed pursuant to subdivisions 2c and 2d and sections 290.032 and 290.091 less the credits allowed by sections 290.06, subdivisions 3e, 3f, 9, 9a, 11 and 14, and 290.081, for taxable years beginning after December 31, 1980, and before January 1, 1984.

*The additional income tax imposed pursuant to this subdivision shall be computed and shown as a separate item on returns filed by individuals, estates and trusts subject to the tax.*

Sec. 5. Minnesota Statutes 1980, Section 290.067, Subdivision 2, is amended to read:

Subd. 2. [LIMITATIONS.] The credit for expenses incurred for the care of each dependent shall not exceed \$400 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$800 in a taxable year. The total credit shall be reduced by five percent of the amount by which the combined federal adjusted gross income of the claimant and his spouse, if any, exceeds \$15,000. A married claimant shall file his income tax return for the year for which he claims the credit either jointly or separately on one form with his spouse. In the case of a married claimant only one spouse may claim the credit. (NO EXPENSE FOR WHICH A MEDICAL EXPENSE DEDUCTION IS CLAIMED PURSUANT TO SECTION 290.09, SUBDIVISION 10, SHALL BE CLAIMED AS A DEPENDENT CARE EXPENSE.)

Sec. 6. Minnesota Statutes 1980, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter and income or franchise taxes paid to any other state or to any province or territory of Canada for which a credit is allowed under section 290.081; (b) taxes assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under chapter 290A; (f) federal income taxes, by corporations, national and state banks except as provided in section 290.18; (g) mortgage registry tax; (h) real estate transfer tax; (i) federal telephone tax; (j) federal transportation tax; (AND) (k) *state and local taxes on the sale of gasoline, diesel fuel, and other motor fuels*; and (l) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1979. If the taxpayer's foreign tax credit consists of both foreign taxes deemed paid and foreign taxes actually paid or withheld, it will be conclusively presumed that foreign taxes deemed paid were first used by the taxpayer in its foreign tax

credit. Minnesota gross income shall include the amount of foreign tax paid which had been allowed as a deduction in a previous year, provided such foreign tax is later allowed as a credit against federal income tax. (INCOME TAXES PERMITTED TO BE DEDUCTED HEREUNDER SHALL, REGARDLESS OF THE METHODS OF ACCOUNTING EMPLOYED, BE DEDUCTIBLE ONLY IN THE TAXABLE YEAR IN WHICH PAID.) Taxes imposed upon a shareholder's interest in a corporation which are paid by the corporation without reimbursement from the shareholder shall be deductible only by such corporation.

Sec. 7. Minnesota Statutes 1980, Section 290.09, Subdivision 10, is amended to read:

Subd. 10. [MEDICAL EXPENSES.] Payments (not compensated for by insurance or otherwise) for *medical, dental, and other* expenses (FOR HOSPITAL, NURSING, MEDICAL, SURGICAL, DENTAL, AND OTHER HEALING SERVICES, INCLUDING INSTITUTIONAL CARE AND TREATMENT FOR THE MENTALLY ILL AND PHYSICALLY HANDICAPPED AND THE COST, FEEDING AND MAINTENANCE EXPENSES OF A GUIDE DOG FOR A BLIND OR DEAF PERSON, AS DEFINED IN SECTION 290.06, SUBDIVISION 3C, CLAUSES (4) (D) AND (H), AND FOR MEDICAL SUPPLIES AND AMBULANCE HIRE, INCURRED BY THE TAXPAYER ON ACCOUNT OF SICKNESS, MENTAL ILLNESS, PHYSICAL HANDICAP OR PERSONAL INJURY TO HIMSELF OR HIS DEPENDENTS AND PREMIUMS PAID FOR HOSPITALIZATION AND MEDICAL INSURANCE INCLUDING NONPROFIT HOSPITAL SERVICE AND NONPROFIT MEDICAL SERVICE PLANS. PAYMENTS FOR TRAVELING EXPENSES SHALL NOT BE DEDUCTIBLE UNDER THE PROVISIONS OF THIS SUBDIVISION. PAYMENTS FOR HOTEL OR SIMILAR LODGING EXPENSES SHALL BE DEDUCTIBLE IN THE SAME MANNER AS PAYMENTS FOR HOSPITAL SERVICES, IF THE TAXPAYER OR HIS DEPENDENT IS NOT HOSPITALIZED BUT IS NEVERTHELESS REQUIRED TO REMAIN IN A MEDICAL CENTER AWAY FROM HIS USUAL PLACE OF ABODE, FOR THE PURPOSE OF RECEIVING PRESCRIBED MEDICAL TREATMENT) *as provided and as limited by section 213 of the Internal Revenue Code of 1954, as amended through December 31, 1980.*

Sec. 8. Minnesota Statutes 1980, Section 290.09, Subdivision 15, is amended to read:

Subd. 15. [STANDARD DEDUCTION.] In lieu of all deductions provided for in this chapter other than those enumerated in section 290.18, subdivision 2, and in lieu of the credits enumerated in section 290.21, subdivision 3, an individual may claim or be allowed a standard deduction as follows:

(a) Subject to modification pursuant to clause (b), the standard deduction shall be an amount equal to ten percent of the ad-

justed gross income of the taxpayer, up to a maximum deduction of \$2,000; in the case in which a standard deduction tax table is provided by the commissioner of revenue pursuant to the provisions of section 290.06, subdivision 2, the standard deduction shall be available to individuals with adjusted gross income of less than \$20,000 only through the use of such table.

In the case of a husband and wife living together, the standard deduction shall not be allowed to either if the net income of one of the spouses is determined without regard to the standard deduction. For the purposes of this paragraph the determination of whether an individual is living with his spouse shall be made as of the last day of the taxable year unless the spouse dies during the taxable year in which case such determination shall be made as of the date of such spouse's death.

(b) For each taxable year beginning after December 31, 1980, the maximum amount of the standard deduction shall be adjusted for inflation (. THAT AMOUNT SHALL BE MULTIPLIED EACH YEAR BY A FIGURE EQUAL TO THE PERCENTAGE INCREASE IN THE REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA USED FOR PURPOSES OF SECTION 290.06, SUBDIVISION 3G. THE PRODUCT OF THE CALCULATION SHALL BE ADDED TO THE DOLLAR AMOUNT OF THE MAXIMUM STANDARD DEDUCTION ESTABLISHED IN CLAUSE (A) TO PRODUCE THE INFLATION-ADJUSTED MAXIMUM STANDARD DEDUCTION FOR EACH SUCCEEDING YEAR) *in the same manner as provided in section 290.06, subdivision 2d, for the expansion of the taxable net income brackets.*

(c) The commissioner of revenue may establish a standard deduction tax table incorporating the rates set forth in section 290.06, subdivision 2c, and the standard deduction. The tax of any individual taxpayer whose adjusted gross income is less than \$20,000 shall, if an election is made not to itemize nonbusiness deductions, be computed in accordance with tables prepared and issued by the commissioner of revenue. The tables shall be prepared to reflect the allowance of the standard deduction and the personal and dependent credits.

Sec. 9. Minnesota Statutes 1980, Section 290.10, is amended to read:

290.10 [NONDEDUCTIBLE ITEMS.]

In computing the net income no deduction shall in any case be allowed for:

- (1) Personal, living or family expenses;
- (2) Amounts paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate, except as otherwise provided in this chapter;

(3) Amounts expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made;

(4) Premiums paid on any life insurance policy covering the life of the taxpayer or of any other person;

(5) The shrinkage in value, due to the lapse of time, of a life or terminable interest of any kind in property acquired by gift, devise, bequest or inheritance;

(6) Losses from sales or exchanges of property, directly or indirectly, between members of a family, or, except in the case of distributions in liquidation, between an individual and a corporation in which such individual owns, directly or indirectly, more than 50 percent in value of the outstanding stock; or between any person or corporation and a trust created by him or it or of which he or it is a beneficiary, directly or indirectly; for the purpose of this clause, an individual shall be considered as owning the stock owned, directly or indirectly, by his family; and the family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestor, and lineal descendants, but such losses shall be allowed as deductions if the taxpayer shows to the satisfaction of the commissioner that the sale or exchange was bona fide and for a fair and adequate consideration;

(7) In computing net income, no deduction shall be allowed under section 290.09, subdivision 2, relating to expenses incurred or under section 290.09, subdivision 3, relating to interest accrued;

(a) If such expenses or interest not paid within the taxable year or within two and one-half months after the close thereof; and

(b) If, by reason of the method of accounting of the person to whom the payment is to be made, the amount thereof is not, unless paid, includible in the gross income of such person for the taxable year in which or with which the taxable year of the taxpayer ends; and

(c) If, at the close of the taxable year of the taxpayer or at any time within two and one-half months thereafter, both the taxpayer and the person to whom the payment is to be made are persons between whom losses would be disallowed under clause (6);

(8) (a) Contributions by employees under the federal railroad retirement act (,) and the federal social security act (, OR)

(b) *Payments* to Minnesota or federal public employee retirement funds (, AND THAT). (c) *Three-fourths (75 percent)* of the amount of taxes imposed on self-employment income under section 1401 of the Internal Revenue Code of 1954, as amended through December 31, 1979 (, WHICH WOULD HAVE BEEN IMPOSED ON THE SAME AMOUNT OF INCOME IF SUCH INCOME HAD BEEN TREATED AS WAGES FROM

**EMPLOYMENT AND SUBJECT TO TAX UNDER THE PROVISIONS OF SECTION 3101 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1979).**

(9) Expenses, interest and taxes connected with or allocable against the production or receipt of all income not included in the measure of the tax imposed by this act. (WHEN THE FEDERAL INCOME TAX LIABILITY IS JOINT AND SEVERAL UNDER A JOINT FEDERAL RETURN OF HUSBAND AND WIFE, THE ALLOWABLE FEDERAL INCOME TAX PAID ON THE INCOME INCLUDED IN THE JOINT FEDERAL RETURN MAY BE TAKEN AS A DEDUCTION FROM GROSS INCOME BY THE SPOUSE WHO PAID THE FEDERAL INCOME TAX.)

(10) In situations where this chapter provides for an exclusion from gross income of a specific dollar amount of an item of income assignable to this state, and within the measure of the tax imposed by this chapter, that portion of the federal income tax (PAID) *liability assessed* upon such income excluded, and any expenses attributable to earning such income, shall not be deductible in computing net income.

(11) Amounts paid or accrued for such taxes and carrying charges as, under regulations prescribed by the commissioner, are chargeable to capital account with respect to property, if the taxpayer elects, in accordance with such regulations, to treat such taxes or charges as so chargeable.

Sec. 10. Minnesota Statutes 1980, Section 290.18, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] ((A)) The adjusted gross income shall (, EXCEPT INSOFAR AS SECTION 290.19 IS APPLICABLE,) be computed by deducting from the gross income assignable to this state under section 290.17, the (FOLLOWING DEDUCTIONS.) *deduction for* allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10(9) and 290.18.

(THE DEDUCTION ENUMERATED IN THIS SUBDIVISION) *This deduction* shall be allowed to (THE EXTENT PROVIDED IN SUBDIVISION 1 AND AS PROVIDED IN CLAUSES (B) AND (C).)

((B) IN THE CASE OF CORPORATIONS, NATIONAL AND STATE BANKS FOR TAXABLE YEARS BEGINNING PRIOR TO JULY 1, 1971 AND ENDING SUBSEQUENT THERETO, FEDERAL INCOME TAXES ALLOWABLE AS A DEDUCTION SHALL BE THAT PART OF THE FEDERAL INCOME TAX DETERMINED BY MULTIPLYING THE FEDERAL INCOME TAX LIABILITY FOR SUCH TAXABLE YEAR AS REFLECTED ON THE RETURN FILED WITH THE INTERNAL REVENUE SERVICE BY A FRACTION,

THE NUMERATOR OF WHICH IS THE NUMBER OF MONTHS IN THE TAXABLE YEAR PRIOR TO JULY 1, 1971 AND THE DENOMINATOR WHICH IS THE NUMBER OF MONTHS IN THE ENTIRE TAXABLE YEAR; PROVIDED THAT IF THE TAXABLE PERIOD IS OTHER THAN A FULL YEAR THE DENOMINATOR OF THE FRACTION SHALL BE THE TOTAL NUMBER OF MONTHS FOR WHICH THE FEDERAL RETURN IS FILED.)

((C) THE AMOUNT OF ANY ADDITIONAL FEDERAL INCOME TAXES FOR 1971 AND PRIOR YEARS, WHERE SUCH ADDITIONAL FEDERAL INCOME TAXES WOULD HAVE BEEN ALLOWED AS A DEDUCTION FROM GROSS INCOME UNDER CLAUSE (B) OR UNDER PRIOR LAW, SHALL BE ALLOWED AS A DEDUCTION IN THE YEAR IN WHICH SUCH ADDITIONAL FEDERAL INCOME TAXES ARE PAID.)

((D) THE AMOUNT OF ANY OVERPAYMENT OF FEDERAL INCOME TAXES, WHETHER ALLOWED AS A REFUND OR ALLOWED AS A CREDIT TO ANY LIABILITY, WHERE SUCH OVERPAYMENT HAS PREVIOUSLY BEEN ALLOWED AS A DEDUCTION FROM GROSS INCOME UNDER EXTRA SESSION LAWS 1971, CHAPTER 31, ARTICLE 6 OR UNDER PRIOR LAW, SHALL BE ADDED TO GROSS INCOME IN THE YEAR IN WHICH RECEIVED OR CREDITED.) *individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income.*

(ii) *Taxes paid for a taxable year beginning before January 1, 1981 shall be allowed as follows:*

(1) *Those taxes paid in a taxable year beginning before January 1, 1981, shall be claimed in the year in which the payment was made.*

(2) *Those paid in a taxable year beginning after December 31, 1980 shall be divided and deducted in equal installments reflected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986.*

(iii) *In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this section shall be increased by the self-employment tax allowed under section 290.10, clause (8).*

(iv) *If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduc-*

tion allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(v) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this section shall be modified for such year.

(vi) If the readjustments required in (iv) or (v) are for taxes reflected in the transition rule described in (ii) (2), the readjustment shall be made equally to the remaining installments and if a reduction to such installments is required under this readjustment which exceeds the total of all remaining installments, the remaining installments will be reduced to zero and the excess included in income as a federal income tax refund.

(vii) Refunds which are not involved with any readjustments under the transition rule shall be included in income under section 290.01, subdivision 20, clause (a) (6) if it is from a year beginning before January 1, 1981.

(viii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received.

Sec. 11. Minnesota Statutes 1980, Section 290.18, is amended by adding a subdivision to read:

**Subd. 4. [TAXABLE NET INCOME ADJUSTMENT FACTOR.]** For the taxable year beginning after December 31, 1980 and ending before January 1, 1982, the commissioner of revenue shall adjust taxable net income by multiplying the taxable net income of each individual, estate and trust by a fraction, the numerator of which is one plus the predicted rate of growth in average Minnesota gross income between tax year 1980 and tax year 1981. The denominator of the adjustment fraction shall be one plus the product of (a) the predicted rate of growth in average Minnesota gross income as determined above, and (b) the difference between the ratio of Minnesota gross income to Minnesota adjusted gross income and the product of the ratio of federal taxes paid to Minnesota adjusted gross income and an estimate of average federal income tax elasticity relating percent changes in federal adjusted gross income to percent changes in net federal income tax liabilities.

For each taxable year beginning after December 31, 1981, the commissioner of revenue shall adjust taxable net income by mul-

*tiplying the taxable net income of each individual, estate, and trust by an adjustment factor determined by multiplying the previous year's adjustment factor by the current year adjustment factor as defined above using data appropriate to the current year.*

*The data used shall reflect the most current aggregate tax statistics collected and tabulated by the department of revenue. The estimate of the percentage increase in Minnesota gross income shall be based on the best available data sources and reasonable forecasting procedures. The estimate of federal income tax elasticity shall reflect the best available sources of information, including the judgment of the United States Internal Revenue Service and the United States Treasury, Office of Tax Analysis. The determination of the commissioner pursuant to this section shall not be considered a "rule" and shall not be subject to the administrative procedures act contained in chapter 15.*

*No later than October 1 of each tax year, the commissioner shall announce the adjustment factor to be applied to taxable net income, including its separate components, and the estimate of federal elasticity.*

Sec. 12. Minnesota Statutes 1980, Section 290.37, Subdivision 3, is amended to read:

Subd. 3. [INFORMATION INCLUDED IN RETURN.] The return provided for herein shall require a statement of the name of the taxpayer, or taxpayers, if the return be a joint return, and the address of such taxpayer in the same name or names and same address as the taxpayer has used in making his income tax return to the United States under the terms of the internal revenue (ACT) code of 1954, and shall include the social security number of the taxpayer, or taxpayers, if a social security number has been issued by the United States with respect to said taxpayers, and shall include the amount of the adjusted gross income of such taxpayer as the same appears on said return to the United States internal revenue service for the taxable year to which such Minnesota state return is applicable; (OR, IN LIEU THEREOF,) *and the commissioner may require the taxpayer (SHALL) to attach to his Minnesota state income tax return a copy of the federal income tax return which he has filed or is about to file for such period. (THE COMMISSIONER OF REVENUE, IF NECESSARY TO AUDIT THE RETURN OF THE TAXPAYER FOR A PARTICULAR PERIOD, MAY REQUIRE A DETAILED SCHEDULE OF THE ITEMS USED TO COMPUTE THE ADJUSTED GROSS INCOME OF SUCH TAXPAYER AS THE SAME APPEARS ON SAID RETURN TO THE UNITED STATES INTERNAL REVENUE SERVICE FOR THE TAXABLE YEAR TO WHICH SUCH MINNESOTA RETURN IS APPLICABLE; OR, IN LIEU THEREOF, A COPY OF THE FEDERAL INCOME TAX RETURN FILED FOR SUCH PERIOD.)*



**Sec. 13. [ADJUSTMENT TO WITHHOLDING AND DECLARATIONS.]**

*For taxable years beginning after December 31, 1982, but before January 1, 1984, the commissioner of revenue shall adjust the withholding tables, notwithstanding section 290.92, subdivision 2a, so that the additional tax imposed by section 4, is withheld and remitted by employers during the first six months of the taxable year.*

*For the same period, the commissioner shall require that declarations filed during the first six months of the taxable year by individuals, estates, trusts, and corporations shall include the additional tax imposed by sections 3 and 4.*

**Sec. 14.** Laws 1975, Chapter 226, Section 4, as amended by Laws 1979, Chapter 311, Section 1, is amended to read:

**Sec. 4.** Section 1 is effective for taxable years commencing after December 31, 1975 (AND SHALL, UNLESS RE-ENACTED, EXPIRE AFTER THE TAXABLE YEAR ENDING DECEMBER 31, 1981).

**Sec. 15. [EFFECTIVE DATE.]**

*Sections 5, 6, 7, 9, and 10 are effective for taxable years beginning after December 31, 1980.*

**ARTICLE II****PROPERTY TAX**

**Section 1.** Minnesota Statutes 1980, Section 124.213, is amended to read:

**124.213 [STATE SCHOOL AGRICULTURAL CREDIT.]**

The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of (17) 18 mills on up to 320 acres of the property. The county auditor shall reduce the tax for school purposes on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. *The agricultural credit shall be applied at a rate of 8 mills on any agricultural property in excess of 640 acres.* The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

(IN 1977, PAYMENT SHALL BE MADE ACCORDING TO THE PROCEDURE PROVIDED IN SECTION 273.13, SUBDIVISION 15A, FOR THE PURPOSE OF REPLACING REVENUE LOST AS A RESULT OF THE REDUCTION OF PROPERTY TAXES PROVIDED IN THIS SECTION. IN 1978, PAYMENT SHALL BE MADE PURSUANT TO SECTIONS 124.212, SUBDIVISION 7B AND 124.11, FOR THE PURPOSE OF REPLACING REVENUE LOST AS A RESULT OF THE REDUCTION IN PROPERTY TAXES PROVIDED IN THIS SECTION. THERE IS APPROPRIATED FROM THE GENERAL FUND IN THE STATE TREASURY TO THE COMMISSIONER OF REVENUE THE AMOUNT NECESSARY TO MAKE THESE PAYMENTS IN FISCAL YEAR 1978.) There is appropriated from the general fund in the state treasury to the department of education the amount necessary to make these payments in fiscal year 1979 and thereafter.

Sec. 2. Minnesota Statutes 1980, Section 272.01, Subdivision 2, is amended to read:

Subd. 2. (a) When any real or personal property which for any reason is exempt from ad valorem taxes, and taxes in lieu thereof, is leased, loaned, or otherwise made available and used by a private individual, association or corporation in connection with a business conducted for profit, there shall be imposed a tax, for the privilege of so using or possessing such real or personal property, in the same amount and to the same extent as though the lessee or user was the owner of such property.

(b) The tax imposed by this subdivision shall not apply to (1) property leased or used by way of a concession in or relative to the use in whole or part of a public park, market, fair grounds, port authority, municipal auditorium, *airport owned by a city, town, county or group thereof but not the metropolitan airports commission*, municipal museum or municipal stadium or (2) property constituting or used as a public pedestrian ramp, concourse, passenger check-in area or ticket sale counter, boarding area or luggage claim area in connection with a public airport; *provided that real estate which is owned by a municipality in connection with the operation of a public airport and which is leased or used for agricultural purposes shall not be exempt.*

(c) Taxes imposed by this subdivision shall be due and payable as in the case of personal property taxes and such taxes shall be assessed to such lessees or users of real or personal property in the same manner as taxes assessed to owners of real or personal property, except that such taxes shall not become a lien against the property. When due, the taxes shall constitute a debt due from the lessee or user to the state, township, city, county and school district for which the taxes were assessed and shall be collected in the same manner as personal property taxes. If property subject to the tax imposed by this subdivision is leased or used jointly by two or more persons, each lessee or user shall be jointly and severally liable for payment of the tax.

Sec. 3. Minnesota Statutes 1980, Section 273.11, Subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivision 2 (AND), 6 and 7 or section 273.17, subdivision 1, all property shall be valued at its market value. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which such property would sell at auction or at a forced sale, or in the aggregate with all the property in the town or district; but he shall value each article or description of property by itself, and at such sum or price as he believes the same to be fairly worth in money. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into account. An individual lot of such platted property shall not be assessed in excess of the assessment of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, the assessed value of that lot or any single contiguous lot fronting on the same street shall be eligible for reassessment. All property, or the use thereof, which is taxable under sections 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Sec. 4. Minnesota Statutes 1980, Section 273.11, is amended by adding a subdivision to read:

*Subd. 7. [AGRICULTURAL LAND.] Agricultural land shall be valued at the lesser of its market value or the value which could be derived from its free market gross rental rate capitalized at a rate of 5.8 percent. Each county assessor shall survey the farm rental values of each grade of farmland in each township in the county. This information shall be used in reviews of valuations by the town boards of review.*

Sec. 5. Minnesota Statutes 1980, Section 273.112, Subdivision 3, is amended to read:

Subd. 3. Real estate shall be entitled to valuation and tax deferment under this section only if it is:

(a) actively and exclusively devoted to golf (OR), skiing or archery or firearms range recreational use or uses and other

recreational uses carried on at (SUCH GOLF OR SKIING) the establishment;

(b) five acres in size or more, except in the case of an archery or firearms range; and

(c) (1) operated by private individuals and open to the public; or

(2) operated by firms or corporations for the benefit of employees or guests; or

(3) operated by private clubs having a membership of 50 or more.

**Sec. 6. [273.117] [CONSERVATION PROPERTY TAX VALUATION.]**

*Real property which is subject to a conservation restriction or easement shall be entitled to reduced valuation under this section if:*

(a) *The restriction or easement is for a conservation purpose as defined in section 84.64, subdivision 2, and is recorded on the property;*

(b) *The property is being used in accordance with the terms of the conservation restriction or easement.*

**Sec. 7. Minnesota Statutes 1980, Section 273.13, Subdivision 6, is amended to read:**

**Subd. 6. [CLASS 3B.]** Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed for taxes payable in 1981 and thereafter as follows: the first \$50,000 of market value shall be valued and assessed at 14 percent; the remaining market value shall be valued and assessed at 19 percent. *Effective for taxes payable in 1982 and thereafter, the maximum amount of the market value of the homestead bracket subject to the 14 percent rate shall be adjusted by the commissioner of revenue as provided in section 12.* The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. Valuation subject to relief shall be limited to 240 acres of land, most contiguous surrounding, bordering, or closest to the house occupied by the owner as his dwelling place, and such other structures as may be included thereon utilized by the owner in an agricultural pursuit, provided that noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose

of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 273.132, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

Effective for the 1981 assessment and in subsequent years, the assessor shall determine and list separately on his records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 8. Minnesota Statutes 1980, Section 273.13, Subdivision 7, is amended to read:

Subd. 7. [CLASS 3C, 3CC.] All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed for taxes payable in 1981 and thereafter as follows: the first \$25,000 of market value shall be valued and assessed at 16 percent; the next \$25,000 of market value shall be valued and assessed at 22 percent; and the remaining market value shall be valued and assessed at 28 percent. *Effective for taxes payable in 1982 and thereafter, the maximum amounts of the market value of the homestead brackets subject to the 16 percent and 22 percent rates shall be adjusted by the commissioner of revenue as provided in section 12.* The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law. Class 3cc property shall include real estate or mobile homes used for the purposes of a homestead by (a) any blind person, if such blind person is the owner thereof or if such blind person and his or her spouse are the sole owners thereof; or (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and (2) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair; and (3) with

assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of such a deceased veteran for as long as the surviving spouse retains the special housing unit as his or her homestead; or (c) any person who: (1) is permanently and totally disabled and (2) is receiving (i) aid from any state as a result of that disability, or (ii) supplemental security income for the disabled, or (iii) workers' compensation based on a finding of total and permanent disability, or (iv) social security disability, or (v) aid under the Federal Railroad Retirement Act of 1937, 45 United States Code Annotated, Section 228b(a)5, or (vi) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability; which aid is at least 90 percent of the total income of such disabled person from all sources. Class 3cc property shall be valued and assessed for taxes payable in 1981 and thereafter as follows: in the case of agricultural land, including a mobile home, used for a homestead, the first \$33,000 of market value shall be valued and assessed at five percent, the next \$17,000 of market value shall be valued and assessed at 14 percent, and the remaining market value shall be valued and assessed at 19 percent; and in the case of all other real estate and mobile homes, the first \$33,000 of market value shall be valued and assessed at five percent, the next \$17,000 of market value shall be valued and assessed at 22 percent, and the remaining market value shall be valued and assessed at 28 percent. *Effective for taxes payable in 1982 and thereafter, in the case of agricultural land including a mobile home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 12, the maximum amount of the market value of the homestead brackets subject to the five percent and 14 percent rates; and for all other real estate and mobile homes, the commissioner of revenue shall adjust, as provided in section 12, the maximum amount of the market value of the homestead brackets subject to the five percent and 22 percent rates.* Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650.

Sec. 9. Minnesota Statutes 1980, Section 273.13, is amended by adding a subdivision to read:

*Subd. 7d. [LEASED HOMESTEAD PROPERTY.] Class 3g consists of all buildings and appurtenances located upon land owned by the occupant and used for the purposes of a homestead together with the land upon which they are located shall be valued and assessed as if they were homestead property within the scope of class 3c or 3cc, whichever is applicable, if all of the following criteria are met:*

(a) *the occupant is using such property as his permanent residence; and*

(b) *the occupant is paying the ad valorem property taxes and any special assessments levied against such property; and*

(c) *the occupant has signed a lease which has an option to purchase the buildings and appurtenances; and*

(d) *the term of the lease is at least five years.*

*Any taxpayer meeting all the requirements herein must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, prior to September 1, 1981 and in future years, as soon as possible after signing the lease agreement and occupying the building as his homestead.*

Sec. 10. Minnesota Statutes 1980, Section 273.13, Subdivision 9, is amended to read:

Subd. 9. [CLASS 4A (AND), 4B AND 4C.] All property not included in the preceding classes shall constitute class 4a and shall be valued and assessed at 43 percent of the market value thereof (,); except that real property which is not improved with a structure and which is not utilized as part of a commercial or industrial activity shall constitute class 4b and shall be valued and assessed at 40 percent of market value; and except that commercial and industrial property shall constitute class 4c and shall be valued and assessed at 40 percent of the first \$50,000 of market value and 43 percent on the remainder, provided that in the case of state-assessed commercial or industrial property owned by one person or entity, only one parcel shall qualify for the 40 percent assessment. In the case of commercial or industrial property, other than state-assessed properties, owned by one person or entity, only one parcel in each county shall qualify for the 40 percent assessment.

Sec. 11. Minnesota Statutes 1980, Section 273.13, Subdivision 19, is amended to read:

Subd. 19. [CLASS 3D, 3DD.] Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to (38) 36 percent of market value for taxes levied in 1981 and 34 percent of market value for taxes levied in 1982 and thereafter. Residential real estate containing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to 28 percent of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for rental periods of 30 days or

more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

Residential real estate containing less than three units when entitled to homestead classification for one or more units shall be classed as 3b, 3c or 3cc according to the provisions of subdivisions 6 and 7.

**Sec. 12. [273.1311] [FLEXIBLE HOMESTEAD BRACKETS.]**

*Effective for taxes payable in 1982 and subsequent years, the maximum amount of the market value of the homestead brackets shall be adjusted as provided in this section. The equalization aid review committee shall divide the statewide average purchase price of a residential home as indicated by bona fide real estate sales during the previous assessment year by the statewide average purchase price of a residential home during the year immediately preceding the previous assessment year. The resulting quotient shall be multiplied by the maximum amounts of the homestead brackets as provided in section 273.13, subdivisions 6 and 7 for the preceding assessment year, to obtain the revised homestead brackets for the current assessment year. The revised homestead brackets shall be rounded to the nearest \$100. On or before December 1, 1981 and each subsequent year the commissioner of revenue shall announce the revised homestead brackets as adjusted by this section.*

**Sec. 13. Minnesota Statutes 1980, Section 273.19, Subdivision 1, is amended to read:**

**Subdivision 1.** Except as provided in subdivision 3 or 4, property held under a lease for a term of three or more years, and not taxable under section 272.01, subdivision 2, clause (b) (1), or under a contract for the purchase thereof, when the property belongs to the United States, to the state, or to any religious, scientific, or benevolent society or institution, incorporated or unincorporated, or to any railroad company or other corporation whose property is not taxed in the same manner as other property, or when the property is school or other state lands, shall be considered, for all purposes of taxation, as the property of the person so holding the same.

**Sec. 14. Minnesota Statutes 1980, Section 273.19, is amended by adding a subdivision to read:**

**Subd. 4.** *Property held under a lease for a term of three or more years which is owned by the United States and located within a national park shall be exempt, provided the property was acquired by the United States by condemnation or purchased by the United States under threat of condemnation, and within a reasonable time leased back for noncommercial residential purposes to the person owning the property at the time of acquisition*



*by the United States. If property exempt under this subdivision is subsequently leased or subleased for a term of three or more years to another person, it shall no longer qualify for the exemption provided in this subdivision and shall be placed on the assessment rolls as provided in section 272.02, subdivision 4, and taxed pursuant to subdivision 1 of this section.*

*The value of improvements made to property otherwise exempt pursuant to this subdivision which are owned by the lessee or to which the lessee has salvage rights shall be taxable to the lessee pursuant to subdivision 1.*

Sec. 15. Minnesota Statutes 1980, Section 273.42, Subdivision 2, is amended to read:

Subd. 2. Owners of land defined as class 3, 3b, 3c, 3cc, 3d or 3f pursuant to section 273.13 listed on records of the county auditor or county treasurer over which runs a high voltage transmission line as defined in section 116C.52, subdivision 3, except a high voltage transmission line the construction of which was commenced prior to July 1, 1974, shall receive a property tax credit in an amount determined by multiplying a fraction, the numerator of which is the length of high voltage transmission line which runs over that parcel and the denominator of which is the total length of that particular line running over all property within the city, township or unorganized township by ten percent of the transmission line tax revenue derived from the tax on that portion of the line within the city, township or unorganized township pursuant to section 273.36. Where a right-of-way width is shared by more than one property owner, the numerator shall be adjusted by multiplying the length of line on the parcel by the proportion of the total width on the parcel owned by that property owner. The amount of credit for which the property qualifies shall not exceed 20 percent of the total gross tax on the parcel prior to deduction of the state paid agricultural credit and the state paid homestead credit, provided that, if the property containing the right of way is included in a parcel which exceeds 40 acres, the total gross tax on the parcel shall be multiplied by a fraction, the numerator of which is the sum of the number of acres in each quarter-quarter section or portion thereof which contains a right of way and the denominator of which is the total number of acres in the parcel set forth on the tax statement, and the maximum credit shall be 20 percent of the product of that computation, prior to deduction of those credits. The auditor of the county in which the affected parcel is located shall calculate the amount of the credit due for each parcel and transmit that information to the county treasurer. The county auditor, in computing the credits received pursuant to sections 273.13 and 273.135, shall reduce the gross tax by the amount of the credit received pursuant to this section, unless the amount of the credit would be less than \$10.

Sec. 16. Minnesota Statutes 1980, Section 279.37, Subdivision 6, is amended to read:

Subd. 6. The county auditor shall give notice by mail not later than November 30 of each year to the person or persons making such confession of judgment at the address given therein of the payment due under the confession on the following December 31. *If the county auditor has not received the installment payment by December 31, he shall give notice by certified mail at the last known address of the person making the confession of judgment, without regard to the county or state of his residency. This notice shall state that the property shall be subject to the tax forfeiture laws if payment is not made within 60 days from the preceding December 31. Failure to send or receive the notice shall not operate to postpone any payment or excuse any default under the confession of judgment. Proof of such mailing shall be made by the certificate of the auditor filed in his office.*

Sec. 17. Minnesota Statutes 1980, Section 281.23, Subdivision 5, is amended to read :

Subd. 5. [SERVICE BY SHERIFF OR CERTIFIED MAIL.] Forthwith after the commencement of such publication the county auditor shall deliver to the sheriff of the county a sufficient number of copies of such published notice for service upon the persons in possession of all parcels of such land as are actually occupied, together with a copy of the posted notice or notices referred to in such published notice. Within 30 days after receipt thereof, the sheriff shall make such investigation as may be necessary to ascertain whether the parcels covered by such notice are actually occupied or not, and shall serve a copy of such published notice upon the person in possession of each parcel found to be so occupied, in the manner prescribed for serving summons in a civil action. The sheriff shall make prompt return to the auditor as to all notices so served and as to all parcels found vacant and unoccupied. Such return shall be made upon a copy of such published notice and of the posted notice or notices covered thereby and shall be prima facie evidence of the facts therein stated. Unless compensation for such services is otherwise provided by law, the sheriff shall receive from the county, in addition to his other compensation prescribed by law, such fees and mileage for service on persons in possession as are prescribed by law for such service in other cases, and shall also receive such compensation for making investigation and return as to vacant and unoccupied lands as the county board may fix, subject to appeal to the district court as in case of other claims against the county.

*Forthwith after the commencement of such publication, the county auditor shall also give notice by certified mail to the taxpayer as shown on the last statement without regard to the county or state of residency, and give notice by certified mail at the last known address of the person in whose name the property is assessed on the latest tax statement without regard to the county or state of residency. Failure to receive the notice shall not operate to postpone any payment or excuse any default under*

*this section. Proof of such mailing shall be made by the certificate of the auditor filed in his office.*

**Sec. 18. [TRANSITIONAL PROVISION.]**

*Any parcel of property forfeited subsequent to January 1, 1978 and prior to December 31, 1978, the landowner of which would have received the notice provided in section 16 if section 16 had been in effect at the time the installment payment on his property became overdue, and which has not been sold pursuant to chapter 282, may be repurchased pursuant to section 282.241 without the approval of the board of county commissioners. This provision shall apply only if*

*(a) the landowner or if the landowner is a corporation, the corporation or the shareholders of the corporation individually, have been the owner or owners of the property for a period of at least 15 years prior to the date of forfeiture, and during the period of ownership current taxes were timely paid for at least seven successive years; and*

*(b) the investment of the landowner or if the landowner is a corporation, of the corporation or the shareholders of the corporation individually, in taxes, special assessments, penalties, interest and costs paid prior to the forfeiture exceeds \$8,000; and*

*(c) prior to June 15, 1981, the landowner tenders to the county treasurer of the county in which the land is located, notwithstanding the provisions of section 282.261, full payment of the total cost of repurchase of the land as computed pursuant to sections 282.241 and 282.51.*

**Sec. 19. Minnesota Statutes 1980, Section 290A.04, Subdivision 2c, is amended to read:**

**Subd. 2c.** If the net property taxes payable on a homestead in 1981 increase more than ten percent over the net property taxes payable in 1980 on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 50 percent of the amount by which the increase exceeds ten percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed (\$300) \$500.

For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 273.13, subdivisions 6, 7 and 14a; and 273.115, subdivision 1; and Laws 1980, Chapter 432, Section 7; and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b.

In addition to proofs required pursuant to this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

Sec. 20. Minnesota Statutes 1980, Section 290A.04, is amended by adding a subdivision to read:

*Subd. 2d. If the net property taxes payable on a homestead increase more than 20 percent over the net property taxes payable in the previous year on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 75 percent of the amount by which the increase exceeds 20 percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed \$200.*

*For purposes of this subdivision, "net property taxes payable" means property taxes, whether or not the taxes are eligible for reimbursement pursuant to section 273.13, subdivision 15b, payable after reductions made pursuant to sections 273.13, subdivisions 6, 7 and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 124.213; 273.135; and 273.1391; and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b but with no deduction of the amount received pursuant to this subdivision for the preceding year.*

*In addition to proofs required pursuant to this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.*

*On or before December 1, 1981, the commissioner shall redetermine the estimated total amount of the refunds paid or payable pursuant to Minnesota Statutes 1980, Section 290A.04, Subdivision 2c. If the amount so redetermined is less than \$13,800,000, the commissioner shall add the difference to the appropriation provided in section 24 to make the payments.*

*On or before December 1, 1981, the commissioner shall estimate the cost of making the payments provided by this section. If the estimated total refund claims exceed the total funds available to pay the refunds, the commissioner shall reduce the allowable refunds on a proportional basis.*

## **Sec. 21. [AGRICULTURAL LAND VALUATION REPORT.]**

*By November 1, 1981, each county assessor shall report to the department of revenue on the 1981 estimated market values of each grade of tillable agricultural land and the average rental values of each grade of tillable agricultural land that would be used in a property tax assessment system based on an income capitalization approach for each township in the county.*

*By January 15, 1982, the department shall report to the legislature its findings and recommendations, derived from that information, regarding valuations to be used in a property tax assessment system based on an income capitalization approach.*

**Sec. 22. [CITY OF AUSTIN; PROPERTY TAX EXEMPTION.]**

*The holding of property by the city of Austin for later resale for economic development purposes shall be considered a public purpose in accordance with Minnesota Statutes, Section 272.02, Subdivision 1, Clause (7) for a period not to exceed six years. This subdivision shall not operate to create an exemption from sections 272.01, subdivision 2; 272.68; 273.19; or 462.575, subdivision 3; or other provision of law providing for the taxation of or for payments in lieu of taxes for publicly held property which is leased, loaned, or otherwise made available and used by a private person.*

**Sec. 23. Minnesota Statutes 1980, Section 360.035, is amended to read:**

**360.035 [EXEMPTION FROM TAXATION.]**

*Any properties, real or personal, acquired, owned, leased, controlled, used, or occupied by a municipality for any of the purposes of sections 360.011 to 360.076, are declared to be acquired, owned, leased, controlled, used, or occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any of its political subdivisions. Nothing contained in sections 360.011 to 360.076 shall be construed as exempting properties, real or personal, leased from the municipality to a tenant or lessee who is a private person, association, or corporation from assessments or taxes. (IF ANY SUCH) Leased municipal airport property (IS TAXABLE TO THE LESSEE, THE MUNICIPALITY) that is not located at the airport operated by the metropolitan airports commission shall not be subject to payment of any portion of rentals under section 272.68, subdivision 3.*

**Sec. 24. [APPROPRIATION.]**

*There is appropriated from the general fund to the commissioner of revenue \$14,000,000 to be used during either fiscal year 1982 or 1983 to make the refunds provided in section 20. This appropriation shall expire June 30, 1983.*

**Sec. 25. [EFFECTIVE DATE.]**

*Sections 1, 2, 5 to 15, 20, and 22 are effective for taxes levied in 1981 and thereafter, payable in 1982 and thereafter. Sections 3 and 4 are effective for taxes levied in 1983 and thereafter, payable in 1984 and thereafter. Section 18 is effective the day following final enactment. Section 19 is effective for taxes levied in 1980, payable in 1981. If a claimant filed a property tax refund for property taxes payable in 1981 and, if as a result of section 19 the amount of the eligible refund has changed, the claimant may file an amended return pursuant to section 290.391 to obtain any additional refund due. Taxpayers who meet the require-*

*ments in section 9 and who notify the assessor prior to September 1, 1981, shall receive homestead classification on the qualifying property for the 1981 assessment to the same extent as other 3c and 3cc property.*

### ARTICLE III

#### PAYMENT RESCHEDULING AND LIMITATIONS

Section 1. Minnesota Statutes 1980, Section 270.75, is amended to read:

#### 270.75 [INTEREST PAYABLE TO COMMISSIONER.]

Subdivision 1. If any tax payable to the commissioner of revenue or to the department of revenue is not paid within the time specified by law for payment, the unpaid tax shall bear interest at the rate of (EIGHT) 12 percent per annum from the date such tax should have been paid until the date that the tax was paid, unless otherwise provided by law. (UNPAID TAXES COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE SUCH TAX SHOULD HAVE BEEN PAID UNTIL THE DATE THAT THE TAX WAS PAID.)

Subd. 2. When an extension of time has been granted by the commissioner, interest shall be paid at the rate of (EIGHT) 12 percent per annum from the date such payment should have been made, if no extension had been granted, until the date of payment of such tax. (UNPAID TAXES COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE SUCH PAYMENT SHOULD HAVE BEEN MADE, IF NO EXTENSION HAD BEEN GRANTED, UNTIL THE DATE OF PAYMENT OF SUCH TAX.)

Subd. 3. If any penalty payable to the commissioner of revenue shall by law bear interest, such penalty shall bear interest at the rate of (EIGHT) 12 percent per annum from the date the penalty was assessable until the date that such penalty was paid, unless a different rate of interest is otherwise provided by law. (ANY PENALTY COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE THE PENALTY WAS ASSESSABLE UNTIL THE DATE THAT SUCH PENALTY WAS PAID.)

Subd. 4. There shall be added to the amount of any underpayment of estimated income tax, computed pursuant to chapter 290, an amount in lieu of interest determined at the rate of (EIGHT) 12 percent per annum.

Sec. 2. Minnesota Statutes 1980, Section 273.136, Subdivision 3, is amended to read:

Subd. 3. The commissioner of finance shall pay out of the taconite property tax relief account to each county treasurer one-half of the amount certified under subdivision 2 not later than (JUNE 15) *July 15* and the remaining half not later than November 15 of each year commencing in (1974) *1982*.

Sec. 3. Minnesota Statutes 1980, Section 290A.03, Subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person, other than a dependent, who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes, *including payments of special assessments imposed in lieu of ad valorem taxes*, are payable at some time during the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a (UNIT) *nursing home on which ad valorem taxes were not payable. "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long term residential facility whose rent constituting property taxes is paid pursuant to the supplemental security income program under Title XVI of the social security act, the Minnesota supplemental aid program under sections 256D.35 to 256D.41, the medical assistance program pursuant to Title XIX of the social security act, or the general assistance medical care program pursuant to section 256D.03, subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3 reduced by the total amount of income from the above sources and the denominator of which is income as defined in subdivision 3, to determine the allowable refund pursuant to this chapter.* In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.

If a homestead is occupied by two or more renters, who are not husband and wife, the rent shall be deemed to be paid equally by

each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 4. Minnesota Statutes 1980, Section 290A.07, Subdivision 2, is amended to read:

Subd. 2. A claimant (WHO IS A RENTER OR) who had attained the age of 65 or had been disabled prior to June 1 of the year following the year for which the taxes were levied or in which the rent was paid shall receive full payment no later than 60 days after receipt of the application or may elect to take as a credit against his income tax the full amount.

Sec. 5. Minnesota Statutes 1980, Section 290A.07, is amended by adding a subdivision to read:

Subd. 2a. A claimant not included in subdivision 2 who is a renter shall receive full payment prior to August 15 or 60 days after receipt of the application, whichever is later.

Sec. 6. Minnesota Statutes 1980, Section 290A.07, Subdivision 3, is amended to read:

Subd. 3. Any claimant not included in subdivision 2 or section 5 shall receive full payment after September 30 and prior to October 15.

Sec. 7. [295.365] [DECLARATIONS OF ESTIMATED GROSS EARNINGS TAX BY TELEGRAPH AND TELEPHONE COMPANIES.]

*Every telegraph company subject to taxation pursuant to section 295.32 and every telephone company subject to taxation pursuant to section 295.34, shall make a declaration of estimated gross earnings tax for the calendar year. The declaration of estimated tax shall be filed on or before March 15. The amount of estimated tax with respect to which a declaration is required shall be paid in four equal installments on or before the 15th day of March, June, September, and December. An amendment of a declaration may be filed in any interval between installment dates prescribed above but only one amendment may be filed in each such interval.*

*If any amendment of a declaration is filed, the amount of each remaining installment shall be the amount which would have been payable if the new estimate had been made when the first estimate for the calendar year was made, increased or decreased, as the case may be, by the amount computed by dividing*

*(1) the difference between (A) the amount of estimated tax required to be paid before the date on which the amendment was made, and (B) the amount of estimated tax which would have been required to be paid before such date if the new estimate had been made when the first estimate was made, by*

*(2) the number of installments remaining to be paid on or after the date on which the amendment is made.*



*The commissioner of revenue may grant a reasonable extension of time for filing any declaration but such extension shall not be for more than six months.*

**Sec. 8. [295.366] [FAILURE BY TELEGRAPH OR TELEPHONE COMPANY TO PAY ESTIMATED GROSS EARNINGS TAX.]**

*Subdivision 1. [ADDITION TO THE TAX.] In case of any underpayment of estimated tax by a telegraph or telephone company, except as provided in subdivision 4, there shall be added to the tax for the taxable year an amount determined at the rate specified in section 270.75 upon the amount of the underpayment (determined under subdivision 2) for the period of the underpayment (determined under subdivision 3).*

*Subd. 2. [AMOUNT OF UNDERPAYMENT.] For purposes of subdivision 1, the amount of the underpayment shall be the excess of*

*(1) the amount of the installment, over*

*(2) the amount, if any, of the installment paid on or before the last date prescribed for payment.*

*Subd. 3. [PERIOD OF UNDERPAYMENT.] The period of the underpayment shall run from the date the installment was required to be paid to whichever of the following dates is the earlier.*

*(1) The 15th day of the third month following the close of the taxable year.*

*(2) With respect to any portion of the underpayment, the date on which such portion is paid. For purposes of this paragraph, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment determined under subdivision 2(1) for such installment date.*

*Subd. 4. [EXCEPTION.] Notwithstanding the provisions of the preceding subdivisions, the addition to the tax with respect to any underpayment of any installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of such installment equals or exceeds the amount which would have been required to be paid on or before such date if the estimated tax were whichever of the following is the lesser*

*(1) The tax shown on the return of the corporation for the preceding taxable year.*

*(2) Eighty per cent of the actual liability for the calendar year.*

Sec. 9. Minnesota Statutes 1980, Section 477A.13, is amended to read:

**477A.13 [TIME OF PAYMENT, DEDUCTIONS.]**

Payments to the counties shall be made from the general fund during the month of (JANUARY) *July* of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections 84A.51, 89.036, 97.49, subdivision 3, and 272.68, subdivision 3 with respect to the lands certified pursuant to section 477A.12.

**Sec. 10. [APPROPRIATION LIMITATIONS.]**

*Subdivision 1. [GENERALLY.] Notwithstanding any other provision of law regarding standing appropriations to the contrary, appropriations for the purposes set forth in this section shall be limited as provided herein.*

*Subd. 2. [STATE SCHOOL AGRICULTURAL CREDIT.] The appropriation from the general fund to the department of education for the purpose of making the payments provided in Minnesota Statutes, Section 124.213, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$68,400,000; and in fiscal year 1983, the appropriation shall not exceed \$75,400,000. In the event that the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.*

*Subd. 3. [WETLANDS CREDIT.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.115, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$3,200,000; and in fiscal year 1983, the appropriation shall not exceed \$3,700,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.*

*Subd. 4. [NATIVE PRAIRIE CREDIT.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.116, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$100,000; and in fiscal year 1983, the appropriation shall not exceed \$100,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.*

*Subd. 5. [ATTACHED MACHINERY AID.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota*

*Statutes, Section 273.138, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$11,500,000; and in fiscal year 1983, the appropriation shall not exceed \$11,500,000. In the event that the sum of the aid calculations exceeds the amount provided in fiscal years 1982 or 1983, the aid calculation amounts shall be proportionally reduced so that the sum equals the amount appropriated.*

*Subd. 6. [TITLE II AND 3CC REIMBURSEMENTS.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.139, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$10,000,000; and in fiscal year 1983, the appropriation shall not exceed \$13,500,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.*

Sec. 11. [REPEALER.]

*Minnesota Statutes 1980, Section 291.33, is repealed.*

Sec. 12. [EFFECTIVE DATE.]

*Section 1, subdivisions 1, 2, and 3 are effective for taxes becoming due after June 30, 1981. Section 1, subdivision 4, is effective for taxable years beginning after December 31, 1980. Sections 2 and 9 are effective January 1, 1982. Section 3 is effective for claims based on rent paid in 1981 and subsequent years. Sections 4, 5, and 6 are effective for claims based on rent paid in 1982 and subsequent years. Sections 7 and 8 are effective for taxable years beginning after December 31, 1982. Section 11 is effective January 1, 1981.*

## ARTICLE IV

### SALES TAX

Section 1. Minnesota Statutes 1980, Section 297A.01, Subdivision 3, is amended to read:

Subd. 3. A "sale" and a "purchase" includes, but is not limited to, each of the following transactions:

(a) Any transfer of title or possession, or both, of tangible personal property, whether absolutely or conditionally, and the leasing of or the granting of a license to use or consume tangible personal property, for a consideration in money or by exchange or barter;

(b) The production, fabrication, printing or processing of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the production, fabrication, printing or processing;

(c) The furnishing, preparing or serving for a consideration of food, meals or drinks, not including hospitals, sanatoriums, nursing homes or senior citizens homes, meals or drinks purchased for and served exclusively to individuals who are 60 years of age or over and their spouses or to the handicapped and their spouses by governmental agencies, nonprofit organizations, agencies, or churches or pursuant to any program funded in whole or part through 42 USCA sections 3001 to 3045, wherever delivered, prepared or served, meals and lunches served at public and private schools, universities or colleges, or the occasional meal thereof by a charitable or church organization;

(d) The granting of the privilege of admission to places of amusement or athletic events and the privilege of use of amusement devices or *athletic facilities*;

(e) The furnishing for a consideration of lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp and of the granting of any similar license to use real property other than the renting or leasing thereof for a continuous period of 30 days or more;

(f) The furnishing for a consideration of electricity, gas, water, or steam for use or consumption within this state, or local exchange telephone service and intrastate toll service except such service provided by means of coin operated telephones; the tax imposed on amounts paid for telephone services is the liability of and shall be paid by the person paying for the services. Sales by municipal corporations in a proprietary capacity are included in the provisions of this clause. The furnishing of water and sewer services for residential use shall not be considered a sale.

Sec. 2. Minnesota Statutes 1980, Section 297A.25, Subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, *but not including foods which are prepared or specially sliced, wrapped, arranged or displayed, and sold cold or hot for immediate consumption on or off the premises on which the sale is made, whether sold in individual servings or in larger quantities, except food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge;*

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocket-books, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or there-

with shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational

functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of cigarettes.

(s) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(t) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(u) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(x) The gross receipt from the sale of residential heating fuels in the following manner:

(i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;



(ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;

(iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.

(y) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of section 290.05, subdivision 1, clause (i).

(z) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:

(i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1978; and

(ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.

(aa) *The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.*

### Sec. 3. [297A.275] [ACCELERATED PAYMENT OF JUNE LIABILITY.]

*Every vendor having a liability of \$13,000 or more in May 1982 or in May of each subsequent year, shall be required to remit the June liability in the manner required by this section.*

*On or before June 25, 1982, or June 25 of each subsequent year, the vendor shall remit the actual May liability and 50 percent of the estimated June liability to the commissioner and file the return on a form prescribed by the commissioner.*

*On or before July 25, 1982, or July 25 of each subsequent year, the vendor shall submit a return showing the actual June liability and paying the additional amount of tax not remitted in June. If the actual amount paid in June constituting 50 percent of the June liability is less than 50 percent of the actual June liability, there is hereby imposed a penalty equal to ten percent of the*

*difference between 50 percent of the actual June liability and the amount of June liability paid in June. However, the penalty shall not be imposed if the amount remitted in June equals 50 percent of the preceding May's liability.*

Sec. 4. Laws 1980, Chapter 607, Article V, Section 5, is amended to read:

Sec. 5. [EFFECTIVE DATE.]

The provisions of section 1 relating to purchases by flying clubs or associations is effective for sales after June 30, 1980. The provisions of section 1 relating to aircraft exclusively used for leasing are effective November 1, 1979. Section 2, clause (y) and section 4 are effective for tickets sold or admissions charged after July 31, 1980; *provided, however, that tickets shall be deemed sold and admissions shall be deemed charged at the time of performance.* Section 2, clause (z) is effective for sales made after June 30, 1980.

Sec. 5. [EFFECTIVE DATE.]

*Section 2 is effective for sales made after June 30, 1981. Section 1 is effective the day following final enactment and the commissioner of revenue shall entertain claims for refund filed pursuant to the Minnesota Supreme Court decision in C. G. Rein Company vs. Commissioner of Revenue only if the vendor can demonstrate to the satisfaction of the commissioner that the sales tax will be refunded by the vendor to the person who originally paid the tax. Section 4 is effective for admissions or performances after July 31, 1980.*

## ARTICLE V

### LEVY LIMITATIONS

Section 1. Minnesota Statutes 1980, Section 18.023, is amended by adding a subdivision to read:

*Subd. 13. [MUNICIPAL OPTION TO PARTICIPATE IN PROGRAM.] After December 31, 1981, the term "municipality" shall include only those municipalities which have informed the commissioner of their intent to continue an approved disease control program. Any municipality desiring to participate in the grants-in-aid for the partial funding of municipal sanitation and reforestation programs must notify the commissioner in writing before the beginning of the calendar year in which it wants to participate and must have an approved disease control program during any year in which it receives grants-in-aid. Notwithstanding the provisions of any law to the contrary, no municipality shall be required to have an approved disease control program after December 31, 1981.*

Sec. 2. Minnesota Statutes 1980, Section 273.13, is amended by adding a subdivision to read:

**Subd. 15b. [PROPERTY TAX CREDITS LIMITATION.]**  
*The property tax subject to the 58 percent homestead credit provided by subdivisions 6, 7 and 14a, to the homestead property tax relief provided by section 273.135 and to the supplementary homestead property tax relief provided by section 273.1391, shall be based on the total mill rate of all taxing districts levying a tax on the homestead property unless the payable 1982 total levy of a taxing district other than a school district or the metropolitan transit commission is more than 108 percent of its payable 1981 total levy. If the payable 1982 total levy of such taxing district is more than 108 percent of its payable 1981 total levy, then that total mill rate shall be based on 108 percent of the taxing district's payable 1981 total levy. The commissioner of revenue shall determine and certify to all county auditors the product of each taxing district's payable 1981 total levy multiplied by 108 percent. In the event that the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.*

**Sec. 3. Minnesota Statutes 1980, Section 275.50, Subdivision 2, is amended to read:**

**Subd. 2. "Governmental subdivision"** means any county, (CITY, STATUTORY CITY, OR TOWN HAVING THE POWERS OF A STATUTORY CITY PURSUANT TO SECTIONS 368.01 OR 368.61, OR BY SPECIAL LAW) *home rule charter city, statutory city, town or special taxing district determined by the department of revenue. The term does not include school districts (, TOWNS WITHOUT STATUTORY CITY POWERS, OR SPECIAL TAXING DISTRICTS DETERMINED BY THE DEPARTMENT OF REVENUE) or the metropolitan transit commission created pursuant to section 473.404.*

**Sec. 4. Minnesota Statutes 1980, Section 275.50, Subdivision 5, is amended to read:**

**Subd. 5. Notwithstanding any other law to the contrary for taxes levied in (1979) 1981 payable in (1980 AND THEREAFTER) 1982, "special levies"** means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;

(b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof,

which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;

(c) pay the costs to a governmental subdivision for their minimum required share of any program otherwise authorized by law (, INCLUDING THE ADMINISTRATIVE COSTS OF SOCIAL SERVICES BUT NOT ADMINISTRATIVE COSTS OF PUBLIC ASSISTANCE PROGRAMS OR OF COUNTY WELFARE SYSTEMS,) for which matching funds have been appropriated by the state of Minnesota or the United States, (BUT ONLY TO THE EXTENT THAT THE COSTS TO THE GOVERNMENTAL SUBDIVISION FOR THE PROGRAM EXCEED THOSE EXPENDED IN CALENDAR YEAR 1970, SUBJECT TO RULES PROMULGATED BY THE COMMISSIONER OF REVENUE PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT. AMOUNTS LEVIED PURSUANT TO THIS CLAUSE WHICH ARE IN EXCESS OF THE AMOUNT NECESSARY TO MEET THE MINIMUM REQUIRED SHARE OF A PROGRAM SHALL BE DEDUCTED FROM THE GENERAL LEVY MADE IN THE FOLLOWING YEAR) *excluding the administrative costs of public assistance programs, to the extent of the increase in levy for the taxes payable year 1982 over the amount levied for the local share of the program for the taxes payable year 1971. This clause shall apply only to those programs or projects for which matching funds have been designated by the state of Minnesota or the United States on or before September 1, 1981 and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during 1982 or those programs or projects approved by the commissioner;*

(d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. *Except for the costs of general assistance medical care under section 256D.03 and the costs of hospital care pursuant to section 261.21, the aggregate amounts levied pursuant to this clause are subject to a maximum increase of 18 percent over the amount levied for these purposes for the taxes payable year 1981;*

(e) pay the costs of principal and interest on bonded indebtedness, or, effective for taxes levied in 1973 and years thereafter, to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(f) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency;

(g) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(h) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(I) PAY THE AMOUNTS REQUIRED TO COMPENSATE FOR A DECREASE IN REVENUES FROM PUBLIC SERVICE ENTERPRISES, MUNICIPAL LIQUOR STORES, LICENSES, PERMITS, FINES AND FORFEITS AND NO OTHER, TO THE EXTENT THAT THE AGGREGATE OF REVENUES FROM THESE SOURCES IN THE CALENDAR YEAR PRECEDING THE YEAR OF LEVY ARE LESS THAN THE INFLATION ADJUSTED AGGREGATE OF REVENUES FROM THESE SOURCES IN CALENDAR YEAR 1971. "REVENUES" FROM A PUBLIC SERVICE ENTERPRISE OR A MUNICIPAL LIQUOR STORE SHALL MEAN THE NET INCOME OR LOSS OF SUCH PUBLIC SERVICE ENTERPRISE OR MUNICIPAL LIQUOR STORE, DETERMINED BY SUBTRACTING TOTAL EXPENSES FROM TOTAL REVENUES, AND BEFORE ANY CONTRIBUTION TO OR FROM THE GOVERNMENTAL SUBDIVISION. "FINES" FOR A MUNICIPAL COURT MEANS THE NET AMOUNT REMAINING AFTER SUBTRACTING TOTAL MUNICIPAL COURT EXPENSES FROM TOTAL COLLECTIONS OF MUNICIPAL COURT FINES. THE "INFLATION ADJUSTED AGGREGATE OF REVENUES IN CALENDAR YEAR 1971" SHALL BE THE SUM OF (A) THE AGGREGATE OF REVENUES RECEIVED IN CALENDAR YEAR 1971 MULTIPLIED BY THE TOTAL PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX FOR THE MINNEAPOLIS-ST. PAUL AREA FROM THE CALENDAR YEAR 1971 TO JUNE OF THE LEVY YEAR PLUS (B) THE AGGREGATE OF REVENUES RECEIVED IN CALENDAR YEAR 1971. THE COMMISSIONER OF REVENUE SHALL CALCULATE AND NOTIFY THE GOVERNMENTAL SUBDIVISIONS OF THE INFLATION ADJUSTMENT BY SEPTEMBER OF THE LEVY YEAR. A GOVERNMENTAL SUBDIVISION SHALL QUALIFY FOR THIS SPECIAL LEVY ONLY IF THE DECREASE IN AGGREGATE REVENUES AS COMPUTED HEREIN AND DIVIDED BY THE POPULATION OF THE GOVERNMENTAL SUBDIVISION IN THE PRECEDING LEVY YEAR IS EQUAL TO OR GREATER THAN TWO PERCENT OF THE PER CAPITA LEVY LIMITATION FOR THE PRECEDING LEVY YEAR;)

((J)) (i) pay the amounts required to compensate for a decrease in mobile homes property tax receipts to the extent that the governmental subdivision's portion of the total levy in the current levy year, pursuant to section 273.13, subdivision 3, as amended, is less than the distribution of the mobile homes tax to the governmental subdivision pursuant to section 273.13, subdivision 3, in calendar year 1971;

((K)) (j) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission in levy year 1971 or a subsequent levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

((L)) (k) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

((M)) (l) pay the increased cost of municipal services as the result of an annexation or consolidation ordered by the Minnesota municipal board in levy year 1971 or a subsequent levy year, but only to the extent and for the levy years as provided by the board in its order pursuant to section 414.01, subdivision 15. Special levies authorized by the board shall not exceed 50 percent of the levy limit base of the governmental subdivision and may not be in effect for more than three years after the board's order;

((N)) (m) pay the increased costs of municipal services provided to new private industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows. The governmental subdivision may calculate the aggregate of:

(1) The increased expenditures necessary in preparation for the delivering of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;

(2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels

subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and nonresidential commercial development which are paid by bonded indebtedness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and nonresidential commercial development. In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one-half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;

((O)) (n) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48;

((P)) (o) pay amounts required by law to be paid to reduce unfunded accrued liability of public pension funds, including interest thereon, in accordance with the actuarial standards and guidelines specified in sections 69.71 to 69.776 and 356.215 reduced for levy year 1977 and subsequent years by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;

((Q)) (p) the amounts allowed under section 174.27 to establish and administer a commuter van program;

((R)) (q) pay the costs of financial assistance to local governmental units and certain administrative, engineering, and legal expenses pursuant to Laws 1979, Chapter 253, Section 3;

((S)) (r) compensate for revenue lost as a result of abatements or court action pursuant to sections 270.07, 270.17 or 278.01 due to a reassessment ordered by the commissioner of revenue pursuant to section 270.16.

Sec. 5. Minnesota Statutes 1980, Section 275.51, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any provisions of law or municipal charter to the contrary which authorize ad valorem

levies in excess of the limitations established by sections 275.50 to 275.56, but subject to section 275.56, the provisions of this section shall apply to the levies by governmental subdivisions (IN) for the (YEARS 1975, 1976 AND SUBSEQUENT YEARS) taxes payable year 1982 for all purposes other than those for which special levies and special assessments are made. Any law or special act enacted in 1981 which authorizes a property tax levy in excess of the limitation imposed by this section is exempt from the provisions of this section.

Sec. 6. Minnesota Statutes 1980, Section 275.51, is amended by adding a subdivision to read:

*Subd. 3e. The property tax levy limitation for any governmental subdivision for the taxes payable year 1982 shall be calculated as follows:*

*(a) If the governmental subdivision was subject to the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, the amounts levied by the governmental subdivision for the taxes payable year 1981 pursuant to Minnesota Statutes 1980, Section 275.50, Subdivision 5, Clause (i) and subdivision 6 are added to the amount actually levied by the governmental subdivision for the taxes payable year 1981 pursuant to the levy limitation calculated under Minnesota Statutes 1980, Section 275.51.*

*(b) If the governmental subdivision was not subject to the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, the total amount actually levied by the governmental subdivision for the taxes payable year 1981 is reduced by the amounts levied for those purposes described in Minnesota Statutes 1980, Section 275.50, Subdivision 5, Clauses (e), (f), (g), and (h).*

*(c) The total property tax levy of a governmental subdivision for the taxes payable year 1981 described in clause (b) shall be the amount certified on the abstracts of tax lists submitted pursuant to section 275.29. For a governmental subdivision within the metropolitan area defined by section 473F.02, subdivision 2, the property tax levy for payable 1981 includes the tax on distribution value for the taxes payable year 1981 pursuant to section 473F.12.*

*(d) The amount determined in clause (a) or (b) is divided by the total number of homesteads within the governmental subdivision reported on the 1980 abstracts of tax lists and multiplied by the total number of homesteads within the governmental subdivision reported on the 1981 abstracts of tax lists, both of which are submitted pursuant to section 275.29. If the resulting figure is less than the amount determined in clause (a) or (b), the resulting figure is increased to the amount calculated in clause (a) or (b).*

*(e) The result of the calculation in clause (d) is multiplied by 108 percent. The resulting figure is the maximum amount that the governmental subdivision may levy for the taxes payable year 1982 for all purposes except special levies and special assessments.*



(f) *To the extent the levy of the metropolitan council for taxes payable in 1981 was less than its levy limitation for that year, it may apply to the commissioner to have its levy limitation increased by the amount by which the 1981 levy limitation exceeded the 1981 levy. The adjustment shall be added to the amount calculated in clause (a).*

(g) *If the sum of a governmental subdivision's levies for the principal and interest on bonded indebtedness or certificates of indebtedness pursuant to section 275.50, subdivision 5, clauses (e), (f), (g) and (h) for the taxes payable year 1982 is less than 108 percent of the total amount that it levied for those purposes for the taxes payable year 1981, the governmental subdivision may choose to levy for these purposes within its levy limitation in lieu of the special levy provisions of section 275.50, subdivision 5, clauses (e), (f), (g) and (h). If the governmental subdivision chooses to levy for these purposes within its levy limitation, it shall notify the commissioner of revenue of its intent by October 1, 1981. The amount levied by the governmental subdivision for the taxes payable year 1981 for the purposes described in section 275.50, subdivision 5, clauses (e), (f), (g) and (h) will then be added to the amount calculated in clause (a) or (b).*

Sec. 7. Minnesota Statutes 1980, Section 275.51, Subdivision 4, is amended to read:

Subd. 4. If in any year subsequent to 1973 the levy made by a governmental subdivision exceeds the limitation provided in sections 275.50 to 275.56, except when such excess levy is due to the rounding of the mill rates of the governmental subdivision in accordance with section 275.28, subsequent distributions required to be made by the commissioner of finance from any formula aids pursuant to section 477A.01, shall be reduced 33 cents for each full dollar the levy exceeds the limitation ( ; PROVIDED THAT A GOVERNMENTAL SUBDIVISION MAY DETERMINE TO LEVY IN EXCESS OF THE LIMITATION PROVIDED IN SECTIONS 275.50 TO 275.56 BY NOT TO EXCEED FIVE PERCENT BY PASSING A RESOLUTION SETTING FORTH THE AMOUNT BY WHICH THE LEVY LIMIT IS PROPOSED TO BE EXCEEDED. THEREAFTER THE RESOLUTION SHALL BE PUBLISHED FOR TWO SUCCESSIVE WEEKS IN THE OFFICIAL NEWSPAPER OF THE GOVERNMENTAL SUBDIVISION OR IF THERE BE NO OFFICIAL NEWSPAPER, IN A NEWSPAPER OF GENERAL CIRCULATION THEREIN, TOGETHER WITH A NOTICE FIXING A DATE FOR A PUBLIC HEARING ON THE PROPOSED INCREASE WHICH HEARING SHALL BE HELD NOT LESS THAN TWO WEEKS NOR MORE THAN FOUR WEEKS AFTER THE FIRST PUBLICATION OF THE RESOLUTION. FOLLOWING THE PUBLIC HEARING, THE GOVERNING BODY MAY DETERMINE TO TAKE NO FURTHER ACTION, OR IN THE ALTERNATIVE, ADOPT A RESOLUTION AUTHORIZING THE LEVY AS ORIGINALLY PROPOSED, OR ADOPT A RESOLUTION APPROVING A LEVY IN SUCH LESSER AMOUNT AS IT SO DETERMINES.

THE RESOLUTION AUTHORIZING A LEVY IN EXCESS OF THE LIMITATION IMPOSED BY SECTIONS 275.50 TO 275.56 SHALL BE PUBLISHED IN THE OFFICIAL NEWSPAPER OF THE GOVERNMENTAL SUBDIVISION OR IF THERE BE NO OFFICIAL NEWSPAPER, IN A NEWSPAPER OF GENERAL CIRCULATION THEREIN. IF WITHIN 30 DAYS THEREAFTER, A PETITION SIGNED BY VOTERS EQUAL IN NUMBER TO FIVE PERCENT OF THE VOTES CAST IN THE GOVERNMENTAL SUBDIVISION IN THE LAST GENERAL ELECTION OR 2,000 VOTERS, WHICHEVER IS LESS, REQUESTING A REFERENDUM ON THE PROPOSED RESOLUTION IS FILED WITH THE CLERK OR RECORDER OF THE GOVERNMENTAL SUBDIVISION IF THE GOVERNMENTAL SUBDIVISION IS A CITY OR TOWN, OR WITH THE COUNTY AUDITOR IF THE GOVERNMENTAL SUBDIVISION IS A COUNTY, THE RESOLUTION SHALL NOT BE EFFECTIVE UNTIL IT HAS BEEN SUBMITTED TO THE VOTERS AT A GENERAL OR SPECIAL ELECTION AND A MAJORITY OF VOTES CAST ON THE QUESTION OF APPROVING THE RESOLUTION ARE IN THE AFFIRMATIVE. THE COMMISSIONER OF REVENUE IS DIRECTED TO PREPARE A SUGGESTED FORM OF QUESTION TO BE PRESENTED AT ANY SUCH REFERENDUM. A LEVY APPROVED AT ANY SUCH REFERENDUM HELD AT A SPECIAL OR GENERAL ELECTION HELD PRIOR TO OCTOBER 1 IN ANY LEVY YEAR INCREASES THE ALLOWABLE LEVY IN THAT SAME LEVY YEAR AND PROVIDES A PERMANENT ADJUSTMENT TO THE LEVY LIMIT BASE PER CAPITA OF THE GOVERNMENTAL SUBDIVISION FOR FUTURE LEVY YEARS, AND THERE SHALL BE NO REDUCTION IN DISTRIBUTIONS OF FORMULA AIDS TO THE GOVERNMENTAL SUBDIVISION AS A RESULT OF SUCH LEVY. IF NO REFERENDUM IS REQUESTED, THE EXCESS LEVY AUTHORIZED BY THE RESOLUTION, IF THE RESOLUTION IS ADOPTED PRIOR TO OCTOBER 1 IN ANY YEAR, MAY BE LEVIED IN THAT SAME LEVY YEAR AND SUBSEQUENT DISTRIBUTIONS REQUIRED TO BE MADE BY THE COMMISSIONER OF FINANCE FROM ANY FORMULA AIDS PURSUANT TO SECTION 477A.01, SHALL BE REDUCED 15 CENTS FOR EACH FULL DOLLAR THE LEVY EXCEEDS THE LIMITATION. THE PROVISIONS OF THIS SUBDIVISION SHALL APPLY TO THE LEVY OF A METROPOLITAN COUNTY BEFORE THE REDUCTION REQUIRED PURSUANT TO SECTION 163.051, SUBDIVISION 5).

Sec. 8. Minnesota Statutes 1980, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to sections

273.132 and 273.135, in any calendar year. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 23 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable.

*For property taxes levied in 1981, payable 1982, "property taxes payable" shall be limited to that portion of the property taxes eligible for the homestead credit as determined pursuant to section 2.*

Sec. 9. Minnesota Statutes 1980, Section 375.167, Subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATIONS.] Notwithstanding the provisions and limitations of section 275.09, and any other law to the contrary, the county board of any county may appropriate from the general revenue fund to any nonprofit corporation a sum not to exceed one-fourth of a mill on the dollar of the taxable valuation of the county for the purpose of providing legal assistance to persons who are unable to afford private legal counsel. This levy shall *not* be subject to the levy limits established by sections 275.50 to 275.59 or sections 3 to 7 and shall be disregarded in the calculation of levies subject to them.

Sec. 10. Minnesota Statutes 1980, Section 458.14, is amended to read:

**458.14 [RIGHT TO LEVY TAXES OR ASSESSMENTS FORBIDDEN.]**

The port authority shall have no right or authority to levy any tax or special assessment, nor to pledge the credit of the state, or any other subdivision or municipal corporation thereof; nor to incur any obligation enforceable upon any property, either with or without the port district, other than property owned by the port authority. Annually, at such time as may be fixed by charter, resolution, or ordinance of the city in and for which any such port authority is created, the port authority shall transmit to the council of such city a detailed estimate, in writing, of the amount of money which in its opinion will be required for the

business and proper conduct of its affairs during the next ensuing fiscal year, in excess of any expected receipts from the conduct of its business, or other sources, and any such city, in addition to all other powers now possessed thereby, and in addition to, and in excess of any limitation upon the amount it is otherwise permitted by law to levy as taxes, is hereby granted the power and authority, in its discretion, to levy taxes for the benefit of, and for expenditure by, such port authority, not exceeding in any one year an amount equal to a tax of five one-hundredths of one mill upon the dollar of the assessed valuation thereof, upon all the taxable property in such city, excluding money and credits, and any amount so levied for such purposes shall be paid over by the city treasurer to the treasurer of the port authority, for expenditure by it, as above provided. The fiscal year of such port authority shall be identical with the fiscal year of such city. The board of county commissioners of any county in which any such city is located, is also hereby authorized to appropriate for the use of such port authority, and to include therefor in its levy for general revenue purposes, such amount as it may deem proper; provided, that the total amount permitted by law to be levied by any county for general revenue purposes shall not be deemed increased by this provision; the board of county commissioners in any county entitled to appoint members of a seaway port authority, may annually, upon receipt of a budget as specified above from such port authority, in its discretion levy a tax sufficient to produce a sum not exceeding \$50,000 for the benefit of and for expenditure by such port authority to defray the costs of its current operations in the next ensuing fiscal year which levy shall not be included in computing the amount of levies subject to tax limitations under *chapter 275* or any other provision of law. The appropriation to a port authority of moneys derived from any of the county taxes herein authorized shall not be subject to any budgetary law applicable to said county. Any amounts so appropriated or levied by the county shall be paid over by the county treasurer to the port authority for expenditure by it as herein provided, at such times and in such manner as the county board may provide. When any city entitled to appoint members of a seaway port authority has secured the approval of two-thirds of the members of the city council of such city to issue its general obligation bonds, the proceeds of which are to be appropriated to such seaway port authority, the board of county commissioners of any county entitled to appoint members of such seaway port authority may by five-sevenths vote issue general obligation bonds of the county in an amount not to exceed \$4,000,000, and appropriate the proceeds thereof to be used by such port authority for any or all of the purposes specified in section 458.15, if the county board by resolution determines that the conservation, development, reclamation, protection and improvement of lands under the jurisdiction of such port authority and the construction of port facilities thereon will promote the public welfare of the county at large and the economic well-being of its people, industries and commerce, and is an essential governmental function of the county, and can best be performed through the medium of such port authority. Any

such bonds shall be issued, sold and secured as provided in sections 475.60 to 475.753; an election shall not be necessary to the validity of such bonds.

**Sec. 11. [GOODHUE COUNTY FAIR LEVY.]**

*Any limitation imposed upon the levy of Goodhue county by Minnesota Statutes, Sections 275.50 to 275.56, or sections 3 to 7 of this article, shall be increased for taxes levied in 1981 payable 1982 by an amount authorized by the county board not to exceed 1/12 of one mill to cover expenses of public fairs in the county as authorized by Minnesota Statutes, Section 38.28.*

**Sec. 12. [REPEALER.]**

*Minnesota Statutes 1980, Sections 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; and 275.59 are repealed.*

**Sec. 13. [EFFECTIVE DATE.]**

*Sections 1 to 9 and 12 are effective for property taxes levied in 1981 and subsequent years, payable in 1982 and subsequent years. Section 11 is effective the day after compliance by the Goodhue county board with Minnesota Statutes, Section 645.021, Subdivision 3.*

## ARTICLE VI

### LOCAL GOVERNMENT AIDS

**Section 1. [477A.011] [DEFINITIONS.]**

*Subdivision 1. [APPLICATION.] For the purposes of sections 1 to 4 the following terms shall have these meanings, unless otherwise provided to the contrary.*

*Subd. 2. [MUNICIPALITY.] Municipality means a statutory or home rule charter city or a town.*

*Subd. 3. [POPULATION.] Population means the population established by the most recent federal census, by a special census conducted under contract with the United States bureau of the census, by a population estimate made by the metropolitan council, or by a population estimate of the state demographer made pursuant to section 4.12, subdivision 7, clause (10), whichever is the most recent as to the stated date of the count or estimate.*

*Subd. 4. [EQUALIZED MUNICIPAL MILL RATE.] For any calendar year, a municipality's equalized municipal mill rate means its municipal mill rate for taxes payable in that year multiplied by its aggregate sales ratio for the previous year as prepared by the department of revenue pursuant to section 124.212.*

*Subd. 5. [AVERAGE EQUALIZED MUNICIPAL MILL RATE.] For any calendar year aid distribution, a municipality's average equalized municipal mill rate means the arithmetic average of its equalized municipal mill rate for the three calendar years previous to the aid distribution year.*

*Subd. 6. [CONSUMER PRICE INDEX INCREASE.] For any calendar year aid distribution, the consumer price index increase means the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor for the 12 month period ending in June of the previous year.*

*Subd. 7. [LOCAL REVENUE BASE.] For the 1982 aid distribution, a municipality's local revenue base means its local revenue base for the 1981 aid distribution calculated pursuant to Minnesota Statutes 1980, Section 477A.01, less any amount added to the local revenue base for the costs of principal and interest on bonded debt incurred for the purpose of providing capital replacement for streets, curbs, gutters, storm sewers, and bridges, increased in the manner prescribed by clauses (a) and (b). For all subsequent calendar year aid distributions, a municipality's local revenue base means its local revenue base for the previous year aid distribution calculated pursuant to sections 1 to 4 increased by:*

*(a) a percentage equal to the consumer price index increase; and*

*(b) a percentage equal to the percentage increase in population over that used to compute the previous year aid distribution, if any.*

*The local revenue base for a statutory or home rule charter city or a town having the powers of a statutory city pursuant to section 368.01 or special law which has a population of 2,500 or more according to the most recent federal census and which does not have a local revenue base for the previous year aid distribution shall be established by adding the prior year's local government aid received pursuant to Minnesota Statutes 1980, Section 477A.01 or sections 1 to 4, and the property tax levy, exclusive of levies for bonded indebtedness, in the preceding year and multiplying that sum by a percentage equal to the consumer price index increase.*

*Subd. 8. [PREVIOUS YEAR AID.] For the 1982 aid distribution, a municipality's previous year aid means its aid amount computed pursuant to Minnesota Statutes 1980, Sections 477A.01 to 477A.03, notwithstanding the amount withheld pursuant to section 16A.15 because funds in the state treasury were insufficient. For 1983 and all subsequent calendar year aid distributions, previous year aid means aid received pursuant to sections 1 to 4 in the previous calendar year.*

*Subd. 9. [MINIMUM INCREASE.] For any calendar year aid distribution, a municipality's minimum increase shall mean:*

*(a) \$5 per capita if its average equalized municipal mill rate is greater than 20 mills;*

(b) \$3 per capita if its average equalized municipal mill rate is greater than 10 mills but not greater than 20 mills;

(c) \$1 per capita if its average equalized municipal mill rate is not greater than 10 mills and if it is a statutory or a home rule charter city, or town which falls under the provisions of section 3, subdivision 2.

(d) \$0 if its average equalized municipal mill rate is not greater than 10 mills and if it is a town which does not fall under the provisions of section 3, subdivision 2.

**Subd. 10. [MAXIMUM INCREASE.]** For any calendar year aid distribution, a municipality's maximum increase shall mean the following percentage of its previous year aid:

(a) 12 percent if its previous year aid is greater than \$100 per capita;

(b) 15 percent if its previous year aid is greater than \$75 per capita but not greater than \$100 per capita;

(c) 17 percent if its previous year aid is greater than \$50 per capita but not greater than \$75 per capita;

(d) 20 percent if its previous year aid is not greater than \$50 per capita.

**Subd. 11. [EQUALIZED ASSESSED VALUE.]** For any calendar year aid distribution, a municipality's equalized assessed value means its previous year taxable valuation, adjusted for the contributions and distributions required by chapter 473F in the case of a city or town located within the metropolitan area and less the captured value in any tax increment district, divided by the municipality's aggregate sales ratio covering the period ending two years prior to the year of aid distribution.

## **Sec. 2. [477A.012] [COUNTY GOVERNMENT DISTRIBUTIONS.]**

*In each calendar year, every county government except that of a county containing a city of the first class shall receive a distribution equal to its previous year aid.*

## **Sec. 3. [477A.013] [MUNICIPAL GOVERNMENT DISTRIBUTIONS.]**

**Subdivision 1. [MUNICIPALITIES UNDER 2,500 POPULATION.]** *In each calendar year, each municipality which is not covered by the provisions of subdivision 2 shall receive a distribution equal to its previous year aid plus its minimum increase.*

**Subd. 2. [MUNICIPALITIES OVER 2,500 POPULATION.]** *In each calendar year, each statutory and home rule charter city,*

and each town having the powers of a statutory city pursuant to section 368.01 or special law, which has a population of 2,500 or more according to the latest federal census shall receive a distribution equal to the amount obtained by subtracting the product of 10 mills and the municipality's equalized assessed value from the local revenue base. This amount shall then be adjusted, so that it is neither less than the sum of its previous year aid and its minimum increase, nor greater than the sum of its previous year aid and its maximum increase.

**Sec. 4. [477A.014] [COMMISSIONER'S RESPONSIBILITIES.]**

**Subd. 1. [CALCULATIONS AND PAYMENTS.]** *The commissioner of revenue shall make all necessary calculations and make payments pursuant to sections 2, 3 and 6 directly to the affected taxing authorities in six installments on July 15, August 15, September 15, October 15, November 15 and December 15 annually.*

*For calendar year 1981 only, the commissioner shall make the payments in seven installments computed as follows: one-fourth of the calendar year 1981 aids shall be paid on March 15; the remaining amounts shall be divided into six equal payments to be made on July 15, August 15, September 15, October 15, November 15 and December 15.*

**Subd. 2. [ERRORS.]** *A taxing authority may object to the commissioner of revenue with respect to the amount of the distribution it has been certified to receive pursuant to subdivision 1. No objection shall be raised later than 60 days after the taxing authority has received notice from the commissioner of the amount which it has been certified to receive.*

**Subd. 3 [AID AMOUNT CORRECTION.]** *If, due to an error in the factors used to calculate a taxing authority's aid pursuant to section 2 or 3 the amount indicated in the certification of the commissioner to the taxing authority for a year is less than the amount to which it is entitled pursuant to this section, the commissioner of revenue shall additionally distribute the amount necessary to make the full correct distribution to the taxing authority. The additional distribution shall be paid from the general fund and shall not diminish the distributions made to other taxing authorities under this section.*

**Sec. 5. [477A.015] [NEW TAXES PROHIBITED.]**

*No county, city, town or other taxing authority shall increase a present tax or impose a new tax on sales or income.*

**Sec. 6.** *Minnesota Statutes 1980, Section 477A.03, is amended to read:*



**477A.03 [APPROPRIATION.]**

*Subdivision 1. [ANNUAL APPROPRIATION.] A sum sufficient to discharge the duties imposed by (SECTION 477A.-01, SUBDIVISIONS 1, 2 AND 4E) sections 1 to 4 is annually appropriated from the general fund to the commissioner of revenue.*

*Subd. 2. [LIMITATION ON APPROPRIATION; PROPORTIONATE REDUCTION.] The amount appropriated under subdivision 1 shall not exceed \$270,725,464 for calendar year 1982 and shall not exceed \$270,725,464 for calendar year 1983. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to sections 2 and 3, each governmental unit receiving local government aid shall have its distribution proportionally reduced, but no local government unit shall receive less aid than its previous year aid.*

**Sec. 7. Minnesota Statutes 1980, Section 477A.04, Subdivision 2, is amended to read:**

**Subd. 2.** Beginning in calendar year (1982) 1983 and subsequent years, an assessment district shall be penalized according to the following schedule:

(a) \$1 per capita if the coefficient of dispersion in assessments for the preceding year is more than ten percent but less than 12.5 percent;

(b) \$3 per capita if the coefficient of dispersion in assessments for the preceding year is at least 12.5 percent but no more than 15 percent;

(c) \$5 per capital if the coefficient of dispersion in assessments for the preceding year is greater than 15 percent.

**Sec. 8. [REVISOR'S INSTRUCTION.]**

*In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall, in each section referred to in column A, strike the reference referred to in column B and insert the reference set forth in column C. The revisor shall substitute the appropriate coding for the references in column C, for those sections which will be coded.*

Column A	Column B	Column C
216B.36	477A.01, Subd. 18	Art. VI, Section 5
256E.06	477A.01, Subd. 2	Art. VI, Section 2
275.51, Subd. 4	477A.01	Art. VI, Secs. 1 to 4
275.55	477A.01	Art. VI, Secs. 1 to 4
477A.04, Subd. 3	477A.01	Art. VI, Secs. 1 to 4

**Sec. 9. [REPEALER.]**

*Minnesota Statutes 1980, Section 477A.01, is repealed.*

## Sec. 10. [EFFECTIVE DATE.]

*This article is effective January 1, 1982, except for those provisions of section 4, subdivision 1 which relate to payments in calendar year 1981, which are effective July 1, 1981.*

## ARTICLE VII

## LOCAL IMPROVEMENTS

Section 1. Minnesota Statutes 1980, Section 429.031, is amended to read:

## 429.031 [PRELIMINARY PLANS, HEARINGS.]

Subdivision 1. [(PREPARATION OF PLANS,) *PUBLISHED NOTICE (OF) AND HEARING.*] Before the municipality awards a contract for an improvement or orders it made by day labor, or before (THE MUNICIPALITY SHALL HAVE THE POWER TO) *it may* assess any portion of the cost of an improvement to be made (UNDER A COOPERATIVE AGREEMENT WITH) *by* the state or another political subdivision for sharing the cost (OF MAKING SUCH IMPROVEMENT), the council shall hold a public hearing on the proposed improvement following two publications in the *official* newspaper of a notice stating the time and place of the hearing, the general nature of the improvement, the estimated *capital* cost, and the area proposed to be assessed. The two publications of the notice shall be a week apart and the hearing shall be at least three days after the last publication.

*Subd. 1a. [NOTICE OF ANNUAL CHARGES.] If it is proposed to assess annual charges for the operation, maintenance, or promotion of an improvement against property within the area described in the notice of hearing, when operation, maintenance, or promotion is included in the definition of the improvement in section 429.021, subdivision 1, and if the notice is published after May 31, 1981, it shall include a statement of the proposal, an estimate of the amount of the charges for operation, maintenance and promotion for the first full year of operation, and a statement that the owner or owners of any parcel of land within the area may file a written protest against the proposal with the municipal clerk, at any time before the adoption of a resolution ordering the improvement. If protests are received, and not withdrawn before the adoption of the resolution, from the owners of 20 percent or more of the area of the parcels proposed to be assessed, the council may not assess the annual charges for operation, maintenance and promotion. Nothing in this subdivision shall affect the authority of the council to assess the capital cost of the improvement.*

*Subd. 1b. [MAILED NOTICE.] Not less than 10 days before the hearing, notice thereof shall also be mailed to the owner of each parcel within the area proposed to be assessed, but failure*

to give mailed notice or any defects in the notice shall not invalidate the proceedings. For the purpose of giving mailed notice, owners shall be those shown to be such on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. However, as to properties which are tax exempt or subject to taxation on a gross earnings basis and are not listed on the records of the county auditor or the county treasurer, the owners thereof shall be ascertained by any practicable means and mailed notice shall be given them as herein provided.

*Subd. 1c. [PRELIMINARY REPORT.]* Prior to the (ADOPTION OF SUCH RESOLUTION) *hearing*, the council shall secure from the city engineer, or (SOME COMPETENT PERSON OF ITS SELECTION) *a consulting engineer or architect experienced in the design of the type of improvement proposed, a preliminary report advising it (IN A PRELIMINARY WAY) as to whether the proposed improvement is feasible (AND AS TO WHETHER IT SHOULD BEST BE MADE AS PROPOSED OR IN CONNECTION WITH SOME OTHER IMPROVEMENT AND). The report shall state the estimated capital cost of the improvement as recommended (, BUT), and the estimated cost of operation, maintenance, and promotion for the first full year of operation, if operation, maintenance or promotion cost is proposed and authorized by law to be assessed and the notice of hearing is published after May 31, 1981. No error or omission in such report shall invalidate the proceeding unless it materially prejudices the interests of an owner. The council may also take such other steps prior to the hearing, including, among other things, the preparation of plans and specifications and the advertisement for bids thereon, as will in its judgment provide helpful information in determining the desirability and feasibility of the improvement.*

*Subd. 1d. [ADJOURNMENT.]* The hearing may be adjourned from time to time (AND) *by public announcement to those present at the original hearing or any adjourned hearing, of the time and place to which it is adjourned, or by publication of a notice in the official newspaper at least three days before the date of the adjourned hearing, stating the time and place.*

*Subd. 1e. [RESOLUTION.]* A resolution ordering the improvement may be adopted at any time within six months after the date of the hearing. *The resolution may be adopted by a vote of a majority of all members of the council when the improvement has been petitioned for by the owners of not less than 35 percent in frontage of the real property abutting on the streets named in the petition as the location of the improvement. When there has been no such petition, the resolution may be adopted only by vote of four-fifths of all members of the council (, PROVIDED THAT IF) entitled to vote on it, not including the mayor (OF THE MUNICIPALITY IS A) or any other member (OF THE COUNCIL BUT) who has no vote or votes only in case of a tie (, HE SHALL NOT BE DEEMED TO BE A MEMBER FOR THE PURPOSE OF DETERMINING SUCH FOUR-*

FIFTHS MAJORITY VOTE). The resolution ordering the improvement may reduce (,) but *may* not increase the extent of the improvement as stated in the notice of hearing.

Subd. 2. [APPROVAL BY PARK BOARD OR UTILITIES COMMISSION.] A resolution ordering a park improvement may be adopted only by a four-fifths vote of the council and shall also be approved by the park board, if there is one; provided, that if the mayor of the municipality is a member of the council but has no vote or votes only in case of a tie, he shall not be deemed to be a member for the purpose of determining such four-fifths majority vote. A resolution ordering an improvement of the water, sewer, steam heating, street lighting or other facility over which a utilities commission has jurisdiction shall also be approved by the utilities commission.

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081.

Sec. 2. Minnesota Statutes 1980, Section 429.051, is amended to read:

429.051 [APPORTIONMENT OF COST.]

The *capital* cost of any improvement, or any part thereof, may be assessed upon property benefited by the improvement, based upon the benefits received, whether or not the property abuts on the improvement and whether or not any part of the cost of the improvement is paid from the county state-aid highway fund, the municipal state-aid street fund, or the trunk highway fund. *The cost assessed shall be limited to the sum of the capital expenditures required to complete the improvement, as determined in accordance with accepted accounting principles and as described in section 475.65, unless the assessment of the cost of operation, maintenance, or promotion of the improvement has been authorized upon the conditions set forth in section 429.031, subdivision 1a.* The area assessed may be less than but may not exceed the area proposed to be assessed as stated in the notice of hearing on the improvement, except as provided below. The municipality may pay such portion of the cost of the improvement as the council may determine from general ad valorem tax levies or from other revenues or funds of the municipality available for the purpose. The municipality may subsequently reimburse itself for all or any of the portion of the cost of a water, storm sewer, or sanitary sewer improvement so paid by levying addi-

tional assessments upon any properties abutting on but not previously assessed for the improvement, on notice and hearing as provided for the assessments initially made. To the extent that such an improvement benefits nonabutting properties which may be served by the improvement when one or more later extensions or improvements are made but which are not initially assessed therefore, the municipality may also reimburse itself by adding all or any of the portion of the cost so paid to the assessments levied for any of such later extensions or improvements, provided that notice that such additional amount will be assessed is included in the notice of hearing on the making of such extensions or improvements. The additional assessments herein authorized may be made whether or not the properties assessed were included in the area described in the notice of hearing on the making of the original improvement.

In any city of the fourth class electing to proceed under a home rule charter as provided in this chapter, which charter provides for a board of water commissioners and authorizes such board to assess a water frontage tax to defray the cost of construction of water mains, such board may assess the tax based upon the benefits received and without regard to any charter limitation on the amount that may be assessed for each lineal foot of property abutting on the water main. The water frontage tax shall be imposed according to the procedure and, except as herein provided, subject to the limitations of the charter of the city.

Sec. 3. Minnesota Statutes 1980, Section 429.061, Subdivision 1, is amended to read:

Subdivision 1. [CALCULATION, NOTICE.] At any time after the *capital* expense incurred or to be incurred in making an improvement shall be calculated under the direction of the council, the council shall determine by resolution the amount of the total *capital* expense the municipality will pay, other than the amount, if any, which it will pay as a property owner, and the amount to be assessed. Thereupon the clerk, with the assistance of the engineer or other qualified person selected by the council, shall calculate the proper amount to be specially assessed for the improvement against every assessable lot, piece or parcel of land, without regard to cash valuation, in accordance with the provisions of section 429.051. The proposed assessment roll shall be filed with the clerk and be open to public inspection. The clerk shall thereupon, under the council's direction, publish notice that the council will meet to consider the proposed assessment. Such notice shall be published in the newspaper at least once and shall be mailed to the owner of each parcel described in the assessment roll. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be such on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. Such publication and mailing shall be no less than two weeks prior to such meeting of the council. Except as to the owners of tax exempt property or property taxes on a gross earnings basis, every property owner whose name does not appear on the

records of the county auditor or the county treasurer shall be deemed to have waived such mailed notice unless he has requested in writing that the county auditor or county treasurer, as the case may be, include his name on the records for such purpose. Such notice shall state the date, time, and place of such meeting, the general nature of the improvement, the area proposed to be assessed, that the proposed assessment roll is on the file with the clerk, and that written or oral objections thereto by any property owner will be considered. No appeal may be taken as to the amount of any assessment adopted pursuant to subdivision 2, unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The notice shall also state that an owner may appeal an assessment to district court pursuant to section 429.081 by serving notice of the appeal upon the mayor or clerk of the municipality within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or clerk. The notice shall also inform property owners of the provisions of sections 435.193 to 435.195 and the existence of any deferment procedure established pursuant thereto in the municipality.

Sec. 4. Minnesota Statutes 1980, Section 429.061, is amended by adding a subdivision to read:

*Subd. 5. [ANNUAL ASSESSMENT OF OPERATING COST.] When the annual cost of operation, maintenance, or promotion of an improvement is authorized to be assessed upon the conditions provided in section 429.031, subdivision 1a, the proposed assessment roll, if prepared after May 31, 1981, shall include a separate calculation of the proper amount to be specially assessed against each assessable lot, piece, or parcel of land for the payment of the estimated cost of the operation, maintenance and promotion for the next full year of operation. If operation has commenced or is expected to commence before July 1 of the year following the adoption of the assessment roll, an additional amount may be included, proportionate to the fraction of a year between the date of commencement and the following July 1. The amount so assessed shall be due and payable at the same time as taxes on the property payable in the year following the adoption of the assessment roll. In each subsequent year the council may assess an additional amount against the property, not exceeding the lesser of*

*(1) the estimated cost of operation, maintenance, and promotion of the improvement for the year commencing on the following July 1, diminished by the amount, if any, estimated to be on hand and available for the purpose on that date, or*

*(2) the amount of the annual cost of operation, maintenance and promotion estimated in the original notice of hearing on the improvement, or in the first assessment of annual charges if the notice was published before June 1, 1981, increased or diminished by the percentage by which the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan*

*area, prepared by the United States department of labor with 1967 as a base, has increased or diminished since the last index prepared preceding the original publication of notice of hearing on the improvement.*

Sec. 5. Minnesota Statutes 1980, Section 429.061, is amended by adding a subdivision to read:

*Subd. 6. [HEARING AND APPEAL.] On and after June 1, 1981, regardless of the date on which proceedings to make an improvement were commenced, no assessment of annual cost of operation, maintenance or promotion of the improvement subsequent to the original assessment of its capital cost shall be made unless a public hearing is held on the matter and notice is mailed to the owner of each parcel to be assessed at least two weeks before the hearing, stating the amount of the assessment and that the owner may appeal from it as provided in subdivision 1. No published notice of the hearing shall be required. The only grounds for appeal shall be that the assessment has been incorrectly computed, or that the manner of operation and maintenance of the improvement has changed to the extent that it no longer produces benefit to the land as determined upon the initial assessment hearing.*

**Sec. 6. [SOUTH ST. PAUL; SEWER IMPROVEMENTS.]**

*If the city of South St. Paul issues bonds under Minnesota Statutes, Section 115.46 to finance the cost of separation of its combined storm and sanitary sewer system, the city may refund all or any part of the collections of special assessments previously levied and collected with respect to any part of the sewer separation project and may include in the principal amount of the bonds issued an amount sufficient to make the refunds. To make the refunds the city may use money derived from the sale of bonds as authorized in the preceding sentence, money in the city's general fund, or both.*

**Sec. 7. [PRIOR SPECIAL ASSESSMENTS.]**

*If the city of South St. Paul refunds the special assessments collected with respect to its sewer separation project as authorized by section 6, the city may cancel all remaining installments of the special assessments, but if the special assessments are pledged to the payment of improvement bonds issued by the city under Minnesota Statutes, Chapter 429, the city shall, prior to the cancellation, levy and certify to the Dakota county auditor, in the manner provided in Minnesota Statutes, Section 475.61, a direct general ad valorem tax upon all taxable property in the city collectible for a number of years and in amounts which, when combined with the collections of any other general ad valorem taxes previously levied with respect to the improvement bonds, will yield not less than five percent more than the amount needed to meet when due the principal and interest payments on the improvement bonds, and shall irrevocably appropriate the taxes so levied to the debt service fund or account created for the payment of the improvement bonds.*

**Sec. 8. [PUBLIC HEARINGS.]**

*If the governing body of the city of South St. Paul proposes to refund previously collected special assessments or to impose a property tax for the cost of completing the separation of its combined storm and sanitary sewer system pursuant to sections 6 and 7, it shall conduct a public hearing on the question according to the procedures for hearing after mailed notice as provided in Minnesota Statutes, Section 429.031, Subdivision 1.*

**Sec. 9. [LOCAL APPROVAL; EFFECTIVE DATE.]**

*Sections 6 to 8 shall be effective the day after compliance with the provisions of Minnesota Statutes, Section 645.021, Subdivision 3, by the South St. Paul city council.*

**Sec. 10. [INVER GROVE HEIGHTS; DEVELOPMENT AUTHORIZATION.]**

*Notwithstanding the provisions of any law or rule to the contrary, the city of Inver Grove Heights may approve development and issue development permits in an area within the city designated an area of critical concern pursuant to Minnesota Statutes, Section 116G.06, prior to the approval of the city's proposed plans and regulations for the designated area by the Minnesota environmental quality board pursuant to Minnesota Statutes, Section 116G.07, upon a finding by the governing body of the city of Inver Grove Heights that the proposed development and the issuance of the development permits is in conformance with the proposed plans and regulations of the city.*

**Sec. 11. [EFFECTIVE DATE.]**

*Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), section 10 is effective without local approval the day after final enactment.*

**Sec. 12. [EFFECTIVE DATE.]**

*Sections 1 to 5 are effective the day following final enactment.*

**ARTICLE VIII****PROPERTY TAX ADMINISTRATION**

**Section 1.** Minnesota Statutes 1980, Section 270.11, Subdivision 2, is amended to read:

**Subd. 2. [COUNTY (AUDITOR'S) ASSESSOR'S REPORTS OF ASSESSMENT FILED WITH COMMISSIONER.]** The commissioner of revenue may require the (AUDITOR) assessor of each county in the state to file with him, on or before August 1, each year, complete abstracts of all real and personal property in the county, as equalized by the county board of equalization, and itemized by assessment districts, accompanied by a printed or typewritten copy of the proceedings of the county



board of equalization, and it shall be the duty of the county (AUDITOR) *assessor* to so report to the commissioner of revenue.

The final abstract of assessments after adjustments by the state board of equalization and inclusion of any omitted property shall be submitted to the commissioner of revenue on or before January 1 of each calendar year.

Sec. 2. Minnesota Statutes 1980, Section 271.10, Subdivision 2, is amended to read:

Subd. 2. [SERVICE OF WRIT.] Within 60 days after notice of the making and filing of the order of the tax court, or the making and filing of an order on a petition for rehearing, the petitioner for review shall obtain from the supreme court a writ of certiorari, and shall serve the same upon (THE COMMISSIONER OF REVENUE AND UPON) all other parties appearing in the proceedings before the tax court, (ALSO UPON THE ATTORNEY GENERAL, UNLESS HE IS THE PETITIONER,) and shall file the original, with proof of such service, with the clerk of the tax court. Every petitioner, except the attorney general, the commissioner of revenue, the state and its political subdivisions, shall also pay to the clerk the fee prescribed by rule 103.01 of the rules of civil appellate procedure which shall be disposed of in the manner provided by that rule, and file a bond or make a deposit in like manner and amount as in case of an appeal from the district court. The fee shall be disposed of as in such case. Return upon the writ shall be made to the supreme court and the matter shall be heard and determined by the court as in other certiorari cases, subject to the provisions hereof and to such rules as the court may prescribe for cases arising hereunder.

Sec. 3. Minnesota Statutes 1980, Section 272.02, Subdivision 1, is amended to read:

Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025 or section 273.13, subdivisions 17, 17b, 17c or 17d, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;

(6) Institutions of purely public charity except property assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;

(7) All public property exclusively used for any public purpose;

(8) All natural cheese held in storage for aging by the original Minnesota manufacturer;

(9) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct such exemption from the total valuation of such property as equalized by the revenue commissioner assessed to such household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in those cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds and certificates of indebtedness hereafter issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state, or any county or city thereof, shall hereafter be exempt from taxation; provided, that nothing herein contained shall be construed as exempting such bonds from the payment of a tax thereon, as provided for by section 291.01, when any of such bonds constitute, in whole or in part, any inheritance or bequest, taken or received by any person or corporation.

(10) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(11) The taxpayer shall be exempted with respect to, all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishing of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1, clause (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures. Railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80 are not exempt.

(12) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by Extra Session Laws 1967, Chapter 32;

(13) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(14) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(15) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. Any such equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting such property from taxation. Any such equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(16) Wetlands. For purposes of this subdivision, "wetlands" means land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation

purposes. "Wetlands" shall be land preserved in its natural condition, drainage of which would be feasible and practical and would provide land suitable for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.

(17) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. *Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116.* Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

Sec. 4. Minnesota Statutes 1980, Section 272.025, Subdivision 3, is amended to read:

Subd. 3. (DURING EACH OF THE THREE YEARS FOLLOWING THE YEAR IN WHICH A TAXPAYER FILES A STATEMENT OF EXEMPTION, THE REQUIREMENTS OF THIS SECTION SHALL NOT APPLY TO PROPERTY COVERED BY THE STATEMENT OF EXEMPTION UNLESS THE PROPERTY WAS LISTED AND ASSESSED AS TAXABLE PROPERTY IN THE PRECEDING YEAR.) *Any taxpayer who has filed the statement required by subdivision 1 more than 12 months prior to February 1, 1983, or February 1 of each third year after 1983, shall file a statement by February 1, 1983, and by February 1 of each third year thereafter.*

Sec. 5. Minnesota Statutes 1980, Section 272.46, is amended to read:

272.46 [AUDITOR TO FURNISH STATEMENT OF TAX LIENS AND TAX SALES; FEES; APPLICATION.]

The county auditor, upon written application of any person, shall make search of the records of his office, and ascertain the existence of all tax liens and tax sales as to any lands described in the application, and certify the result of such search under his hand and the seal of his office, giving the

description of the land and all tax liens and tax sales shown by such records, and the amount thereof, the year of tax covered by such lien, the date of tax sale, and the name of the purchaser at such tax sale.

For such service the county auditor shall charge a fee (OF \$1) *not to exceed \$5* for each lot or tract of land described in the certificate. *The amount of the fee will be established by the county board on or before July 1 of each year.* Any number of contiguous tracts of land not exceeding one section, assessed as broad acres, or adjoining lots in the same block, in the city, shall be considered as one lot or parcel within the meaning of this section. The provisions of this section shall not apply to counties having a population of more than 225,000.

Sec. 6. Minnesota Statutes 1980, Section 272.47, is amended to read:

**272.47 [COUNTY TREASURER, CERTIFICATE OF CURRENT TAXES; FEE.]**

The county treasurer, upon written application of any person, shall make search of the tax duplicates and records of his office and ascertain the amount of current tax against any lot or parcel of land described in the application, and shall certify the result of such search under his hand and seal of office, giving the description of land, year of tax and amount, if any, and for such certificate he shall be entitled to charge the applicant (THEREFOR THE SUM OF \$1) *a fee not to exceed \$5. The amount of the fee will be established by the county board on or before July 1 of each year.* The definition of "lot or parcel," for the purposes of this section, shall be the same as set forth in section 272.46.

This section shall not authorize such treasurer to charge any amount for certifying to taxes on a deed to be recorded or for information with reference to the current tax on any subdivision of land in his county, where no certificate thereof is necessary or required. The provisions of this section shall not apply to counties having a population of more than 200,000.

Sec. 7. Minnesota Statutes 1980, Section 273.138, Subdivision 2, is amended to read:

Subd. 2. Each county government, city and township shall receive reimbursement in 1978 and subsequent years in an amount equal to the product of its total mill rate for taxes payable in the calendar year *prior to the calendar year* in which the aid is to be paid, times the total 1972 assessed value of real property exempted from taxation by section 272.02, subdivision 1 which was located within the territory of such governmental unit, times 1.25. For the purpose of this subdivision, the "total mill rate" of a county government, city or township includes

mill rates for taxes levied by such governmental unit which were not levied on the entire taxable value of such governmental unit.

Sec. 8. Minnesota Statutes 1980, Section 273.40, is amended to read:

**273.40 [ANNUAL TAX ON COOPERATIVE ASSOCIATIONS.]**

Cooperative associations organized under the provisions of Laws 1923, Chapter 326, and laws amendatory thereof and laws supplemental thereto, and engaged in electrical heat, light or power business upon a mutual, non-profit, and cooperative plan in rural areas, as hereinafter defined, are hereby recognized as quasi-public in their nature and purposes; but such cooperative associations, which operate within the corporate limits of any city shall be assessed on the basis of (40) 43 percent of the market value of that portion of its property located within the corporate limits of any city as provided for in section 273.13.

Sec. 9. Minnesota Statutes 1980, Section 275.075, is amended to read:

**275.075 [OMISSION BY INADVERTENCE; CORRECTION.]**

Whenever the amount of taxes as levied and certified by the tax levying body of any county, city, town, or school district has not been, as the result of error (OR), inadvertence, *or from the estimates as provided in section 10*, by the county auditor extended and spread in conformity therewith, such tax levying body may include in its tax levy for the year following, the whole or any part of the amount so omitted through error (OR), inadvertence, *or from the estimates as provided in section 10*, in addition to its current levy and in addition to and notwithstanding any limitations to the contrary.

Sec. 10. Minnesota Statutes 1980, Section 275.08, is amended to read:

**275.08 [AUDITOR TO FIX RATE.]**

*Subdivision 1. [GENERALLY.]* The rate percent of all taxes, except the state tax and taxes the rate of which may be fixed by law, shall be calculated and fixed by the county auditor according to the limitations in this chapter hereinafter prescribed; provided, that if any county, city, town, or school district shall return a greater amount than the prescribed rates will raise, the auditor shall extend only such amount of tax as the limited rate will produce.

*Subd. 2. [ESTIMATES.] If, by December 15 of any year, the county auditor has not received from another county auditor the mill rate or assessed value applicable to any taxing district lying in two or more counties, the county auditor who has not received the necessary information may levy taxes for the overlapping district by estimating the mill rate or the assessed value.*

*Subd. 3. [ASSISTANCE OF COUNTY AUDITOR.] A county auditor who has not furnished the mill rate or assessed value of property in the county by December 15 shall, on request, furnish the county auditor of a county in the overlapping district an estimate of the values or the mill rate. The auditor may request the assistance of the county assessor in determining the estimate.*

*Subd. 4. [SUBSEQUENT ADJUSTMENT.] After the correct mill rate or assessed value has been certified, the amount of taxes over or under levied shall be computed and notice sent to each affected taxing district. If the estimated tax levy exceeds the correct tax levy based on actual assessed value and mill rate, the county treasurer shall remit any amount of excess which he collects to the affected taxing district. In the following levy year, the estimating county auditor shall adjust the levy of the affected taxing district to compensate for the amount of variance.*

*In the event that the estimated tax levy is less than the correct tax levy based on actual assessed value and mill rate, the auditor shall adjust the levy of the affected taxing district as provided in section 275.075.*

Sec. 11. Minnesota Statutes 1980, Section 276.01, is amended to read:

**276.01 [DELIVERY OF LISTS TO TREASURER.]**

On or before the first (MONDAY) business day in January in each year, the county auditor shall deliver the lists of the several districts of the county to the county treasurer, taking therefor his receipt, showing the total amount of taxes due upon the lists. Where the names of taxpayers appear in the property tax lists, the county auditor shall show the addresses of such taxpayers. Such lists shall be authority for the treasurer to receive and collect taxes therein levied.

In counties in which the auditor has elected to come under the provisions of section 273.03, subdivision 2, he shall, during the year in which such lists as provided for in section 275.28, subdivision 3, are in the possession of the county treasurer, have access thereto for the purposes of changing market valuations and the classifications of real estate contained therein which he would have been required to change or otherwise

amend in the assessment books provided for in section 273.03, subdivision 1, except for his election to discontinue the preparation of such assessment books. The county auditor shall be the official custodian of such lists after the year during which they are in the county treasurer's possession.

Sec. 12. Minnesota Statutes 1980, Section 277.15, is amended to read:

**277.15 [INTEREST.]**

When a judgment has heretofore been entered and docketed, or shall hereafter be entered and docketed, for the recovery of taxes, except in the case of real estate tax judgments provided for in section 279.19, the same shall bear interest until paid at the rate of six percent per anum *until January 1, 1981, and at the rate determined under section 549.09 thereafter.*

Sec. 13. Minnesota Statutes 1980, Section 279.02, is amended to read:

**279.02 [DUTIES OF COUNTY AUDITOR AND TREASURER.]**

On the first (MONDAY) *business day* in January, of each year, the county treasurer shall return the tax lists in his hands to the county auditor, who shall compare the same with the statements receipted for by the treasurer on file in the auditor's office and each tract or lot of real property against which the taxes, or any part thereof, remain unpaid, shall be deemed delinquent, and thereupon an additional penalty of two percent on the amount of the original tax remaining unpaid shall immediately accrue and thereafter be charged upon all such delinquent taxes; and any auditor who shall make out and deliver any statement of delinquent taxes without including therein the penalties imposed by law, and any treasurer who shall receive payment of such taxes without including in such payment all items as shown on the auditor's statement, shall be liable to the county for the amounts of any items omitted.

Sec. 14. Minnesota Statutes 1980, Section 279.03, is amended to read:

**279.03 [INTEREST ON DELINQUENT REAL ESTATE TAXES.]**

The rate of interest on delinquent real estate taxes levied in 1979 and prior years is fixed at six percent per annum. The rate of interest on delinquent real estate taxes levied in 1980 and subsequent years (IS FIXED AT EIGHT PERCENT PER ANNUM) *shall be the rate determined pursuant to section 549.09.* All provisions of law providing for the calculation of interest at



any different rate on delinquent taxes in any notice or proceeding in connection with the payment, collection, sale, or assignment of delinquent taxes, or redemption from such sale or assignment are hereby amended to correspond herewith. (IN CALCULATING SUCH INTEREST FOR ANY FRACTIONAL PART OF A YEAR, IT SHALL BE CALCULATED ON THE BASIS OF ONE-HALF OF ONE PERCENT FOR ANY MONTH OR MAJOR FRACTION THEREOF.)

Such interest shall be calculated from the second Monday of May following the year in which the taxes became due, on the full amount of the taxes, penalties and costs accrued.

The provisions of this section shall not apply to any taxes which have heretofore been bid in by an actual purchaser at a May tax sale or which have heretofore been assigned.

Sec. 15. Minnesota Statutes 1980, Section 279.14, is amended to read:

**279.14 [CONCLUSIVENESS OF JUDGMENT, JURISDICTIONAL DEFECTS.]**

When the last publication shall have been made the notice shall be deemed to have been served and the court to have acquired full and complete jurisdiction to enforce against each parcel of land in such published list described in the taxes, accrued penalties, and costs upon it then delinquent, so as to bind every estate, right, title, interest, claim, or lien, in law or equity, in, to, or upon such parcel of land, of every person, company, or corporation. Such jurisdiction shall not be affected by any error in making the list filed with the clerk, nor by any error, irregularity, or omission in the assessment or levy of the taxes, or in any other proceedings, prior to filing the list; nor by any mistake in copying the list for publication, or in publishing the list, or in the designation of the newspaper wherein such list is published; (NOR BY REASON OF THE FAILURE OF THE PUBLISHER TO GIVE THE BOND REQUIRED;) nor by reason of the taxes having been charged in any other name than that of the rightful owner; nor by any mistake in the amount of tax in such published list appearing against any piece or parcel of land therein described; provided, that any judgment rendered in such proceedings shall be void upon satisfactory proof made at any time that such real estate was exempt from taxation or that such taxes were paid before judgment was rendered.

Sec. 16. Minnesota Statutes 1980, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's home-

stead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to sections 273.132 and 273.135, in any calendar year. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 23 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable and *(i) the property must have been classified as homestead property pursuant to section 273.13, subdivisions 6, 7, or 14a on or before June 1 of the year in which the "property taxes payable" were levied; or (ii) the claimant must provide documentation from the local assessor that application for homestead classification has been made prior to July 1 of the year in which the "property taxes payable" were payable.*

Sec. 17. Minnesota Statutes 1980, Section 375.192, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding section 270.07, upon written application by the owner of the property, where such application seeks a reduction in (FULL AND TRUE VALUATION) *estimated market value* not in excess of (\$300) \$2,000, the county board may grant such reduction or abatement of (ASSESSED) *estimated market valuation* or taxes and of any costs, penalties or interest thereon as said board may deem just and equitable and to order the refundment in whole or in part of any taxes, costs, penalties or interest thereon which have been erroneously or unjustly paid. Such application must be approved by the county assessor, or if the property is located in a city of the first class or city of the second class having a city assessor, by such assessor, and by the (COUNTY) *county* auditor prior to consideration by the county board. The methods of obtaining a reduction or abatement of ad valorem values contained in subdivisions 1 and 2 shall be in addition to the method provided in Minnesota Statutes 1965, Section 270.07.

Sec. 18. Minnesota Statutes 1980, Section 473.626, is amended to read:

**473.626 [VALUATION AND ASSESSMENT OF TAXABLE PROPERTY IN DETACHED AREA.]**

The (COMMISSIONER OF REVENUE OF THE STATE OF MINNESOTA) *county assessor of the county in which the property is situated* shall value and assess the taxable property in said area and shall report the same to the county auditor of the county in which such property is situated on or before October 1 of each year.

Sec. 19. [REPEALER.]

*Minnesota Statutes 1980, Section 279.11, is repealed.*

Sec. 20. [EFFECTIVE DATES.]

*Sections 1, 2, 4, 5, 6, 15, 17, and 19 are effective July 1, 1981. Sections 3, 7, and 10 are effective for taxes levied in 1981 and subsequent years, payable in 1982 and subsequent years. Sections 8, 11, and 13 are effective the day following final enactment. Section 9 is effective for taxes levied in 1982 and subsequent years, payable in 1983 and subsequent years. Sections 12 and 14 are effective January 1, 1981. Section 16 is effective for claims based on property taxes payable in 1982 and subsequent years. Section 18 is effective January 1, 1982.*

## ARTICLE IX

### INDIVIDUAL HOUSING ACCOUNTS

Section 1. Minnesota Statutes 1980, Section 48.159, Subdivision 2, is amended to read:

Subd. 2. [INDIVIDUAL HOUSING ACCOUNT TRUST POWERS.] Upon application to and approval by the commissioner, a commercial bank shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section (290.09) 290.08, subdivision (30) 25.

Sec. 2. Minnesota Statutes 1980, Section 50.157, Subdivision 2, is amended to read:

Subd. 2. [INDIVIDUAL HOUSING ACCOUNT TRUST POWERS.] Upon application to and approval by the commissioner, a savings bank shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section (290.09) 290.08, subdivision (30) 25.

Sec. 3. Minnesota Statutes 1980, Section 51A.21, Subdivision 16a, is amended to read:

Subd. 16a. [TRUSTEE OF INDIVIDUAL HOUSING ACCOUNTS.] Upon application to and approval by the commissioner, to act as trustee of individual housing accounts established pursuant to the provisions of section (290.09) 290.08, subdivision (30) 25.

Sec. 4. Minnesota Statutes 1980, Section 52.136, is amended to read:

52.136 [INDIVIDUAL HOUSING ACCOUNTS.]

Upon application to and approval by the commissioner of banks, a credit union shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section (290.09) 290.08, subdivision (30) 25.

Sec. 5. Minnesota Statutes 1980, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; except that gross income shall not include "exempt function income" of a "homeowners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended through December 31, 1979.

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

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

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions

of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of this chapter at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for non-recognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

The provisions of section 4 of P.L. 95-458, and sections 131, 133, 134, 141, 152, 156, 157, and 405 of P.L. 95-600 (relating to pensions, individual retirement accounts, deferred compensation plans, and to the sale of a residence) shall be effective at the same time that these provisions became effective for federal income tax purposes.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1979, shall be in effect for taxable years beginning after December 31, 1979.

For taxable years beginning after December 31, 1980 and before January 1, 1983, the provisions of section 404 (relating to partial exclusions of dividends and interest received by individuals) of the Crude Oil Windfall Profit Tax Act of 1980, P.L. 96-223, shall apply.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

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

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

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

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

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

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

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

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

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

(8) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (7) or under section 290.09, subdivision 24;

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

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

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

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

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code

of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

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

(15) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;

(16) An amount equal to one-sixth of any gain from the sale or other disposition of property deducted under sections 1202(a) and 1202(c)(1) of the Internal Revenue Code of 1954;

(17) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 50 percent of the portion of the gain. This modification is limited to property that qualified for the energy credit contained in section 290.06, subdivision 14, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (9);

(18) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss; and

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under (CLAUSE (C) OF) section (290.09) 290.08, subdivision (30) 25.

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

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes

but exempt from state income tax under the laws of the United States;

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

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

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

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

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or (ii) as a retirement or survivor's benefit made from a plan qualifying under sections 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of



his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,00;

(7) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954 but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

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

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

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

(11) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(12) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in clause (b)(6);

(13) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(14) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

(15) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(16) To the extent included in federal adjusted gross income, severance pay that may be treated as a lump sum distribution under the provisions of section 290.032, subdivision 5;

(17) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17; (AND)

(18) Minnesota exempt-interest dividends as provided by subdivision 27; and

(19) *Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25.*

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

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

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

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

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

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1, clause (2) in computing Minnesota inheritance or estate tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 6. Minnesota Statutes 1980, Section 290.08, is amended by adding a subdivision to read:

*Subd. 25. [INDIVIDUAL HOUSING ACCOUNTS.] (a)*  
*(1) Gross income shall not include the amount, up to a maxi-*

mum of \$1,500, paid in cash during the taxable year by an individual taxpayer to an individual housing account established for his benefit together with all interest paid or accrued within the taxable year on the account. In the case of a married couple filing separate returns or filing separately on a combined return, the total amount excludible from gross income for contributions to an individual housing account during the taxable year may not exceed \$1,500. This total exclusion for a married couple may be taken by either spouse or divided between them as they elect. The amount of interest paid on any amount contributed in excess of \$1,500 during a taxable year or in excess of the maximum contribution permitted by paragraph (2) during all taxable years shall not be excluded from gross income.

(2) The amounts excludible from gross income for contributions to an individual housing account by an individual for all taxable years may not exceed \$10,000. In the case of a married individual, the \$10,000 amount shall be reduced by an amount equal to the sum of the contributions excluded from gross income pursuant to this subdivision for all taxable years by his spouse. In the case of a married couple, each of whom had established an individual housing account prior to the marriage, the combined limit on the amount excludible from gross income for all taxable years shall be the greater of \$10,000 or the amounts excluded from gross income for contributions to their accounts for taxable years ending before the day on which they were married.

(b) For purposes of this subdivision, the following terms have the meanings given.

(1) "Individual housing account" means a trust created or organized in Minnesota for the exclusive benefit of an individual, or, in the case of a married individual, for the exclusive benefit of the individual and his spouse jointly, but only if the written governing instrument creating the trust meets the following requirements:

(i) Contributions will not be accepted for the taxable year in excess of \$1,500 or in excess of \$10,000 for all taxable years, exclusive of interest paid or accrued.

(ii) The trustee is a financial institution, as defined in section 47.015, or a credit union, chartered or supervised under federal or state law, whose accounts are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration or any agency of this state or any federal agency established for the purpose of insuring accounts in these financial institutions.

(iii) The assets of the trust shall be invested only in savings or time deposits in amounts fully insured as prescribed in para-

graph (ii). Funds held in the trust may be commingled for purposes of investment, but individual records shall be maintained by the trustee for each individual housing account holder which show all transactions in detail.

(iv) The entire interest of an individual or married couple for whose benefit the trust is maintained will be distributed to him, or them, not later than 120 months after the date on which the first contribution is made to the trust.

(v) Except as provided in clause (d) in the case of a disability or death the trustee will distribute no part of the funds in the account unless it: (a) verifies that the money is to be used for a qualified purchase and provides that the instrument of payment is payable to the seller or his designee, construction contractor, or other vendor of the property purchased; or (b) withholds an amount equal to ten percent of the amount withdrawn from the account and remits this amount to the commissioner of revenue within ten days after the date of the withdrawal. The amount so withheld shall be applied to the liability of the taxpayer under clauses (c)(1) and (d).

Except as provided in clause (c), a trustee who fails to pay to or deposit with the commissioner any sum or sums required by this subdivision to be deducted, withheld and paid, shall be personally and individually liable to the state of Minnesota for such sum or sums. Failure to comply with the requirements of paragraph (v) shall be subject to the penalties and interest applicable to withholding tax violations under section 290.92, subdivision 15.

If the trustee, in violation of the provisions of this subdivision, fails to deduct and withhold the amounts required by this subdivision and thereafter the taxes against which any amount withheld may be credited are paid, the amounts required to be deducted and withheld shall not be collected from the trustee. Payment of the tax due under clauses (c)(1) and (d) shall not relieve the trustee from liability for any penalties and interest otherwise applicable in respect of its failure to deduct and withhold.

(2) "Residence" means all or part of a house, townhouse, condominium or cooperative apartment used as the taxpayer's principal and permanent place of residence, but does not include a mobile home as defined in section 273.13, subdivision 3.

(3) "Qualified purchase" means the purchase by a participant in an individual housing account of a principal residence, if (i) the participant has not had a present ownership interest in a principal residence; (ii) the residence to be purchased is located in Minnesota; and (iii) the purchase is made more than one year after the individual housing account was established. For purposes of this paragraph, "participant" means in the case of a married couple either spouse at the time of the purchase.

(c) (1) Any amount paid or distributed out of an individual housing account shall be included in gross income by the participant in the account for the taxable year in which the distribution is received, unless the amount is used exclusively in connection with a qualified purchase.

(2) Paragraph (1) shall not apply to distribution out of an individual housing account to the extent that it was not excluded from gross income either as individual housing account contributions or interest.

The transfer of an individual's interest in an individual housing account to his former spouse under a dissolution of marriage decree or under a written instrument incident to a dissolution of marriage is not to be considered a taxable transfer made by the individual and the interest, at the time of the transfer, is to be treated as an individual housing account of the transferee, and not of the transferor. After the transfer, the account is to be treated, for purposes of this subdivision, as maintained for the benefit of the spouse.

(3) Payment out of an individual housing account pursuant to a good faith, written earnest money contract shall be treated as a qualified purchase for purposes of paragraph (1), either if the sale is completed or if the sale is not completed and the earnest money is forfeited. If an individual housing account distribution is paid pursuant to a good faith, written earnest money contract and is forfeited to the seller for failure to complete the sale, the taxpayer may elect to make and exclude from gross income additional contributions to the individual housing account equal to the amount of the distribution, subject to the annual limits applicable to the amounts excludible from gross income but notwithstanding the \$10,000 limit provided by clause (a). If an individual housing account distribution is paid pursuant to an earnest money contract, the sale is not completed, and the distribution is not forfeited to the seller, the amount of the distribution shall be repaid to the account.

(4) In the case of a married couple, any distribution includible in gross income pursuant to this clause shall be allocated equally to each spouse's income.

(d) If a distribution from an individual housing account to an individual for whose benefit the account was established is made and not used in connection with a qualified purchase, the tax liability of the individual under this chapter for the taxable year in which the distribution is received shall be increased by an amount equal to ten percent of the amount of the distribution which is includible in his gross income for the taxable year. The ten percent tax provided by this clause shall be in addition to the taxpayer's tax liability if calculated under section 290.06, subdivision 3d, and shall not be reduced by any credit pursuant to section 290.06, subdivisions 3e, 3f, 9, 9a, 11 or 14 or

any other nonrefundable credit. If, during any taxable year, the individual uses the account or any portion thereof as security for a loan, the portion so used is treated as distributed to that individual. No such liability shall be imposed if the payment or distribution is attributable to the taxpayer dying or becoming disabled as provided in section 290A.03, subdivision 10. An individual shall not be considered to be disabled unless he furnishes proof of the disability in the form and manner as the commissioner of revenue may require. Upon the death of an individual for whose benefit the account had been established, the funds in the account shall be payable to the estate of the individual, provided that, if the account was held jointly by the decedent and a spouse of the decedent, the account shall remain as the individual housing account of the surviving spouse. 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.

(e) No allocation of federal income tax paid on amounts excluded from gross income pursuant to this subdivision shall be required for purposes of the deduction of federal income tax paid under section 290.18, subdivision 2.

(f) The trustee of an individual housing account shall make reports regarding the account to the commissioner of revenue and to the individual for whom the account is maintained with respect to contributions, distributions, and other matters as the commissioner may require under rules. The reports required by this clause shall be filed at a time and in a manner as may be required by the rules. A person who fails to file a required report will be subject to a penalty of \$10 to be paid to the commissioner of revenue for each instance of failure to file.

*This subdivision may be cited as the "Young Family Housing Act".*

Sec. 7. Minnesota Statutes 1980, Section 290.17, Subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) The entire income of all resident or domestic taxpayers from compensation for labor or personal services, or from a business consisting principally of the performance of personal or professional services, shall be assigned to this state, and the income of nonresident taxpayers from such sources shall

be assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources shall be treated as income from sources without this state;

(2) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state. Income and gains received from tangible property not employed in the business of the recipient of such income or gains, and from tangible property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, shall be assigned to this state if such property has a situs within it, and to other states only if it has no situs in this state. Income or gains from intangible personal property not employed in the business of the recipient of such income or gains, and from intangible personal property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, wherever held, whether in trust, or otherwise, shall be assigned to this state if the recipient thereof is domiciled within this state; income or gains from intangible personal property wherever held, whether in trust or otherwise shall be assigned to this state if the recipient of such income or gains is domiciled within this state, or if the grantor of any trust is domiciled within this state and such income or gains would be taxable to such grantor under section 290.28 or 290.29;

(3) Income derived from carrying on a trade or business, including in the case of a business owned by natural persons the income imputable to the owner for his services and the use of his property therein, shall be assigned to this state if the trade or business is conducted wholly within this state, and to other states if conducted wholly without this state. This provision shall not apply to business income subject to the provisions of clause (1);

(4) When a trade or business is carried on partly within and partly without this state, the entire income derived from such trade or business, including income from intangible property employed in such business and including, in the case of a business owned by natural persons, the income imputable to the owner for his services and the use of his property therein, shall be governed, except as otherwise provided in sections 290.35 and 290.36, by the provisions of section 290.19, notwithstanding any provisions of this section to the contrary. This shall not apply to business income subject to the provisions of clause (1). For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.



In determining whether or not intangible property is employed in a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) In the case of a nonresident who is liable for payment of a penalty for having withdrawn funds from an individual housing account established pursuant to section (290.09) 290.08, subdivision (30) 25, the amount so withdrawn and for which a deduction was allowed shall be an item of income assignable to this state, and the penalty tax of ten percent shall remain an additional liability of that taxpayer.

(6) For purposes of this section, amounts received by a nonresident from the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408 or 409 of the Internal Revenue Code of 1954, as amended through December 31, 1979, are not considered income derived from carrying on a trade or business or from performing personal or professional services in Minnesota, and are not taxable under this chapter.

(7) All other items of gross income shall be assigned to the taxpayer's domicile.

#### Sec. 8. [REPEALER.]

*Minnesota Statutes 1980, Section 290.09, Subdivision 30, is repealed.*

#### Sec. 9. [EFFECTIVE DATE.]

*This article is effective for taxable years beginning after December 31, 1980.*

## ARTICLE X

## MISCELLANEOUS

## Section 1. [38.26] [PAYMENTS FOR CITY SERVICES.]

*The board of managers of the society shall enter and make payment pursuant to a written agreement with the city council of any city within which the boundaries of the state fairgrounds are located. The agreement shall provide that the society will compensate the city of the cost of providing city services to occupants or users of the fairgrounds and any additional costs incurred by the city as a result of the use of the fairgrounds, including a reasonable amount of wear and tear on and demand for additional capital facilities. The board of managers and the city shall renegotiate the terms of the agreement at least once every two years.*

Sec. 2. Minnesota Statutes 1980, Section 270.47, is amended to read:

## 270.47 [RULES.]

*The board shall establish the rules necessary to accomplish the purpose of section 270.41, and shall establish criteria required of assessing officials in the state. Separate criteria may be established depending upon the responsibilities of the assessor. The board shall prepare and give examinations from time to time to determine whether assessing officials possess the necessary qualifications for performing the functions of his office. Such tests shall be given immediately upon completion of courses required by the board, or to persons who already possess the requisite qualifications under the regulations of the board. Rules adopted by the board before July 1, 1981 to accomplish the purposes of sections 270.41 to 270.53, including those relating to licensure, are valid without compliance with the administrative procedure act.*

## Sec. 3. [TRANSITION PROVISION.]

*County assessors who are certified but not currently accredited shall be allowed until May 1, 1982, to achieve accreditation pursuant to the rules of the state board of assessors. Any county assessor who has not achieved accreditation by May 1, 1982, shall be terminated and a vacancy shall exist in that office. Any requests for confirmation of appointment pending before the commissioner for county assessors not currently accredited may be provisionally approved.*

Sec. 4. Minnesota Statutes 1980, Section 298.75, Subdivision 1, is amended to read:

Subdivision 1. A county may impose upon every person, firm, corporation or association, hereafter referred to as "operator," engaged in the business of removing gravel for sale from gravel pits or deposits, a production tax in an amount not to exceed ten cents per cubic yard of gravel removed. *For purposes of this section, gravel shall include sand and limestone.*

Sec. 5. Minnesota Statutes 1980, Section 298.75, Subdivision 2, is amended to read:

Subd. 2. (ON OCTOBER 1, 1980, AND THEREAFTER ON) *By the (FIRST) 14th day following the last day of each calendar quarter in each county in which a tax is imposed pursuant to this section, every operator shall make and file with the county auditor of the county in which the gravel is removed, a correct report under oath, in such form and containing such information as the auditor shall require relative to the quantity of gravel removed during the preceding calendar quarter. The report shall be accompanied by a remittance of the amount of tax due.*

Sec. 6. Minnesota Statutes 1980, Section 298.75, Subdivision 3, is amended to read:

Subd. 3. *If any operator fails to make the report required by subdivision 2 or files an erroneous report, the county auditor shall, on the fifth working day after the day the report became due, determine the amount of tax due and notify the operator by registered mail of the amount of tax so determined. An operator may, within 30 days from the date of mailing the notice, file in the office of the county auditor a written statement of objections to the amount of taxes determined to be due. The statement of objections shall be deemed to be a petition within the meaning of chapter 278, and shall be governed by sections 278.02 to 278.13.*

Sec. 7. Minnesota Statutes 1980, Section 340.621, is amended to read:

340.621 [INTOXICATING OR NONINTOXICATING LIQUOR; REGISTRATION OF BRAND BY OWNER.]

*The label of any brand of wine or intoxicating or nonintoxicating malt beverage may be registered only by the brand owner or its authorized agent. No such brand may be imported for sale within the state without the consent of the brand owner or its authorized agent.*

*Nothing in this section shall be construed to repeal, limit or otherwise affect the provisions of section 340.114.*

Sec. 8. Minnesota Statutes 1980, Section 422A.101, Subdivision 3, is amended to read:

Subd. 3. [STATE CONTRIBUTIONS.] The state shall pay to the Minneapolis municipal employees retirement fund annually an amount equal to the financial requirements of the basic program of the Minneapolis municipal employees retirement fund reported by the actuary in the actuarial valuation of the fund prepared pursuant to section 356.215 for the most recent year but based on a target date for full amortization of the unfunded liabilities by the year 2017 less the amount of employee contributions made pursuant to section 422A.10, and the amount of employer contributions made pursuant to subdivision 1, clauses (a), (b) and (c), and subdivision 2, clauses (a), (b) and (c). Payments (MADE PURSUANT TO THIS SUBDIVISION SHALL BE MADE AT THE SAME TIME AND IN THE SAME MANNER AS FOR PAYMENTS MADE PURSUANT TO SECTION 477A.01, SUBDIVISION 4B) *shall be made in four equal installments on March 15, July 15, September 15, and November 15 annually.*

Sec. 9. [NEW BRIGHTON; PROJECT; BONDS.]

*Notwithstanding the provisions of Minnesota Statutes, Section 474.402, Subdivision 1b, the city of New Brighton may undertake a project consisting of properties, real or personal, used or useful, in connection with a revenue producing enterprise comprising a hotel or motel and may issue revenue bonds of the city to finance such project pursuant to Minnesota Statutes, Chapter 474, in an aggregate principal amount not to exceed \$10,000,000.*

Sec. 10. 1981 regular session H. F. No. 1443, Section 377, as enacted, is amended to read:

Sec. 377. [REPEALER.]

Minnesota Statutes 1980, Sections (3.86;) 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 363.073, Subdivisions 1 and 2; 481.15, Subdivision 3; 480.053; 483.01; 483.02; 648.45; and 648.46 are repealed. Minnesota Statutes 1980, Section 473.556, Subdivision 15 is repealed, effective July 1, 1982.

Sec. 11. [TAX STUDY COMMISSION REVIVED.]

*Notwithstanding the provisions of Minnesota Statutes, Section 645.36, the law in Minnesota Statutes, Section 3.86, is revived.*

Sec. 12. [APPROPRIATION.]

(a) *The sum of \$60,000 is appropriated from the general fund to the tax study commission for the purpose of general operation of the commission including personnel costs. The sum is available to September 30, 1981.*

(b) *The sum of \$100,000 is appropriated from the general fund for the purpose of documenting and maintaining the commission's computer program services. The sum is available for the fiscal biennium ending June 30, 1983.*

Sec. 13. 1981 regular session H. F. No. 1434, Section 5, Subdivision 6, as enacted, is amended to read:

Subd. 6. Board of Boxing (AND WRESTLING) .....	32,600	33,600
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Approved Complement—1

Sec. 14. [REPEALER.]

*1981 regular session H. F. No. 1434, Sections 78, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, and 99, as enacted, are repealed.*

Sec. 15. [EFFECTIVE DATE.]

*Sections 1, 2 to 4 and 8 are effective the day following final enactment. Section 9 is effective on the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of New Brighton, September 30, 1981.*

*Sections 13 and 14 are effective the day after final enactment. Notwithstanding Minnesota Statutes, Sections 645.26, 645.33, or other law, sections 13 and 14 prevail over H. F. No. 1434 regardless of their relative order of final enactment. Notwithstanding Minnesota Statutes, Section 645.34, or other law, the effect of section 14 is to maintain the law as it exists without the amendments repealed by that section."*

Delete the title and insert:

"A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; imposing an income surtax; eliminating the deduction for tax paid on gasoline; limiting the medical expense deduction; providing for deduction of federal income tax on the accrual basis; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the

assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin to hold land for future development; increasing the rate of interest payable on delinquent taxes; rescheduling certain payment dates; limiting property tax refund payments to certain claimants; requiring declaration and estimated payments of gross earnings taxes by telephone and telegraph companies; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; establishing conditions for the special assessment of costs of operation, maintenance, or promotion of public improvements; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; validating rules of the state board of assessors; providing for accrediting of certain assessors; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance a project located in the city of New Brighton; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commissioner; appropriating funds; amending Minnesota

Statutes 1980, Sections 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.136, Subdivision 3; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d, 3g and by adding subdivisions; 290.067, Subdivision 2; 290.08, by adding a subdivision; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.17, Subdivision 2; 290.18, Subdivision 2 and by adding a subdivision; 290.37, Subdivision 3; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 297A.01, Subdivision 3; 297A.25, Subdivision 1; 298.75, Subdivisions 1, 2 and 3; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 429.031; 429.051; 429.061, Subdivision 1 and by adding subdivisions; 458.14; 473.626; 477A.03; 477A.04, Subdivision 2; and 477A.13; Laws 1975, Chapter 226, Section 4, as amended; and Laws 1980, Chapter 607, Article V, Section 5; proposing new law coded in Minnesota Statutes, Chapters 38; 273; 295; 297A; and 477A; repealing Minnesota Statutes 1980, Sections 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; and 477A.01."

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

House Conferees: IRVIN N. ANDERSON, JOHN D. TOMLINSON, WILLIS R. EKEN, STEVEN G. NOVAK and HENRY A. SIEBEN, JR.

Senate Conferees: DOUGLAS J. JOHNSON, MARV HANSON, COLLIN C. PETERSON, LENDA BERGLIN and JAMES C. PEHLER.

Anderson, I., moved that the report of the Conference Committee on H. F. No. 1445 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1445, A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for dec-

laration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions; 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Subdivision 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33.



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 68 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kelly	O'Connor	Skoglund
Anderson, G.	Elioff	Kostohryz	Ogren	Staten
Anderson, I.	Ellingson	Lehto	Otis	Stumpf
Battaglia	Greenfield	Long	Peterson, D.	Swanson
Begich	Gustafson	Mann	Pogemiller	Tomlinson
Berkelman	Hanson	McCarron	Reding	Vanasek
Brandl	Harens	McEachern	Rice	Vellenga
Brinkman	Hauge	Metzen	Rodriguez, F.	Voss
Byrne	Hokanson	Minne	Samuelson	Welch
Carlson, L.	Jacobs	Munger	Sarna	Wenzel
Clark, J.	Johnson, C.	Murphy	Schoenfeld	Wynia
Clark, K.	Jude	Nelson, K.	Shea	Spkr. Sieben, H.
Clawson	Kahn	Norton	Sieben, M.	
Dahlvang	Kalis	Novak	Simoneau	

Those who voted in the negative were:

Aasness	Forsythe	Kvam	Osthoff	Stadum
Ainley	Friedrich	Laidig	Peterson, B.	Stowell
Anderson, R.	Gruenes	Lemen	Piepho	Svigum
Blatz	Halberg	Levi	Redalen	Valan
Carlson, D.	Haukoos	Ludeman	Rees	Valento
Dean	Heap	Luknic	Reif	Weaver
Dempsey	Heinitz	Marsh	Rodriguez, C.	Welker
Den Ouden	Himle	McDonald	Rose	Wieser
Drew	Hoberg	Mehrkens	Rothenberg	Wigley
Erickson	Hokr	Nelsen, B.	Schafer	Zubay
Esau	Jennings	Niehaus	Schreiber	
Evans	Johnson, D.	Nysether	Searles	
Ewald	Kaley	Olsen	Sherman	
Fjoslien	Knickerbocker	Onnen	Sherwood	

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

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

#### RECESS

#### RECONVENED

The House reconvened and was called to order by the Speaker.

#### CALL OF THE HOUSE LIFTED

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

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

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1210, A bill for an act relating to taxation; providing that an electing small business corporation for federal income tax purposes shall be an electing small business corporation for Minnesota income tax purposes; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 290.974; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 290.971; 290.972; and 290.975.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1164.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1164, A bill for an act relating to crimes; providing for application for relief of sentences imposed prior to adoption of sentencing guidelines; amending Minnesota Statutes 1980, Section 590.01, by adding a subdivision.

The bill was read for the first time.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Nelson, K., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1164 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Nelson, K., motion and the roll was called. There were 77 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Greenfield	Lehto	Ogren	Simoneau
Anderson, G.	Gustafson	Lemen	Otis	Skoglund
Anderson, I.	Hanson	Levi	Peterson, D.	Staten
Berkelman	Harens	Long	Pogemiller	Stumpf
Blatz	Hauge	Mann	Reding	Tomlinson
Brandl	Hokanson	Marsh	Rees	Vanasek
Brinkman	Hokr	McCarron	Rice	Vellenga
Byrne	Jacobs	McEachern	Rodriguez, C.	Voss
Carlson, L.	Johnson, C.	Metzen	Rodriguez, F.	Welch
Clark, K.	Johnson, D.	Minne	Rose	Wenzel
Clawson	Jude	Munger	Samuelson	Wynia
Dahlvang	Kahn	Murphy	Sarna	Zubay
Dempsey	Kaley	Nelson, K.	Searles	Spkr. Sieben, H.
Eken	Kalis	Norton	Shea	
Elioff	Kostohryz	Novak	Sherman	
Ellingson	Laidig	O'Connor	Sieben, M.	

Those who voted in the negative were:

Aasness	Esau	Himle	Nysether	Sviggunn
Ainley	Evans	Hoberg	Olsen	Swanson
Anderson, R.	Ewald	Jennings	Onnen	Valento
Battaglia	Fjoslien	Knickerbocker	Peterson, B.	Weaver
Begich	Forsythe	Kvam	Piepho	Welker
Carlson, D.	Friedrich	Ludeman	Redalen	Wieser
Clark, J.	Gruenes	Luknic	Reif	Wigley
Dean	Halberg	McDonald	Rothenberg	
Den Ouden	Haukoos	Mehrkens	Schafer	
Drew	Heap	Nelsen, B.	Schoenfeld	
Erickson	Heinitz	Niehaus	Stowell	

Not having received the required 90 votes the motion did not prevail.

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

The Speaker called Wynia to the Chair.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on

the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

The Senate has appointed as such committee Messrs. Dieterich, Pillsbury and Merriam.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 537, A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Purfeerst, Belanger and Schmitz.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mehrkens moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 537. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 537:

Mehrkens, Dahlvang and Pogemiller.

The following conference committee reports were received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO 912

A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2;

43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 144.125; 144.653, Subdivision 1; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 179.68, Subdivision 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256B.15; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdivisions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223; 298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision 1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 485.14; 508.37, by adding a subdivision; 518.155; 518.66; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; Laws 1980, Chapter 614, Section 163; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2;

508.37, Subdivision 1; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, Section 8.

May 14, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 912, report that we have agreed upon the items in dispute and recommend as follows:

The House of Representatives concur in the amendments adopted by the Senate.

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

House Conferees: TAD JUDE and KATHLEEN A. VELLENGA.

Senate Conferees: MARVIN B. HANSON, RANDOLPH W. PETERSON and JACK DAVIES.

Heinitz moved that the House refuse to adopt the Conference Committee report on H. F. No. 912, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

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

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

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

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

The question recurred on the Heinitz motion and the roll was called.

Knickerbocker moved that those not voting be excused from voting. The motion did not prevail.

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

There were 70 yeas and 63 nays as follows :

Those who voted in the affirmative were :

Aasness	Ewald	Kaley	Niehaus	Shea
Ainley	Fjoslien	Kalis	Nysether	Sherman
Anderson, B.	Forsythe	Knickerbocker	Olsen	Sherwood
Berkelman	Friedrich	Kvam	Onnen	Stadum
Blatz	Gruenes	Laidig	Peterson, B.	Stowell
Brinkman	Halberg	Lemen	Piepho	Sviggum
Carlson, D.	Haukoos	Levi	Redaten	Valento
Dean	Heap	Ludeman	Rees	Vellenga
Dempsey	Heinitz	Luknic	Reif	Weaver
Den Ouden	Himle	Mann	Rose	Welch
Drew	Hoberg	Marsh	Rothenberg	Welker
Erickson	Hokr	McDonald	Schafer	Wieser
Esau	Jennings	Mehrkins	Schreiber	Wigley
Evans	Johnson, D.	Nelsen, B.	Searles	Zubay

Those who voted in the negative were :

Anderson, G.	Elioff	Kostohryz	Ogren	Simoneau
Anderson, I.	Ellingson	Lehto	Osthoff	Skoglund
Anderson, R.	Greenfield	Long	Otis	Staten
Battaglia	Gustafson	McCarron	Peterson, D.	Stumpf
Begich	Hanson	McEachern	Pogemiller	Swanson
Brandl	Harens	Metzen	Reding	Tomlinson
Byrne	Hauge	Minne	Rice	Vanasek
Carlson, L.	Hokanson	Munger	Rodriguez, C.	Voss
Clark, J.	Jacobs	Murphy	Rodriguez, F.	Wenzel
Clark, K.	Johnson, C.	Nelson, K.	Samuelson	Wynia
Clawson	Jude	Norton	Sarna	Spkr. Sieben, H.
Dahlvang	Kahn	Novak	Schoenfeld	
Eken	Kelly	O'Connor	Sieben, M.	

The motion prevailed.



## CONFERENCE COMMITTEE REPORT ON H. F. NO. 769

A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 1.

May 16, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 769, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 769 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 174.50, is amended by adding a subdivision to read:

*Subd. 1a. An additional need of the state transportation system is the acquisition and betterment of rail lines and right-of-way for preservation in the state rail bank as provided in section 222.63.*

Sec. 2. Minnesota Statutes 1980, Section 222.49, is amended to read:

**222.49 [RAIL SERVICE IMPROVEMENT ACCOUNT.]**

The rail service improvement account is created in the special revenue fund in the state treasury. The commissioner shall deposit *in this account* all money appropriated to or received by the department for the purpose of rail service improvement, including federal money, (IN THIS ACCOUNT) *but excluding proceeds of state bonds or other funds appropriated to the commissioner from the state transportation fund for the acquisition or betterment of property pertaining to the state rail bank established by section 222.63, and excluding income of the state rail bank and any other funds appropriated for its maintenance or improvement.* All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable state and federal law. This appropria-

tion shall not lapse but shall be available until the purpose for which it was appropriated has been accomplished. No money appropriated to the department for the purposes of administering the rail service improvement program shall be deposited in the rail service improvement account nor shall such administrative costs be paid from the account.

Sec. 3. Minnesota Statutes 1980, Section 222.50, Subdivision 7, is amended to read:

Subd. 7. The commissioner may expend money from the rail service improvement account for the following purposes:

(a) To pay interest adjustments on loans guaranteed under the state rail user loan guarantee program;

(b) To pay a portion of the costs of capital improvement projects designed to improve rail service including construction or improvement of short segments of rail line such as side track, team track and connections between existing lines, and construction and improvement of loading, unloading, storage and transfer facilities of a rail user;

(c) To acquire, maintain, manage and dispose of railroad right-of-way pursuant to subdivision 8 and the state rail bank program;

(d) To provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and reestablishing by analytical triangulation the existing alignment of the in-place track.

All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the state rail (SERVICE) bank improvement account.

Sec. 4. Minnesota Statutes 1980, Section 222.63, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] (FOR THE PURPOSE OF) *The terms defined in section 222.48 have the same meanings when used in this section (THE TERM). Other terms used in this section have the following meanings:*

(a) "Abandoned", when used with reference to a (RAILROAD) rail line or right-of-way, means a line or right-of-way with respect to which the interstate commerce commission or other responsible federal regulatory agency has (FOUND THAT THE PUBLIC CONVENIENCE AND NECESSITY PERMIT) *permitted* discontinuance of rail service;

(b) *"Right-of-way" means any real property, including any interest in the real property that is or has been owned by a railroad company as the site, or is adjacent to the site, of an existing or former rail line;*

(c) *"State rail bank" means abandoned rail lines and right-of-way acquired by the commissioner of transportation pursuant to this section.*

Sec. 5. Minnesota Statutes 1980, Section 222.63, Subdivision 2, is amended to read:

Subd. 2. [(ESTABLISHMENT; ACQUISITION; ELIGIBLE PROPERTIES) PURPOSE.] A state rail bank (IS) *shall be established for the acquisition (,) and preservation (AND DISPOSITION) of abandoned (RAILROAD) rail lines and right-of-way for future public use, or for disposition for commercial use in serving the public, by providing transportation (AND) of persons or freight or transmission of energy, fuel, or other commodities.*

Subd. 2a. [ACQUISITION.] The commissioner of transportation may acquire by purchase (OR OTHERWISE) all or part of any abandoned (RAILROAD) rail line or right-of-way which is necessary for (INCLUSION) *preservation in the state rail bank to meet the future public and commercial transportation and transmission needs of the state. The commissioner shall not acquire any interest in an abandoned rail line or right-of-way for inclusion in the state rail bank by eminent domain except to quiet title or when all owners as defined in section 117.025 that are known to the court have no objection to the taking.*

Subd. 2b. [ELIGIBLE PROPERTY.] An abandoned rail line or right-of-way is eligible for (INCLUSION) *preservation in the state rail bank if the (RIGHT-OF-WAY MEETS) commissioner determines that it provides or may be used to provide one or more of the following (CRITERIA):*

(a) (PROVIDES OR IS EXPECTED TO PROVIDE) Access to a present or proposed major energy generating or using facility such as an electrical generating plant, major heating plant or other major industrial user of energy;

(b) (PROVIDES OR IS EXPECTED TO PROVIDE) Access to a major storage or terminal facility in the marketing of agricultural commodities (AND) or forest products;

(c) (PROVIDES) Important access to surrounding states;

(d) (IS) A present or potential corridor for a pipeline, electrical transmission line, highway, transit route, rail freight or

passenger line or other similar (COMMERCIAL) transportation or transmission use; or

(e) (PROVIDES) Access to an extractive resource requiring rail or other transportation (AND) or transmission (RAIL SERVICES) service for its development.

*Subd. 2c. [PRESERVATION.]* The commissioner shall provide for the maintenance, including control of weeds, of any rail line or right-of-way that is (INCLUDED IN) acquired for the rail bank (. THE COMMISSIONER SHALL PROVIDE FOR THE MAINTENANCE), and for its management (OF ANY RIGHT-OF-WAY THAT IS ACQUIRED UNDER THE RAIL BANK PROGRAM) in a manner that minimizes maintenance costs and provides a benefit to the state. The commissioner may also require that any existing (RAILROAD TRACK THAT IS INCLUDED IN THE) rail line on acquired right-of-way shall not be removed during any part or all of the period for which the right-of-way is included in the state rail bank.

Sec. 6. Minnesota Statutes 1980, Section 222.63, Subdivision 4, is amended to read:

*Subd. 4. [DISPOSITION PERMITTED.]* The commissioner (SHALL) may, in his discretion, lease any rail line or right-of-way (ACQUIRED UNDER) held in the state rail bank (PROGRAM) or enter into an agreement with any person for the operation of any rail line or right-of-way for any of the purposes set forth in subdivision 2 in accordance with a fee schedule to be developed by the commissioner in consultation with the advisory task force established in section 222.65. The commissioner may after consultation convey any rail line or right-of-way, for consideration or for no consideration and upon other terms as the commissioner may determine to be in the public interest, to a governmental subdivision of the state having power by law to utilize it for any of the purposes set forth in subdivisions 2, 2a, 2b and 2c.

Sec. 7. Minnesota Statutes 1980, Section 222.63, is amended by adding a subdivision to read:

*Subd. 8. [RAIL BANK MAINTENANCE AND IMPROVEMENT ACCOUNTS.]* Special accounts shall be maintained in the state treasury, designated as the rail bank maintenance account and the rail bank improvement account, to record the receipts and expenditures of the commissioner of transportation for the maintenance and for the acquisition and betterment of rail bank property. Expenditures of proceeds of state transportation bonds and any other amounts appropriated to the commissioner from the state transportation fund shall be recorded in the improvement account. Funds received by the commissioner of transportation from rentals, fees, or charges for the use of rail bank property shall be credited to the maintenance account

*and used for the maintenance of that property and held as a reserve for maintenance expenses in an amount determined by the commissioner, and amounts received in the maintenance account in excess of the reserve requirements shall be transferred to the improvement account. All proceeds of the sale of abandoned rail lines shall be deposited in the improvement account. The improvement account shall be used only for the acquisition and betterment of abandoned rail lines and right-of-way. All money to be deposited in those accounts as provided in this subdivision is appropriated to the commissioner of transportation for the purposes of this section. The appropriations shall not lapse but shall be available until the purposes for which the funds are appropriated are accomplished.*

Sec. 8. Laws 1980, Chapter 610, is amended to read:

**Section 1. [RAILROAD ASSISTANCE; APPROPRIATION.]**

*The sum of \$13,500,000 is appropriated from the state (BUILDING) transportation fund to the (RAIL SERVICE IMPROVEMENT ACCOUNT IN THE SPECIAL REVENUE FUND, TO BE EXPENDED BY THE) commissioner of transportation for the acquisition and betterment of public land and buildings and public improvements of a capital nature determined to be needed for preservation in the state rail bank in the manner and for the purposes specified in Minnesota Statutes, (SECTIONS 222.49 TO 222.62) Sections 222.50, Subdivision 7, Clause (c) and 222.63.*

**Sec. 2. [(BOND SALE; DEBT SERVICE) STATE TRANSPORTATION BONDS.]**

*Subdivision 1. To provide the money appropriated in this act from the state (BUILDING) transportation fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$13,500,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, (SECTIONS 16A.63 TO 16A.67) Section 174.51, and by the Constitution, Article XI, Sections 4 (TO), 5, and 7.*

**Sec. 9. [EFFECTIVE DATE.]**

*Sections 1 to 8 are effective the day following final enactment."*

Delete the title and insert:

*"A bill for an act relating to transportation; appropriating money for acquisition, betterment, and maintenance of the state rail bank; authorizing the issuance of state transportation*

bonds; amending Minnesota Statutes 1980, Sections 174.50, by adding a subdivision: 222.49; 222.50, Subdivision 7; and 222.63, Subdivisions 1, 2, 4, and by adding a subdivision; and Laws 1980, Chapter 610."

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

House Conferees: BRUCE ANDERSON, HENRY J. KALIS and WARREN STOWELL.

Senate Conferees: TIMOTHY J. PENNY, IRVING M. STERN and GEORGE S. PILLSBURY.

Anderson, B., moved that the report of the Conference Committee on H. F. No. 769 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 769, A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 1.

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.

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

There were 121 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Den Ouden	Haukoos	Lehto	Novak
Anderson, G.	Eken	Heap	Lemen	Nysether
Anderson, I.	Elioff	Heinitz	Levi	O'Connor
Battaglia	Ellingson	Himle	Long	Olsen
Begich	Erickson	Hoberg	Luknic	Osthoff
Berkelman	Esau	Hokanson	Mann	Otis
Blatz	Evans	Jacobs	Marsh	Peterson, B.
Brandl	Ewald	Johnson, C.	McCarron	Peterson, D.
Brinkman	Fjoslien	Johnson, D.	McEachern	Piepho
Byrne	Forsythe	Jude	Mehrkens	Pogemiller
Carlson, D.	Friedrich	Kahn	Metzen	Redalen
Carlson, L.	Greenfield	Kaley	Minne	Reding
Clark, J.	Gruenes	Kalis	Munger	Rees
Clark, K.	Gustafson	Kelly	Murphy	Reif
Clawson	Halberg	Knickerbocker	Nelsen, B.	Rice
Dahlvang	Hanson	Kostohryz	Nelson, K.	Rodriguez, C.
Dean	Harens	Kvam	Niehaus	Rodriguez, F.
Dempsey	Hauge	Laidig	Norton	Rose

Rothenberg	Shea	Stowell	Vellenga	Wynia
Samuelson	Sherman	Stumpf	Voss	Zubay
Sarna	Sieben, M.	Sviggum	Weaver	Spkr. Sieben, H.
Schafer	Simoneau	Swanson	Welch	
Schoenfeld	Skoglund	Tomlinson	Weazel	
Schreiber	Stadum	Valento	Wieser	
Searles	Staten	Vanasek	Wigley	

Those who voted in the negative were:

Drew	Jennings	Ludeman	McDonald	Welker
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The bill was repassed, as amended by Conference, and its title agreed to.

#### CALL OF THE HOUSE LIFTED

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 697

A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

May 16, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 697, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 697 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 500.221, is amended to read:

#### 500.221 [RESTRICTIONS ON ACQUISITION OF TITLE.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, "agricultural land" means land capable of use in the production of agricultural crops, livestock or livestock products, poultry or poultry products, milk or dairy products, or fruit and other hor-

gricultural products but does not include any land zoned by a local governmental unit for a use other than and nonconforming with agricultural use. For the purposes of this section, "interest in agricultural land" includes any leasehold interest. *For the purposes of this section, a "permanent resident alien of the United States" is a natural person who has been lawfully admitted to the United States for permanent residence and in fact maintains his principal, actual dwelling place within the United States for at least six months out of every consecutive 12 month period without regard to intent. For the purposes of this section, "commissioner" means the commissioner of agriculture.*

*Subd. 1a. [DETERMINATION OF ALIEN STATUS.] An alien who has been physically absent from the United States for more than six months out of any 12 month period shall be presumed not to be a permanent resident alien. Every permanent resident alien of the United States who owns property subject to this section shall annually, at some time during the month of January, file with the commissioner a statement setting forth the dates and places of that person's residence in the United States during the prior calendar year. The statement shall include an explanation of absences totaling more than six months during the prior calendar year and any facts which support the continuation of permanent resident alien status. Upon receipt of the statement, the commissioner shall have 30 days to review the statement and notify the resident alien whether the facts support continuation of the permanent resident alien status.*

*Subd. 2. [ALIENS AND NON-AMERICAN CORPORATIONS.] Except as hereinafter provided, no natural person shall (HEREAFTER) acquire directly or indirectly any interest in agricultural land unless (HE BE) the person is a citizen of the United States or a permanent resident alien of the United States (AND,). In addition to the restrictions in section 500.24, no corporation, partnership, limited partnership, trustee, or other business entity shall (HEREAFTER,) directly or indirectly, acquire or otherwise obtain any interest, whether legal, beneficial or otherwise, in any title to agricultural land unless at least 80 percent of each class of stock issued and outstanding or 80 percent of the ultimate beneficial interest of (SUCH) the entity is held directly or indirectly by citizens of the United States or permanent resident aliens. This section shall not apply:*

*(1) to agricultural land that may be acquired by devise, inheritance, as security for indebtedness, by process of law in the collection of debts, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise (; PROVIDED, THAT). All agricultural land (SO) acquired in the collection of debts or by the enforcement of a lien or claim shall be disposed of within three years after acquiring ownership (. FURTHER, THE PROVISIONS OF THIS SECTION SHALL NOT APPLY);*



(2) to citizens or subjects of a foreign country whose rights to hold land are secured by treaty (OR);

(3) to lands used for transportation purposes by a common carrier, as defined in section 218.011, subdivision 2 (, OR);

(4) to lands or interests in lands acquired for use in connection with mining and mineral processing operations (PROVIDED, HOWEVER, THAT). Pending the development of agricultural land for mining purposes (SUCH) the land may not be used for farming except under lease to a family farm, a family farm corporation or an authorized farm corporation (FURTHER, THE PROVISIONS OF THIS SECTION SHALL NOT APPLY); and

(5) to agricultural land operated for research or experimental purposes (, PROVIDED THAT) if the ownership of the agricultural land (SHALL BE) is incidental to the research or experimental objectives of the person or business entity (,) and (PROVIDED THAT) the total acreage owned by the person or business entity does not exceed the acreage owned on May 27, 1977.

*Subd. 2a. [LOSS OF EXEMPT STATUS.] If any person or business entity acquires an interest in agricultural land as permitted by subdivision 2 and thereafter ceases to be a person or entity qualified to acquire an interest in agricultural land as permitted by subdivision 2 by reason of the loss of citizenship or permanent residence status or the loss of citizenship or permanent residence status of its shareholders or the holders of ultimate beneficial interests, the person or entity shall:*

*(a) Notify the commissioner within 30 days of the loss of qualification and file a report with the commissioner of agriculture giving a description of all agricultural land owned by the person or entity within the state, the date upon which the land was acquired, the date upon which the person or entity ceased to be qualified, and other information reasonably required by the commissioner;*

*(b) Divest itself of any agricultural land acquired after May 27, 1981 within one year of the date upon which the person or entity ceased to be qualified;*

*(c) Report the divestiture to the commissioner of agriculture within 90 days after it occurs;*

*(d) Make other reports as the commissioner may reasonably require; and*

*(e) Continue to file periodic reports as required by subdivision 4 with respect to any land acquired on or before May 27, 1977.*

*Subd. 2b. [INVESTIGATION BY COMMISSIONER.] The commissioner, upon the request of any person or upon receipt of any information which leads him to believe that a violation of this section may exist, may issue subpoenas requiring the appearance of witnesses, the production of relevant records and the giving of relevant testimony. If, as a result of his investigation, the commissioner concludes that a violation of this section may have occurred, he shall provide the landowner or his designee with the opportunity to meet with the commissioner or his designee in the county where the land is located to exchange information relating to the compliance with this section and any necessity for divestiture. The commissioner shall have the power to issue additional subpoenas for the meeting. The landowner and any person subpoenaed by the commissioner may be represented by counsel. Notwithstanding the provisions of chapter 15, the preliminary investigation and the meeting do not constitute a contested case hearing.*

*Subd. 3. [ENFORCEMENT.] If, after investigation, the (ATTORNEY GENERAL) commissioner has reason to believe that any person is violating (SUBDIVISION 2) this section, he shall commence an action in the district court in which any agricultural land relative to the violation is situated, or if situated in two or more counties, in any county in which a substantial part of the land is situated. The (ATTORNEY GENERAL) commissioner shall file for record with the county recorder or the registrar of titles of each county in which any portion of (SAID) the land is located a notice of the pendency of the action as provided in section 557.02. If the court finds that the land in question is being held in violation of subdivision 2, it shall enter an order so declaring. The (ATTORNEY GENERAL) commissioner shall file for record any (SUCH) order with the county recorder or the registrar of titles of each county in which any portion of (SAID) the land is located. Thereafter, the natural person, corporation, partnership, limited partnership, trustee or other business entity, (OWNING SUCH LAND) shall have a period of one year from the date of the order to divest itself of the lands. The aforementioned one year limitation period shall be deemed a covenant running with the title to the land against any grantee or assignee or successor corporation or any non-corporation entity acting as agent, assignee, or successor on behalf of a corporation. Any land not so divested within the time prescribed shall be sold at public sale in the manner prescribed by law for the foreclosure of a mortgage by action. (IN ADDITION, ANY PROSPECTIVE OR THREATENED VIOLATION MAY BE ENJOINED BY AN ACTION BROUGHT BY THE ATTORNEY GENERAL IN THE MANNER PROVIDED BY LAW.) No title to land shall be invalid or subject to forfeiture by reason of the alienage of any former owner or person having a former interest therein.*

*Subd. 3a. [INJUNCTION.] The commissioner may seek injunctive relief whenever a violation of this section is threatened.*

**Subd. 3b. [AGREEMENT.]** *The commissioner is authorized to enter into a written agreement in settlement of any alleged violation, whether or not a hearing is held on the violation. An agreement may provide for an extension of the time period for divestiture but shall not include a waiver of a divestiture required by this section. The agreement shall be construed as a "No Contest" pleading and may include any sanctions, penalties, or affirmative actions which are mutually satisfactory and are consistent with this section. The agreement shall be final and conclusive with respect to the action, except upon a showing of fraud, malfeasance, or misrepresentation of a material fact. The matter agreed upon shall not be reopened or modified by an officer, employee, or agent of the state. The agreement shall be filed in Ramsey county district court and shall be enforceable by it or the district court of the county in which the person resides or principally does business. Any violator of an agreement may, after notice is given to the alleged violator and a hearing is held, be punished by the district court as for contempt, in addition to other remedies in this section.*

**Subd. 4. [REPORTS.]** Any natural person, corporation, partnership, limited partnership, trustee, or other business entity prohibited from future acquisition of agricultural land may retain title to any agricultural land *lawfully acquired* within this state (ACQUIRED) prior to (MAY 27, 1977) *June 1, 1981*, but (IT) shall file a report with the commissioner of agriculture (WITHIN 90 DAYS AFTER MAY 27, 1977 AND) annually before (APRIL 15 THEREAFTER,) *January 31* containing a description of all agricultural land held within this state, the purchase price and market value of the land, the use to which it is put, the date of acquisition and any other reasonable information required by the commissioner. The commissioner shall make the information available to the public. *All required annual reports shall include a filing fee of \$35.*

**Subd. 5. [PENALTY.]** Willful failure to properly register any parcel of land as required by subdivision 4 is a gross misdemeanor. Each full month of failure to register is a separate offense."

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

House Conferees: LEROY STUMPF, BRUCE ANDERSON and ELTON R. REDALEN.

Senate Conferees: MARV HANSON, GREGORY DAHL and DARREL L. PETERSON.

Stumpf moved that the report of the Conference Committee on H. F. No. 697 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 697, A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

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 118 yeas and 10 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Friedrich	Ludeman	Schafer	Skoglund
Brandl	Jennings	Rodriguez, C.	Schreiber	Welker

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

## MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

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

H. F. No. 968, A bill for an act relating to penalties for crimes; creating the Minnesota law enforcement training account and the crime victim assistance account; appropriating

money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 299B.06; 588.01, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 626.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Lehto moved that the House concur in the Senate amendments to H. F. No. 968 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 968, A bill for an act relating to penalties for traffic offenses; authorizing penalty assessments for peace officers training; appropriating money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 588.01, Subdivision 3; 626.845, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 626.

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

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 247, A bill for an act relating to retirement; authorizing certain persons to purchase prior service credit; authorizing certain persons to change retirement coverage for future services.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Sarna moved that the House concur in the Senate amendments to H. F. No. 247 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 247, A bill for an act relating to retirement; authorizing certain persons to purchase prior service credit; authorizing certain persons to change retirement coverage for future services; providing for retroactive coverage by the Minnesota state retirement system correctional employees retirement plan in certain instances; amending Minnesota Statutes 1980, Section 352.91, by adding a subdivision.

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

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Drew	Hoberg	Mann	Peterson, B.
Ainley	Eken	Hokanson	Marsh	Peterson, D.
Anderson, B.	Elioff	Hokr	McCarron	Piepho
Anderson, G.	Ellingson	Jacobs	McDonald	Pogemiller
Anderson, I.	Erickson	Jennings	McEachern	Redalen
Anderson, R.	Esau	Johnson, C.	Mehrkens	Reding
Battaglia	Evans	Johnson, D.	Minne	Rees
Begich	Fjoslien	Jude	Munger	Reif
Blatz	Forsythe	Kahn	Murphy	Rice
Brandl	Friedrich	Kaley	Nelsen, B.	Rodriguez, C.
Brinkman	Greenfield	Kalis	Nelson, K.	Rodriguez, F.
Byrne	Gruenes	Kelly	Niehaus	Rose
Carlson, D.	Gustafson	Knickerbocker	Norton	Rothenberg
Carlson, L.	Halberg	Kostohryz	Novak	Sarna
Clark, J.	Hanson	Laidig	Nysether	Schafer
Clark, K.	Harens	Lehto	O'Connor	Schoenfeld
Clawson	Hauge	Lemen	Ogren	Schreiber
Dahlvang	Haukoos	Levi	Olsen	Searles
Dean	Heap	Long	Onnen	Sherman
Dempsey	Heinitz	Ludeman	Osthoff	Sherwood
Den Ouden	Himle	Luknic	Otis	Sieben, M.

Simoneau	Stumpf	Vanasek	Welker	Zubay
Skoglund	Svigum	Vellenga	Wenzel	Spkr. Sieben, H.
Stadum	Swanson	Voss	Wieser	
Staten	Tomlinson	Weaver	Wigley	
Stowell	Valento	Welch	Wynia	

Those who voted in the negative were:

**Kvam**

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

**Mr. Speaker:**

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

H. F. No. 305, A bill for an act relating to crimes; specifying the crime of theft of services; amending Minnesota Statutes 1980, Section 609.52, Subdivisions 1 and 2.

**PATRICK E. FLAHAVEN, Secretary of the Senate**

#### CONCURRENCE AND REPASSAGE

Greenfield moved that the House concur in the Senate amendments to H. F. No. 305 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 305, A bill for an act relating to crimes; specifying the crime of theft of services; conforming the definition of trade secret in the law proscribing theft to the definition of trade secret in the uniform trade secrets act; amending Minnesota Statutes 1980, Section 609.52.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Brandl	Dempsey	Fjoslien	Hauge
Ainley	Brinkman	Den Ouden	Forsythe	Haukoos
Anderson, B.	Byrne	Drew	Friedrich	Heap
Anderson, G.	Carlson, D.	Eken	Greenfield	Heinitz
Anderson, I.	Carlson, L.	Ellioff	Gruenes	Himle
Anderson, R.	Clark, J.	Ellingson	Gustafson	Hoberg
Battaglia	Clark, K.	Erickson	Halberg	Hokanson
Begich	Clawson	Esau	Hanson	Hokr
Blatz	Dahlvang	Evans	Harens	Jacobs

Jennings	Mann	Onnen	Samuelson	Tomlinson
Johnson, C.	Marsh	Osthoff	Schafer	Valento
Johnson, D.	McCarron	Otis	Schoenfeld	Vanasek
Kahn	McDonald	Peterson, B.	Schreiber	Vellenga
Kaley	Mehrkens	Peterson, D.	Searles	Voss
Kalis	Minne	Plepho	Shea	Weaver
Kelly	Munger	Pogemiller	Sherman	Welch
Knickerbocker	Murphy	Redalen	Sherwood	Welker
Kostohryz	Nelsen, B.	Reding	Sieben, M.	Wenzel
Kvam	Nelson, K.	Rees	Simoneau	Wieser
Laidig	Niehaus	Reif	Skoglund	Wigley
Lehto	Norton	Rice	Stadum	Wynia
Lemen	Novak	Rodriguez, C.	Staten	Zubay
Levi	Nysaether	Rodriguez, F.	Stowell	Spkr. Sieben, H.
Long	Ogren	Rose	Stumpf	
Luknic	Olsen	Rothenberg	Swanson	

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

The Speaker resumed the Chair.

Mr. Speaker:

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

S. F. No. 775.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 775, A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

The bill was read for the first time.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Samuelson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 775 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Samuelson moved that the rules of the House be so far suspended that S. F. No. 775 be given its second and third readings and be placed upon its final passage. The motion prevailed.



S. F. No. 775 was read for the second time.

Samuelson and Clark, K., moved to amend S. F. No. 775 as follows:

Page 7, after line 19, insert:

*"Subd. 3. [CANCER SURVEILLANCE SYSTEM.] The sum of \$30,000 is appropriated to the commissioner of health for the biennium ending June 30, 1983 for the purpose of designing a statewide cancer and birth defects surveillance system and pilot testing the system. This amount shall be taken from the appropriations for subdivision 1 and for subdivision 2. The commissioner shall seek matching funds from other sources to supplement this amount."*

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 74 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Jude	Murphy	Shea
Anderson, B.	Eken	Kahn	Nelson, K.	Sieben, M.
Anderson, G.	Elioff	Kalis	Norton	Simoneau
Anderson, I.	Ellingson	Kelly	Novak	Skoglund
Anderson, R.	Greenfield	Knickerbocker	Ogren	Staten
Battaglia	Gustafson	Lehto	Osthoff	Stumpf
Begich	Halberg	Long	Otis	Swanson
Berkelman	Hanson	Luknic	Peterson, D.	Tomlinson
Brandl	Harens	Mann	Pogemiller	Vanasek
Byrne	Hauge	Marsh	Rice	Voss
Carlson, L.	Heap	McCarron	Rodriguez, C.	Welch
Clark, J.	Hokanson	McEachern	Rodriguez, F.	Wenzel
Clark, K.	Jacobs	Metzen	Samuelson	Wynia
Clawson	Johnson, C.	Minne	Sarna	Spkr. Sieben, H.
Dahlvang	Johnson, D.	Munger	Schoenfeld	

Those who voted in the negative were:

Ainley	Forsythe	Laidig	Piepho	Stowell
Blatz	Friedrich	Lemen	Redalen	Sviggum
Carlson, D.	Gruenes	Levi	Reding	Valento
Dean	Haukoos	Ludeman	Rees	Weaver
Dempsey	Heinitz	McDonald	Reif	Welker
Den Ouden	Himle	Mehrkens	Rose	Wieser
Erickson	Hoberg	Nelsen, B.	Schafer	Wigley
Esau	Hokr	Niehaus	Searles	Zubay
Evans	Jennings	Nysether	Sherman	
Ewald	Kaley	Onnen	Sherwood	
Fjoslien	Kvam	Peterson, B.	Stadum	

The motion prevailed and the amendment was adopted.

Ogren moved to amend S. F. No. 775, as amended, as follows:

Page 4, after line 24, insert:

"Sec. 5. [FLUORIDATION OF MUNICIPAL WATER SUPPLIES.]

*Notwithstanding Minnesota Statutes 144.145, the commissioner of health shall exempt the community of Brainerd from the requirement for fluoridation of its municipal water supply. This exemption is for a study by the department of health of the impact of fluoridation on the health, including the dental health, of the residents. All costs generated by this study shall be borne by the city of Brainerd. This exemption shall be allowed after approval by the majority of registered Brainerd voters voting on the issue at a special or regular election set by the Brainerd city council."*

Renumber the sections.

Amend the title accordingly.

#### CALL OF THE HOUSE

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

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

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

Carlson, D., moved to amend the Ogren amendment to S. F. No. 775, as amended, as follows:

Line 2, delete "*the*" insert "*any*"

Line 2, delete "*of Brainerd*"

Line 6, delete "*city of Brainerd*" and insert "*local jurisdiction*"

Line 8, delete "*Brainerd*"

Line 9, delete "*Brainerd city council*" insert "*local governing body*"

A roll call was requested and properly seconded.

#### POINT OF ORDER

Halberg raised a point of order pursuant to rule 3.9 that the Ogren amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

The question was taken on the amendment to the amendment and the roll was called. There were 68 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Aasness	Halberg	Ludeman	Onnen	Sherwood
Ainley	Haukoos	Luknic	Peterson, B.	Stadum
Anderson, B.	Heap	Mann	Piepho	Stowell
Anderson, R.	Himle	Marsh	Redalen	Sviggum
Blatz	Hoberg	McCarron	Reding	Valan
Carlson, D.	Hokr	McDonald	Rees	Valento
Dean	Jennings	Mehrrens	Rodriguez, C.	Vellenga
Dempsey	Johnson, C.	Munger	Rose	Weaver
Den Ouden	Johnson, D.	Nelsen, B.	Rothenberg	Welker
Erickson	Knickerbocker	Niehaus	Samuelson	Wenzel
Esau	Kvam	Nysether	Schafer	Wieser
Ewald	Laidig	O'Connor	Schreiber	Wigley
Fjoslien	Lehto	Ogren	Searles	
Gustafson	Levi	Olsen	Sherman	

Those who voted in the negative were:

Anderson, G.	Eken	Jude	Norton	Sieben, M.
Anderson, I.	Elioff	Kahn	Novak	Simoneau
Battaglia	Ellingson	Kaley	Osthoff	Skoglund
Begich	Evans	Kalis	Otis	Stumpf
Berkelman	Forsythe	Kelly	Peterson, D.	Swanson
Brandl	Greenfield	Kostohryz	Pogemiller	Tomlinson
Byrne	Gruenes	Lemen	Reif	Vanasek
Carlson, L.	Hanson	Long	Rice	Voss
Clark, J.	Harens	McEachern	Rodriguez, F.	Welch
Clawson	Heinitz	Metzen	Sarna	Wynia
Dahlvang	Hokanson	Minne	Schoenfeld	Zubay
Drew	Jacobs	Murphy	Shea	Spkr. Sieben, H.

The motion prevailed and the amendment to the amendment was adopted.

#### POINT OF ORDER

Swanson raised a point of order pursuant to rule 3.9 that the Ogren amendment, as amended, was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

McCarron moved to amend S. F. No. 775, as amended, as follows:

Page 6, delete lines 1 to 11

Renumber the sections

Amend the title as follows:

Page 1, line 8, delete "subdivisions" and insert "subdivision"

The motion prevailed and the amendment was adopted.

S. F. No. 775, A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

Lemen

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

#### MOTION FOR RECONSIDERATION

Clark, J., moved that the vote whereby the Nelson, K., motion to suspend Article IV, Section 19 of the State Constitution relating to S. F. No. 1164 did not prevail be now reconsidered. The motion prevailed.

#### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Nelson, K., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1164 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Nelson, K., moved that the rules of the House be so far suspended that S. F. No. 1164 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1164 was read for the second time.

Erickson, Schoenfeld and Shea were excused while in conference committee.

Rothenberg and Nelson, K., moved to amend S. F. No. 1164, as follows:

Page 1, after line 15, insert:

*"No petition seeking re-sentencing shall be granted unless the court makes specific findings of fact that release of the petitioner prior to the time he or she would be released under the sentence currently being served does not present a danger to the public and is not incompatible with the welfare of society."*

The motion prevailed and the amendment was adopted.

Lemen moved to amend S. F. No. 1164, as amended, as follows:

Page 1, after line 15, add a new section to read:

*"Sec. 2. This act is effective the day following affirmation of the sentencing guidelines by majority vote of each body of the Legislature."*

A roll call was requested and properly seconded.

The Speaker called Wynia to the Chair.

Laidig moved that S. F. No. 1164, as amended, be re-referred to the Committee on Criminal Justice.

A roll call was requested and properly seconded.

The question was taken on the Laidig motion and the roll was called.

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

There were 43 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Knickerbocker	Osthoff	Stowell
Ainley	Forsythe	Kostohryz	Peterson, B.	Swiggum
Battaglia	Friedrich	Laidig	Reding	Valan
Begich	Gruenes	Lemen	Reif	Valento
Brinkman	Halberg	Ludeman	Rose	Weaver
Dean	Haukoos	Niehaus	Samuelson	Welker
Den Ouden	Himle	Nysether	Schafer	Wieser
Drew	Hoberg	Olsen	Sherwood	
Esau	Johnson, D.	Onnen	Stadum	

Those who voted in the negative were:

Anderson, G.	Gustafson	Long	Ogren	Skoglund
Berkelman	Hanson	Luknic	Otis	Staten
Blatz	Harens	Mann	Peterson, D.	Stumpf
Brandl	Hauge	Marsh	Piepho	Swanson
Byrne	Heap	McCarron	Pogemiller	Tomlinson
Carlson, L.	Heinitz	McDonald	Redalen	Vanasek
Clark, J.	Hokanson	McEachern	Rees	Vellenga
Clark, K.	Hokr	Mehrkins	Rice	Voss
Clawson	Jacobs	Metzen	Rodriguez, C.	Welch
Dahlvang	Johnson, C.	Minne	Rodriguez, F.	Wenzel
Dempsey	Jude	Munger	Rothenberg	Wigley
Eken	Kahn	Murphy	Sarna	Wynia
Elioff	Kaley	Nelsen, B.	Schreiber	Zubay
Ellingson	Kelly	Nelson, K.	Searles	Spkr. Sieben, H.
Evans	Kvam	Norton	Sherman	
Ewald	Lehto	Novak	Sieben, M.	
Greenfield	Levi	O'Connor	Simoneau	

The motion did not prevail.

The question recurred on the Lemen amendment and the roll was called.

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

There were 48 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Aasness	Halberg	Lemen	Peterson, B.	Stadum
Ainley	Haukoos	Ludeman	Redalen	Stowell
Blatz	Heinitz	McEachern	Reif	Sviggun
Carlson, D.	Himle	Metzen	Rodriguez, C.	Valan
Den Ouden	Hoberg	Nelsen, B.	Rothenberg	Valento
Esau	Jennings	Niehaus	Sarna	Weaver
Fjoslien	Johnson, D.	Nysether	Schafer	Welker
Forsythe	Kaley	Olsen	Schreiber	Wieser
Friedrich	Knickerbocker	Onnen	Searles	
Gruenes	Laidig	Osthoff	Sherwood	

Those who voted in the negative were:

Anderson, G.	Elioff	Kelly	Novak	Stumpf
Anderson, I.	Ellingson	Kostohryz	O'Connor	Swanson
Battaglia	Evans	Kvam	Ogren	Tomlinson
Begich	Ewald	Lehto	Otis	Vanasek
Berkelman	Greenfield	Levi	Peterson, D.	Vellenga
Brandl	Gustafson	Long	Piepho	Voss
Brinkman	Hanson	Luknic	Pogemiller	Welch
Byrne	Harens	Mann	Reding	Wenzel
Carlson, L.	Hauge	Marsh	Rees	Wigley
Clark, J.	Heap	McCarron	Rice	Wynia
Clark, K.	Hokanson	Mehrkens	Rodriguez, F.	Zubay
Clawson	Hokr	Minne	Rose	Spkr. Sieben, H.
Dahlvang	Jacobs	Munger	Sieben, M.	
Dempsey	Johnson, C.	Murphy	Simoneau	
Drew	Jude	Nelson, K.	Skoglund	
Eken	Kahn	Norton	Staten	

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

Kelly moved to amend S. F. No. 1164, as amended, as follows:

Page 1, line 11, after "crime" insert "committed before May 1, 1980"

The motion prevailed and the amendment was adopted.

Lemen offered an amendment to S. F. No. 1164, as amended.

## POINT OF ORDER

Kelly raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker pro tempore ruled the point of order well taken and the amendment out of order.

The Speaker resumed the Chair.

S. F. No. 1164, A bill for an act relating to crimes; providing for application for relief of sentences imposed prior to adoption of sentencing guidelines; amending Minnesota Statutes 1980, Section 590.01, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called.

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

There were 83 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Kelly	O'Connor	Stadum
Anderson, R.	Evans	Kvam	Ogren	Staten
Battaglia	Greenfield	Lehto	Otis	Stowell
Berkelman	Gustafson	Levi	Peterson, B.	Sviggun
Blatz	Hanson	Long	Peterson, D.	Tomlinson
Brandl	Hauge	Luknic	Piepho	Valan
Brinkman	Heap	Mann	Redalen	Vanasek
Byrne	Heinitz	Marsh	Rees	Vellenga
Carlson, D.	Hoberg	McCarron	Rice	Voss
Carlson, L.	Hokanson	McDonald	Rodriguez, C.	Weaver
Clark, J.	Hokr	Mehrkins	Rodriguez, F.	Wenzel
Clark, K.	Jacobs	Minne	Rose	Wigley
Clawson	Johnson, C.	Munger	Rothenberg	Wynia
Dahlvang	Johnson, D.	Murphy	Searles	Zubay
Dempsey	Jude	Nelson, K.	Sherman	Spkr. Sieben, H.
Eken	Kahn	Norton	Sieben, M.	
Elioff	Kaley	Novak	Simoneau	

Those who voted in the negative were:

Aasness	Fjoslien	Kostohryz	Olsen	Sherwood
Ainley	Forsythe	Laidig	Onnen	Skoglund
Anderson, I.	Friedrich	Lemen	Osthoff	Swanson
Begich	Gruenes	Ludeman	Reding	Valento
Dean	Harens	McEachern	Reif	Welker
Den Ouden	Haukoos	Metzen	Samuelson	Wieser
Drew	Himle	Nelsen, B.	Sarna	
Esau	Jennings	Niehaus	Schafer	
Ewald	Knickerbocker	Nysether	Schreiber	

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



Novak moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 697, A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 817, A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, Subdivision 3.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 769, A bill for an act relating to transportation; appropriating money for acquisition, betterment, and maintenance of the state rail bank; authorizing the issuance of state transportation bonds; amending Minnesota Statutes 1980, Sections 174.50, by adding a subdivision; 222.49; 222.50, Subdivision 7; and 222.63, Subdivisions 1, 2, 4, and by adding a subdivision; and Laws 1980, Chapter 610.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 295, A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; appropriating funds.

PATRICK E. FLAHAVEN, Secretary of the Senate

Norton moved that the House refuse to concur in the Senate amendments to H. F. No. 295, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

The question was taken on the Norton motion and the roll was called.

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

There were 49 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Ainley	Heinitz	Ludeman	Piepho	Valento
Byrne	Hoberg	Mehrkens	Redalen	Vanasek
Dempsey	Hokr	Munger	Reif	Voss
Den Ouden	Johnson, C.	Nelsen, B.	Rose	Weaver
Erickson	Kahn	Niehaus	Schafer	Welker
Esau	Kaley	Norton	Sherman	Wieser
Fjoslien	Kvam	Nysether	Sieben, M.	Wigley
Friedrich	Lehto	Olsen	Stadum	Zubay
Hauge	Lemen	Onnen	Stowell	Spkr. Sieben, H.
Haukoos	Levi	Peterson, B.	Sviggum	

Those who voted in the negative were:

Anderson, G.	Dean	Himle	McEachern	Rodriguez, C.
Anderson, I.	Drew	Hokanson	Metzen	Rodriguez, F.
Anderson, R.	Eken	Jacobs	Minne	Rothenberg
Battaglia	Elioff	Johnson, D.	Murphy	Sarna
Begich	Ellingson	Jude	Nelson, K.	Schreiber
Berkelman	Evans	Kalis	Novak	Shea
Blatz	Ewald	Kelly	O'Connor	Simoneau
Brandl	Forsythe	Knickerbocker	Ogren	Skoglund
Brinkman	Greenfield	Kostohryz	Osthoff	Staten
Carlson, D.	Gruenes	Laidig	Otis	Stumpf
Carlson, L.	Gustafson	Long	Peterson, D.	Swanson
Clark, J.	Halberg	Luknic	Pogemiller	Tomlinson
Clark, K.	Hanson	Mann	Reding	Vellenga
Clawson	Harens	Marsh	Rees	Wenzel
Dahlvang	Heap	McDonald	Rice	Wynia

The motion did not prevail.

#### CONCURRENCE AND REPASSAGE

Sarna moved that the House concur in the Senate amendments to H. F. No. 295 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 295, A bill for an act relating to retirement; providing post-retirement annuity or benefit increases for certain retired or disabled public employees; removing the director from the state board investment advisory council; changing the investment authority of the fund; the Minneapolis employees retirement fund; establishing a new retirement benefit fund therein; transferring assets from the Minnesota post-retirement investment fund; appropriating funds; amending Minnesota Statutes

1980, Sections 11A.08, Subdivision 1; 422A.05, Subdivision 2c; and 422A.06, Subdivisions 1, 3, 4, 5, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 422A.05, Subdivision 3.

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

The question was taken on the repassage of the bill and the roll was called.

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

There were 123 yeas and 8 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Den Ouden	Kvam	Niehaus	Welker	Wieser
Jennings	Ludeman	Voss		

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

Mr. Speaker:

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

H. F. No. 1132, A bill for an act relating to the revenue recapture act; expanding the definition of claimant agencies to include counties and state district courts; amending Minnesota Statutes 1980, Sections 270A.02; and 270A.03, Subdivisions 2 and 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Hokanson moved that the House concur in the Senate amendments to H. F. No. 1132 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

#### POINT OF ORDER

Knickerbocker raised a point of order pursuant to joint rule 2.02, clause (b) and (c) that H. F. No. 1132 was out of order. The Speaker ruled the point of order not well taken.

The question recurred on the Hokanson motion and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

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

There were 86 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kelly	Ogren	Staten
Anderson, G.	Forsythe	Knickerbocker	Osthoff	Stumpf
Anderson, I.	Greenfield	Kostohryz	Otis	Sviggum
Anderson, R.	Gruenes	Lehto	Peterson, D.	Swanson
Battaglia	Gustafson	Levi	Pogemiller	Tomlinson
Begich	Halberg	Long	Reding	Valan
Berkelman	Hanson	Luknic	Reif	Vanasek
Brandl	Harens	Mann	Rice	Vellenga
Byrne	Hauge	Marsh	Rodriguez, C.	Voss
Carlson, D.	Haukoos	McCarron	Rodriguez, F.	Weaver
Carlson, L.	Heap	McEachern	Rose	Welch
Clark, J.	Hoberg	Metzen	Samuelson	Wenzel
Clark, K.	Hokanson	Minne	Sarna	Wynia
Clawson	Jacobs	Munger	Schoenfeld	Spkr. Sieben, H.
Dahlvang	Johnson, C.	Murphy	Shea	
Drew	Johnson, D.	Nelson, K.	Sieben, M.	
Eken	Kahn	Norton	Simoneau	
Elioff	Kalis	Novak	Skoglund	

Those who voted in the negative were:

Aasness	Ewald	Lemen	Piepho	Stowell
Ainley	Fjoslien	Ludeman	Redalen	Valento
Blatz	Friedrich	McDonald	Rees	Welker
Brinkman	Heinitz	Mehrkens	Rothenberg	Wieser
Dean	Himle	Nelsen, B.	Schafer	Wigley
Dempsey	Hokr	Niehaus	Schreiber	Zubay
Den Ouden	Jennings	Nysether	Searles	
Erickson	Kaley	Olsen	Sherman	
Esau	Kvam	Onnen	Sherwood	
Evans	Laidig	Peterson, B.	Stadum	

The motion prevailed.

H. F. No. 1132, A bill for an act relating to state government; supplementing appropriations for the expenses of state government with certain conditions; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; increasing the rate of the tax on cigarettes, little cigars, tobacco products and alcoholic beverages; imposing the sales tax on candy and soft drinks; amending Minnesota Statutes 1980, Section 124.32, Subdivision 1, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.02; 270A.03, Subdivisions 2 and 5; 297.32, Subdivisions 1 and 2; 297A.25, Subdivision 1; 340.47, Subdivisions 1, 1a and 2; amending laws enacted at the 1981 regular session styled as H. F. No. 70, Article I, Section 21, Subdivision 1; H. F. No. 70, Article I, Section 45; and H. F. No. 1446, Article II, Section 2, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 297.

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

The question was taken on the repassage of the bill and the roll was called.

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

There were 89 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, D.	Ellingson	Haukoos	Kelly
Anderson, G.	Carlson, L.	Forsythe	Heap	Knickerbocker
Anderson, I.	Clark, J.	Greenfield	Hoberg	Kostohryz
Anderson, R.	Clark, K.	Gruenes	Hokanson	Laidig
Battaglia	Clawson	Gustafson	Jacobs	Lehto
Begich	Dahlvang	Halberg	Johnson, C.	Levi
Berkelman	Drew	Hanson	Johnson, D.	Long
Brandl	Eken	Harens	Kahn	Luknic
Byrne	Elioff	Hauge	Kalis	Mann

Marsh	Novak	Reif	Sieben, M.	Vanasek
McCarron	O'Connor	Rice	Simoneau	Vellenga
McEachern	Ogren	Rodriguez, C.	Skoglund	Voss
Metzen	Osthoff	Rodriguez, F.	Staten	Weaver
Minne	Otis	Rose	Stowell	Welch
Munger	Peterson, D.	Samuelson	Stumpf	Wenzel
Murphy	Pogemiller	Sarna	Svigum	Wynia
Nelson, K.	Reding	Schoenfeld	Swanson	Spkr. Sieben, H.
Norton	Rees	Shea	Tomlinson	

Those who voted in the negative were:

Aasness	Evans	Kvam	Onnen	Sherwood
Ainley	Ewald	Lemen	Peterson, B.	Stadum
Blatz	Fjoslien	Ludeman	Piepho	Valento
Brinkman	Friedrich	McDonald	Redalen	Welker
Dean	Heinitz	Mehrrens	Rothenberg	Wieser
Dempsey	Himle	Nelsen, E.	Schafer	Wigley
Den Ouden	Hokr	Niehaus	Schreiber	Zubay
Erickson	Jennings	Nysether	Searles	
Esau	Kaley	Olsen	Sherman	

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

There being no objection the order of business reverted to Introduction and First Reading of House Bills.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

O'Connor, McEachern, Reif, Dempsey and Dahlvang introduced:

H. F. No. 1532, A bill for an act relating to tort actions; prohibiting the causes of action for wrongful life and wrongful birth; prohibiting a defense, an award of damages, or a penalty based on the failure or refusal to prevent a live birth; proposing new law coded in Minnesota Statutes, Chapter 145.

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

Wenzel, by request, introduced:

H. F. No. 1533, A bill for an act relating to the city of Little Falls; authorizing the city to license nonprofit organizations to conduct certain fund raising events.

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

Dean, Swanson, Osthoff, Metzen and Schreiber introduced:

H. F. No. 1534, A bill for an act relating to municipal housing programs; providing that a city that has enacted a general system of residential rent control may not use certain authority granted regarding multifamily housing developments; amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1.

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

Simoneau introduced:

H. F. No. 1535, A bill for an act relating to elections; providing for computerized voter registration files; amending Minnesota Statutes 1980, Section 201.221, Subdivision 2, as amended.

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

Begich, Battaglia, Murphy and Eliooff introduced:

H. F. No. 1536, A bill for an act relating to malt beverages; requiring identification of kegs and purchasers thereof; proposing new law coded in Minnesota Statutes, Chapter 340.

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

Osthoff, Dahlvang, Kahn and Evans introduced:

H. F. No. 1537, A bill for an act relating to intoxicating liquor; authorizing issuance of special off-sale wine licenses to general food stores; prohibiting a person from being licensed as both retailer and wholesaler; amending Minnesota Statutes 1980, Sections 340.07, by adding a subdivision; 340.11, Subdivisions 13 and 14; 340.13, by adding a subdivision; and 340.14, Subdivisions 1 and 3.

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

Berkelman, Heinritz, Ewald and Brinkman introduced:

H. F. No. 1538, A bill for an act relating to commerce; regulating consumer credit and related finance charges, insurance, loans and other conditions of credit; enacting the uniform consumer credit code; providing penalties; amending Minnesota Statutes 1980, Sections 53.01; 53.04, Subdivisions 1 and 3; 53.051; 61B.03, Subdivisions 7 and 8; and 62E.02, Subdivision 11; proposing new law coded in Minnesota Statutes, Chapter



337; repealing Minnesota Statutes 1980, Sections 48.153; 48.154; 48.155; 48.156; 48.157; 48.185; 48.195; 48.196; 52.14; 53.04, Subdivisions 4, 6, and 7; 168.66; 168.67; 168.68; 168.69; 168.70; 168.705; 168.706; 168.71; 168.72; 168.73; 168.74; 168.75; 168.76; 168.77; 325G.15; 325G.16; 325G.21; 325G.22; 334.01; 334.011; 334.012; 334.02; 334.021; 334.03; 334.04; 334.05; 334.06; 334.061; 334.16; 334.17; 334.18; and 334.19; and Chapter 56.

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

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Stadum and Mehrkens introduced:

H. A. No. 45, A proposal to study appropriate truck weight and dimension for Minnesota's highways.

The advisory was referred to the Committee on Transportation.

Nelson, K.; Ainley; Evans; McEachern and Clark, J., introduced:

H. A. No. 46, A proposal for a review of Indian Education programs in Minnesota.

The advisory was referred to the Committee on Education.

#### SUSPENSION OF RULES

Eken moved that House Concurrent Resolution No. 5 be recalled from the Committee on Rules and Legislative Administration and be placed upon its immediate adoption. The motion prevailed.

#### HOUSE CONCURRENT RESOLUTION NO. 5

A house concurrent resolution relating to adjournment of the Senate and House of Representatives until 1982.

*Be it resolved* by the House of Representatives, the Senate concurring:

(1) Upon their adjournments on May 18, 1981, the House of Representatives may set its next day of meeting for January ..., 1982 at 12:00 noon and the Senate may set its next day of meeting for January ..., 1982 at 12:00 noon.

(2) By the adoption of this resolution, each house consents to adjournment of the other house for more than three days.

Eken moved that House Concurrent Resolution No. 5 be now adopted.

Eken moved to amend House Concurrent Resolution No. 5, as follows:

Line 8, after "January" insert "19"

Line 10, after "January" insert "19"

The motion prevailed and the amendment was adopted.

The question recurred on House Concurrent Resolution No. 5, as amended.

The motion prevailed and the resolution, as amended, was adopted.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

S. F. No. 1370.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1370, A resolution declaring Raoul Wallenberg to be an honorary citizen of the State of Minnesota and memorializing the Union of Soviet Socialist Republics to return him to his native country.

The bill was read for the first time.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Skoglund moved that the rule therein be

suspended and an urgency be declared so that S. F. No. 1370 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Skoglund moved that the rules of the House be so far suspended that S. F. No. 1370 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1370 was read for the second time.

S. F. No. 1370, A resolution declaring Raoul Wallenberg to be an honorary citizen of the State of Minnesota and memorializing the Union of Soviet Socialist Republics to return him to his native country.

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

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

The following conference committee report was received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 3

A bill for an act relating to community social services; defining groups of persons for whom counties are responsible;

establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

May 18, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 3, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 3, the third engrossment, be further amended as follows:

Page 1, after line 20, insert:

"Section 1. Minnesota Statutes 1980, Section 256D.18, Subdivision 2, is amended to read:

Subd. 2. "County of financial responsibility" means (a) the county in which an individual resides; or (b) if an individual is a patient in a hospital or nursing home, as defined in sections 144.50, or 144A.01, or if an individual participates in a long-term sheltered workshop as defined in chapter 129A, or is placed in a county as a result of a correctional program or a treatment plan for health, rehabilitation, foster care, child care or training, at the time of making application, and immediately prior thereto resided in another county, then that other county.

Sec. 2. Minnesota Statutes 1980, Section 256D.18, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of subdivision 2, the county of financial responsibility shall not change as a result of successive placements in one or more counties pursuant to a plan of treatment for health, rehabilitation, foster care, child care or training; nor as a result of placement in any correctional

program; nor as a result of participation in a sheltered workshop as defined in chapter 129A."

Page 1, line 30, delete "10" and insert "12"

Page 3, line 9, after "and" delete the comma

Page 7, line 4, delete "1982" and insert "1983"

Page 7, lines 5 and 7, delete "1981" and insert "1982"

Page 7, line 7, delete "Laws 1979, Chapter 336, Section 2" and insert "the health, welfare, and corrections appropriations act for the biennium ending June 30, 1983"

Pages 7 and 8, delete section 7

Page 8, line 10, after "tax" insert "for community social services"

Page 8, line 11, strike "subdivision 1" and insert "subdivisions 1 and 2. Money for community social services provided to a county by a municipal levy may, for the purposes of this section, be counted as partial fulfillment of the local levy requirement"

Page 8, line 19, delete "department" and insert "commissioner"

Page 9, line 15, delete "department" and insert "commissioner"

Page 9, after line 18, insert:

"Sec. 10. Minnesota Statutes 1980, Section 256E.07, is amended by adding a subdivision to read:

*Subd. 3. [PRIORITIES.] If any proposed federal block grant program affecting Title XX funds becomes operative, the state shall, within the limits set by federal law, adopt the following priority when allocating funds: provide that in each calendar year 1982 and 1983, each county shall, for the purposes of providing the same or similar services, receive priority for an allocation of Title XX funds that is equal to or greater than the amount received by the county in 1981."*

Page 10, line 3, delete "persons whose" and delete "is at"

Page 10, line 4, delete "risk"

Page 10, lines 27, 29 and 30, delete "settlement" and insert "residence"

Page 10, line 27, after the period, insert "*Disputes concerning the county of financial responsibility shall be settled in the manner prescribed in section 256D.18, subdivision 4.*"

Page 11, line 1, strike "years" and insert "year" and delete "1982" and strike "and"

Page 11, line 2, delete "1980" and insert "1982"

Page 11, line 30, after "*responsibilities*" insert "*identified*" and delete "10" and insert "12"

Page 13, line 18, after "temporary" insert "*and permanent*"

Page 13, line 25, strike "1981" and insert "1983"

Page 17, after line 24, insert:

*"The commissioner shall promulgate temporary and permanent rules in accordance with section 15.0412 to implement this section. No more than seven percent of any grant shall be used for the grantee's administration expenses."*

Page 17, line 35, reinstate the stricken "MAY MAKE"

Page 17, line 36, after the stricken "CENTERS" insert "CENTER SERVICES" and reinstate the stricken "FOR THE MENTALLY RETARDED AND CEREBRAL"

Page 18, line 1, reinstate the stricken language and delete the new language

Page 18, line 5, before "*services*" insert "*center*"

Page 18, line 8, reinstate the stricken language and delete the new language

Page 18, line 9, after the stricken "the" insert "*services to*"

Page 18, line 9, reinstate the stricken "mentally retarded and cerebral palsied" and delete "*services*" and insert "*persons*" and after the period insert "*In order to fulfill its responsibilities to the mentally retarded and cerebral palsied as required by section 12, a county board may, beginning January 1, 1983, contract with developmental achievement centers or other providers.*"

Page 18, line 15, delete "and" and insert ". The county board shall ensure that"

Page 18, line 16, delete "*provide for*" and after "*transportation*" insert "*is provided*"

Page 18, line 17, delete "*if*" and insert "*, utilizing the most efficient and reasonable means available.*"

Page 18, delete lines 18 and 19

Page 18, line 20, delete everything before "*The*"

Page 18, line 34, strike "*funds to*" and insert "*money for*"

Page 20, lines 14 and 15, reinstate the stricken "*and of the child*"

Page 21, line 27, after "*individuals*" insert a comma

Page 22, line 20, delete "*using*" and insert "*which use*"

Page 23, line 13, delete "*245.72;*"

Page 23, line 14, delete "*Subdivision*" and insert "*Subdivisions  
4 and*"

Page 23, line 14, after the period insert "*Minnesota Statutes 1980, Section 245.72 is repealed effective January 1, 1983.*"

Page 23, line 16, delete "*This act is*" and insert "*Sections 1 to 21, 23 to 27, and 29 to 34 are*" and delete "*except that*" and insert a period

Page 23, line 17, delete "*20*" and insert "*22*"

Page 23, line 23, delete "*sections 1 to 3*" and insert "*section  
22*"

Page 23, line 24, delete "*1*" and insert "*22*"

Page 23, line 25, before the period, insert "*1*"

Page 23, line 25, after the period, insert "*Section 28 is effective January 1, 1983.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "*to*" insert "*public welfare; amending the*" and before the semicolon insert "*act*"

Page 1, after line 5, insert "defining the county of financial responsibility for participants in long term sheltered workshops;"

Page 1, line 10, after the second semicolon insert "256D.18, Subdivisions 2 and 3;"

Page 1, line 13, before the first semicolon insert "and by adding a subdivision"

Page 1, line 13, delete "4,"

Page 1, line 18, delete "Subdivision" and insert "Subdivisions 4 and"

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

House Conferees: PAUL MCCARRON, DON SAMUELSON and JOHN R. KALEY.

Senate Conferees: ROBERT J. TENNESSEN, HOWARD A. KNUTSON and ALLAN H. SPEAR.

McCarron moved that the report of the Conference Committee on H. F. No. 3 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 3, A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness      Ainley      Anderson, B.      Anderson, G.      Anderson, I.



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

The bill was repassed, as amended by Conference, 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 messages were 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. 179.

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. 179

A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

May 18, 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. 179, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments.

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

Senate Conferees: FLORIAN CHMIELEWSKI, BOB LESSARD and WILLIAM V. BELANGER, JR.

House Conferees: JOHN A. AINLEY, C. THOMAS OSTHOFF and GLEN A. SHERWOOD.

Ainley moved that the report of the Conference Committee on S. F. No. 179 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 179, A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Mann	Nysether	Reif	Sherwood	Vellenga
Marsh	O'Connor	Rice	Sieben, M.	Voss
McCarron	Ogren	Rodriguez, C.	Simoneau	Weaver
McDonald	Olsen	Rodriguez, F.	Skoglund	Welch
McEachern	Onnen	Rose	Stadum	Welker
Mehrkens	Osthoff	Rothenberg	Staten	Wenzel
Metzen	Otis	Samuelson	Stowell	Wieser
Minne	Peterson, B.	Sarna	Stumpf	Wigley
Murphy	Peterson, D.	Schafer	Sviggum	Wynia
Nelsen, B.	Piepho	Schoenfeld	Swanson	Zubay
Nelson, K.	Pogemiller	Schreiber	Tomlinson	Spkr. Sieben, H.
Niehaus	Redalen	Searles	Valan	
Norton	Reding	Shea	Valento	
Novak	Rees	Sherman	Vanasek	

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

Mr. Speaker:

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

S. F. No. 1132.

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. 1132

A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

May 16, 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. 1132, 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. 1132 be amended as follows:

Delete everything after the enacting clause and insert:

**"Section 1. [121.218] [VOCATIONAL-TECHNICAL INSTITUTES; AWARDING DEGREES.]**

*The state board for vocational education may approve, disapprove, or modify a plan for awarding associate degrees at an area vocational-technical institute. The state board shall approve a plan only when an associate degree is required by a licensing authority and is offered in cooperation with a collegiate institution. The state board may approve an area vocational-technical institute plan for awarding an associate degree which is not offered in cooperation with a collegiate institution only if cooperation is not practicable. All associate degree plans approved by the state board for vocational education shall be presented to the higher education coordinating board for review and recommendation pursuant to section 136A.04, subdivision 1, clause (d) and in accordance with the provisions of this section.*

**Sec. 2. [EXCEPTION.]**

*Associate degrees offered by the area vocational-technical institutes prior to January 1, 1981, shall not be subject to the provisions of section 1.*

**Sec. 3. [REPORT.]**

*By January 15, 1982, the higher education coordinating board, in cooperation with the state board for vocational education, shall submit a report to the education committees of the legislature regarding the awarding of associate degrees by area vocational-technical institutes. The report shall include identification and evaluation of the factors which affect the feasibility of cooperation with collegiate institutions. By January 1, 1983, the higher education coordinating board shall promulgate rules establishing criteria for determining when cooperation with a collegiate institution is not practicable.*

**Sec. 4. [EFFECTIVE DATE.]**

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

Amend the title as follows:

Page 1, line 3, after "grant" insert "associate"

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

Senate Conferees: JEROME M. HUGHES, GENE MERRIAM and STEVEN O. LINDGREN.

House Conferees: JIM HEAP, CARL M. JOHNSON and KENNETH P. ZUBAY.

Heap moved that the report of the Conference Committee on S. F. No. 1132 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1132, A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

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 117 yeas and 14 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Battaglia	Jennings	Lemen	Niehaus	Swanson
Esau	Kaley	Ludeman	Reif	Welker
Gruenes	Kvam	Nelsen, B.	Stadum	

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

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 775, A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Nelson, Sikorski and Renneke.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Samuelson moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 775. The motion prevailed.

Mr. Speaker:

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

S. F. No. 1154.

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. 1154

A bill for an an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

May 18, 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. 1154, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1154 be further amended as follows:

Page 3, after line 33, insert:

**"Sec. 2. [EDUCATIONAL PROGRAM.]**

*Notwithstanding Minnesota Statutes, Section 120.17, Subdivision 6, the commissioner of education may assign the entire responsibility for the educational program of all handicapped children who are placed at the Amherst H. Wilder Foundation youth conservation camp to Independent School District No. 573, Hinckley, to Independent School District No. 576, Sandstone, or to a joint board established by these districts pursuant to Minnesota Statutes, Section 471.59, if that district or joint board requests the commissioner to assign it this responsibility and if the commissioner determines that this assignment is necessary to ensure the efficiency of the educational program.*

**Sec. 3. [CLOQUET WATER TREATMENT PLAN APPROPRIATION; EXTENSION.]**

*Notwithstanding any other provision of law to the contrary, so much of the appropriation made available to the city of Cloquet for use in constructing a water filtration system pursuant to Laws 1975, Chapter 437, Article XI, Section 2, Subdivision 2, as has not been expended shall remain available to the city for such use or for developing an alternative permanent source of drinking water until July 1, 1986, unless expended earlier.*

**Sec. 4. [HERMANTOWN AND DULUTH; WATER SERVICE.]**

*Subdivision 1. [REQUEST FOR SERVICE.] By September 1, 1981, the city of Hermantown shall submit to the city of Duluth a request for water service including the volume of water needed and the number of years for which the service is requested.*

*Subd. 2. [CONTRACT OFFER; RATE.] By April 1, 1982, the city of Duluth shall offer a contract to the city of Hermantown to provide the service requested by the city of Hermantown at a rate determined by the city of Duluth. The rate shall be based on a reasonable allocation of the capital, repair and operating expenses of the Duluth water system which are attributable to the water service requested by the city of Hermantown, including the full cost of any capital construction and repairs required by the volume of service to the city of Hermantown. The rate shall provide for an amortization of any construction costs reflected in the rate over a reasonable period not to exceed the terms of the proposed contract.*

*Subd. 3. [APPEAL TO PUBLIC UTILITIES COMMISSION.] Not later than 90 days after the city of Duluth offers a contract under subdivision 2, the city of Hermantown may appeal the rate determined by the city of Duluth by filing a petition with the public utilities commission. If a petition is filed, the city shall file its answer within 30 days after the petition is filed. The commission, after public notice and hearing, shall determine whether the rate is just and reasonable consistent with the provisions of subdivision 2. Not later than 120 days after a petition of the city of Hermantown is filed, the commission shall affirm the rate or, if it finds that the rate is not just and reasonable, determine a just and reasonable rate. The rulemaking and contested case procedures of sections 15.0412 to 15.0422 shall not apply to any proceeding required by this subdivision.*

*Subd. 4. [CONTRACT.] Not later than 90 days after the rate is affirmed or determined by the commission or, if no appeal is taken under subdivision 3, not later than 90 days after a contract is offered under subdivision 2, the cities of Hermantown and Duluth shall enter a contract for provision of water service by the city of Duluth to the city of Hermantown. The rate for the service shall be the rate determined by the city of Duluth pursuant to subdivision 2 or, if the commission has affirmed or determined a rate, the rate affirmed or determined by the commission."*

Page 3, line 35, delete "Section 1 is" and insert "Sections 1 and 3 are"

Page 3, line 35, delete "its"

Page 3, line 36, after the period, insert "Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), sections 2 and 4 are effective without local approval on the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:



Page 1, line 2, delete "state land" and insert "public resources"

Page 1, line 4, before the period insert "; permitting Independent School District No. 573, Independent School District No. 576, or a joint powers board to request and assume responsibility for educating children at an Amherst H. Wilder Foundation camp; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a water filtration plant; providing a procedure for determination of a rate and making of a contract for water service between the cities of Hermantown and Duluth"

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

Senate Conferees: FLORIAN CHMIELEWSKI, DAVE RUED and BOB LESSARD.

House Conferees: DOUGLAS W. CARLSON and MARY MURPHY.

Carlson, D., moved that the report of the Conference Committee on S. F. No. 1154 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1154, A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

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 121 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Valento  
Vanasek  
Voss

Weaver  
Welch

Wenzel  
Wieser

Wigley  
Wynia

Zubay  
Spkr. Sieben, H.

Those who voted in the negative were:

Drew  
Gustafson

Jennings  
Kelly

Kostohryz

Lehto

Welker

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

#### MOTION FOR RECONSIDERATION

Eken moved that the vote whereby House Concurrent Resolution No. 5, as amended, was adopted be now reconsidered. The motion prevailed.

#### HOUSE CONCURRENT RESOLUTION NO. 5

A house concurrent resolution relating to adjournment of the Senate and House of Representatives until 1982.

*Be It Resolved* by the House of Representatives, the Senate concurring:

(1) Upon their adjournment on May 18, 1981, the House of Representatives may set its next day of meeting for January 19, 1982 at 12:00 noon and the Senate may set its next day of meeting for January 19, 1982 at 12:00 noon.

(2) By the adoption of this resolution, each house consents to adjournment of the other house for more than three days.

Eken moved to amend House Concurrent Resolution No. 5, as amended, as follows:

Line 8, after "January" delete "19" and insert "12"

Line 10, after "January" delete "19" and insert "12"

The motion prevailed and the amendment was adopted.

Eken moved that House Concurrent Resolution No. 5, as amended, be now adopted. The motion prevailed and the resolution, as amended, was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 775:

Samuelson; Anderson, R., and Clark, J.

## MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

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

S. F. No. 368.

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. 368

A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement and encourage citizen participation; encouraging the use of bond proceeds for housing for persons and families of low income; providing that multifamily housing loans may be used to acquire structures for conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivisions 1 and 2; and 462C.05, Subdivision 1.

May 18, 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. 368, 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. 368 be further amended as follows:

Page 2, delete lines 33 to 36 and insert "A city issuing bonds subject to this chapter for the purpose of financing single family housing, as defined in section 462C.02, subdivision 4, shall make every effort to use not less than 20 percent of the aggregate dollar amount of loans made or purchased within any calendar year for loans or housing for persons and families with"

Page 3, after line 4, insert:

"In any calendar year in which a city issues bonds pursuant to this chapter, the city shall prepare a report describing actions

*taken to achieve the goals of this subdivision. The report shall be submitted to the agency by January 1 of the following year."*

Page 4, after line 15, insert:

"Sec. 4. [APPLICABILITY.]

*The provisions of sections 1 and 2 shall not apply to any programs which were approved or are considered approved pursuant to section 462C.04, subdivision 2, by the Minnesota housing finance agency on or before the effective date of this act, nor to the Minneapolis/St. Paul joint housing program specifically exempted from the provisions of section 103A of the Internal Revenue Code by Section 1104(n) of the Mortgage Subsidy Bond Tax Act of 1980."*

Page 4, line 17, delete everything after "effective" and insert "June 30, 1981."

Renumber the sections accordingly

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

Senate Conferees: LINDA BERGLIN, HUBERT H. HUMPHREY, III and WILLIAM V. BELANGER, JR.

House Conferees: KAREN CLARK and RANDY W. STATEN.

Dean moved that the House refuse to adopt the Conference Committee report on S. F. No. 368, and that the Speaker appoint a new Conference Committee of 3 members.

A roll call was requested and properly seconded.

The question was taken on the Dean motion and the roll was called. There were 68 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Jude	Olsen	Sherwood
Ainley	Fjoslien	Knickerbocker	Onnen	Stadum
Anderson, I.	Forsythe	Kvam	Osthoff	Stowell
Begich	Friedrich	Lemen	Peterson, B.	Sviggum
Blatz	Gruenes	Levi	Piepho	Swanson
Carlson, D.	Halberg	Ludeman	Redalen	Valan
Dahlvang	Haukoos	Luknic	Rees	Valento
Dean	Heap	Marsh	Reif	Weaver
Dempsey	Heinitz	McDonald	Rose	Welker
Den Ouden	Himle	Mehrkens	Rothenberg	Wieser
Drew	Hoberg	Metzen	Schafer	Wigley
Erickson	Hokr	Nelsen, B.	Schreiber	Zubay
Esau	Jennings	Niehaus	Searles	
Evans	Johnson, D.	Nysether	Sherman	

Those who voted in the negative were:

Anderson, B.	Ellingson	Laidig	Otis	Staten
Anderson, G.	Greenfield	Lehto	Peterson, D.	Stumpf
Anderson, R.	Gustafson	Long	Pogemiller	Tomlinson
Battaglia	Hanson	Mann	Reding	Vanasek
Berkelman	Harens	McCarron	Rice	Vellenga
Brandl	Hauge	McEachern	Rodriguez, C.	Voss
Brinkman	Hokanson	Minne	Rodriguez, F.	Welch
Byrne	Jacobs	Munger	Samuelson	Wenzel
Carlson, L.	Johnson, C.	Murphy	Sarna	Wynia
Clark, J.	Kahn	Nelson, K.	Schoenfeld	Spkr. Sieben, H.
Clark, K.	Kaley	Norton	Shea	
Clawson	Kalis	Novak	Sieben, M.	
Eken	Kelly	O'Connor	Simoneau	
Elioff	Kostohryz	Ogren	Skoglund	

The motion prevailed.

Mr. Speaker:

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

S. F. No. 937.

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. 937

A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

May 16, 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. 937, report that we have agreed upon the items in dispute and recommend as follows:

The Senate concur in the House amendments and that S. F. No. 937 be further amended as follows:

Delete everything after the enacting clause and insert:

**"Section 1. [62A.154] [BENEFITS FOR DES RELATED CONDITIONS.]**

*Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this section have the meanings given them.*

(a) *"Covered person" means a natural person who is covered under a policy.*

(b) *"Insurer" means an insurer providing health, medical, hospitalization, or accident and sickness insurance regulated under this chapter, a nonprofit health services plan corporation regulated under chapter 62C, a health maintenance organization regulated under chapter 62D or a fraternal beneficiary association regulated under chapter 64A.*

(c) *"Policy" means a policy or plan of health, medical, hospitalization or accident and sickness insurance, a health maintenance contract, or a health benefit certificate provided by an insurer which provides coverage of, or reimbursement for, hospital, medical, or surgical expenses on a group or individual basis, but does not include a policy designed primarily to provide coverage payable on a per diem, fixed indemnity or nonexpense incurred basis, or a policy that provides only accident coverage.*

*Subd. 2. [REQUIRED COVERAGE.] No policy shall be issued or renewed in this state after August 1, 1981 if it provides an exclusion, reduction, or other limitation as to coverage, deductible, coinsurance or copayment applicable solely to conditions attributable to diethylstilbestrol or exposure to diethylstilbestrol, unless the covered person has been diagnosed as having diethylstilbestrol-related cancer prior to the date on which coverage for that person begins. In the absence of credible evidence of a higher morbidity rate due to exposure to diethylstilbestrol, no insurer shall surcharge or in any other manner increase the premium. If there is credible evidence of a higher morbidity rate due to exposure to diethylstilbestrol, no insurer shall surcharge or in any other manner increase the premium without the prior approval of the commissioner.*

*Subd. 3. [REFUSAL TO ISSUE OR RENEW.] No insurer shall refuse to issue or renew a policy, or to provide coverage under a policy, in this state after August 1, 1981 solely because of conditions attributable to diethylstilbestrol or exposure to diethylstilbestrol, unless the covered person has been diagnosed as having diethylstilbestrol-related cancer prior to the date on which an initial premium payment is received by the insurer."*

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

Senate Conferees: ERIC D. PETTY, DON FRANK and PATRICIA L. KRONEBUSCH.

House Conferees: ANN WYNIA, JAMES C. SWANSON and MERLYN O. VALAN.

Wynia moved that the report of the Conference Committee on S. F. No. 937 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 937, A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

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.

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

There were 110 yeas and 8 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Haukoos	Nysether	Sviggum	Welker
Esau	Ludeman	Schafer		

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

CALL OF THE HOUSE LIFTED

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

Mr. Speaker:

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

S. F. No. 939.

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. 939

A bill for an act relating to human rights; 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 363.06, Subdivision 4; and 363.071, Subdivision 2.

May 18, 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. 939, 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. 939 be amended as follows:

Page 4, line 11, restore the stricken language and before the restored language insert "including"

Page 4, line 14, delete "\$4,000", insert "\$6,000" and after the period, insert "*Punitive damages shall be awarded pursuant to section 549.20. In any case where a political subdivision is a respondent the total of punitive damages awarded an aggrieved*"



*party may not exceed \$6,000 and in that case if there are two or more respondents the punitive damages may be apportioned among them. Punitive damages may only be assessed against a political subdivision in its capacity as a corporate entity and no regular or exofficio member of a governing body of a political subdivision shall be personally liable for payment of punitive damages pursuant to this subdivision."*

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

Senate Conferees: LINDA BERGLIN, DONALD M. MOE and RANDOLPH W. PETERSON.

House Conferees: RANDY W. STATEN, LEE GREENFIELD and MARNIE J. LUKNIC.

Staten moved that the report of the Conference Committee on S. F. No. 939 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 939, A bill for an act relating to human rights; 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 363.06, Subdivision 4; and 363.071, Subdivision 2.

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 99 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kaley	O'Connor	Sieben, M.
Anderson, G.	Evans	Kelly	Ogren	Simoneau
Anderson, I.	Forsythe	Knickerbocker	Olsen	Skoglund
Anderson, R.	Greenfield	Kostohryz	Osthoff	Stadum
Battaglia	Gruenes	Laidig	Otis	Staten
Begich	Gustafson	Lehto	Peterson, B.	Stumpf
Berkelman	Halberg	Lemen	Peterson, D.	Sviggum
Blatz	Hanson	Levi	Pogemiller	Swanson
Brandl	Harena	Long	Reding	Tomlinson
Brinkman	Hauge	Luknic	Reif	Valan
Byrne	Heap	Mann	Rice	Vanasek
Carlson, L.	Heinitz	McCarron	Rodriguez, C.	Vellenga
Clark, J.	Himle	McEachern	Rodriguez, F.	Voss
Clark, K.	Hoberg	Metzen	Rose	Weaver
Clawson	Hokanson	Minne	Rothenberg	Welch
Dahlvang	Jacobs	Munger	Samuelson	Wenzel
Dean	Johnson, C.	Murphy	Sarna	Wynia
Drew	Johnson, D.	Nelson, K.	Searles	Zubay
Eken	Jude	Norton	Shea	Spkr. Sieben, H.
Elioff	Kahn	Novak	Sherman	

Those who voted in the negative were:

Aasness	Esau	Ludeman	Piepho	Stowell
Ainley	Fjoslien	Marsh	Redalen	Welker
Carlson, D.	Haukoos	McDonald	Rees	Wieser
Dempsey	Jennings	Nelsen, B.	Schafer	Wigley
Den Ouden	Kalis	Niehaus	Schoenfeld	
Erickson	Kvam	Onnen	Sherwood	

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

Mr. Speaker:

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

H. F. No. 553, A bill for an act relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fee for personalized license plates; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle excise tax be allocated between the general fund and the highway user tax distribution fund for a period of four years, and thereafter all the proceeds to be deposited in the highway user tax distribution fund; authorizing the issuance of state bonds and appropriating the proceeds for the purpose of providing money to acquire and better public land, buildings, and capital improvements comprising key bridges, segments of interstate highway, and interstate highway substitution projects needs for an integrated state transportation system; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the city of Moorhead to increase its mill rate for public transportation services; appropriating money; amending Minnesota Statutes 1980, Sections 84.87, Subdivision 2; 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h and by adding a subdivision; 168.12, Subdivisions 2 and 2a; 168.16; 168.27, Subdivision 16; 168C.11, Subdivision 1; 169.11; 169.79; 169.95; 171.02, Subdivision 3; 171.04; 171.06, Subdivisions 1, 2, 4 and by adding a subdivision; 171.07, Subdivisions 1 and 3; 171.17; 171.29; 174.24, Subdivision 3, and by adding a subdivision; 174.31; 174.50, Subdivision 1; 297B.035, Subdivision 2; 297B.09; 299D.03, Subdivision

5; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; 473.446; Laws 1969, Chapter 192, Section 1; proposing new law coded in Minnesota Statutes, Chapters 168 and 174; repealing Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 7.

PATRICK E. FLAHAVEN, Secretary of the Senate

Voss moved that the House refuse to concur in the Senate amendments to H. F. No. 553, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

### CALL OF THE HOUSE

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

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

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

The question recurred on the Voss motion and the roll was called.

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

There were 40 yeas and 91 nays as follows:

Those who voted in the affirmative were:

Ainley	Carlson, L.	Johnson, D.	McEachern	Rose
Anderson, I.	Den Ouden	Jude	Minne	Rothenberg
Anderson, R.	Elioff	Kostohryz	Murphy	Sarna
Battaglia	Gruenes	Kvam	Niehaus	Schreiber
Begich	Hanson	Lemen	Novak	Swanson
Blatz	Harens	Luknic	Olsen	Voss
Brinkman	Hokanson	McCarron	Osthoff	Welker
Byrne	Jacobs	McDonald	Rice	Wynia

Those who voted in the negative were:

Aasness	Fjoslien	Laidig	Piepho	Stowell
Anderson, B.	Forsythe	Lehto	Pogemiller	Stumpf
Anderson, G.	Friedrich	Levi	Redalen	Svigum
Berkelman	Greenfield	Long	Rees	Tomlinson
Brandl	Gustafson	Ludeman	Reif	Valan
Carlson, D.	Halberg	Mann	Rodriguez, C.	Valento
Clark, J.	Hauge	Marsh	Rodriguez, F.	Vanasek
Clark, K.	Haukoos	Mehrkens	Samuelson	Vellenga
Clawson	Heap	Metzen	Schafer	Weaver
Dahlvang	Heinitz	Munger	Schoenfeld	Welch
Dean	Himle	Nelsen, B.	Searles	Wenzel
Dempsey	Hoberg	Nelson, K.	Shea	Wieser
Drew	Jennings	Norton	Sherman	Wigley
Eken	Johnson, C.	Nysether	Sherwood	Zubay
Ellingson	Kahn	Ogren	Sieben, M.	Spkr. Sieben, H.
Erickson	Kaley	Onnen	Simoneau	
Esau	Kalis	Otis	Skoglund	
Evans	Kelly	Peterson, B.	Stadum	
Ewald	Knickerbocker	Peterson, D.	Staten	

The motion did not prevail.

#### CONCURRENCE AND REPASSAGE

Anderson, G., moved that the House concur in the Senate amendments to H. F. No. 553 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 553, A bill for an act relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fee for personalized license plates; defining and clarifying certain gross weights; providing for temporary farm truck licenses; increasing the tax on gasoline; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle

excise tax be allocated between the general fund, the transit assistance fund, and the highway user tax distribution fund for a certain period, and thereafter the proceeds to be deposited in the highway user tax distribution and transit assistance fund; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the cities of Moorhead and Duluth to increase its mill rate for public transportation services; appropriating money; amending Minnesota Statutes 1980, Sections 84.87, Subdivision 2; 168.011, Subdivisions 7, 10, 16, 17, and 25; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h, 2, 3 and by adding a subdivision; 168.017, Subdivisions 1 and 3; 168.12, Subdivisions 2 and 2a; 168.16; 168.27, Subdivision 16; 168C.11, Subdivision 1; 169.11; 169.79; 169.95; 171.02, Subdivision 3; 171.04; 171.06, Subdivisions 1, 2, 3, 4 and by adding a subdivision; 171.07, Subdivisions 1, 3 and by adding a subdivision; 171.17; 171.29; 174.23, Subdivision 1; 174.24, Subdivision 3, and by adding a subdivision; 174.31; 296.02, Subdivision 1; 297B.035, Subdivision 2; 297B.09; 299D.03, Subdivision 5; 473.164, Subdivision 3; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; 473.446; Laws 1969, Chapters 192, Section 1; and 720, Section 11, Subdivision 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 168 and 174; repealing Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 7.

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

The question was taken on the repassage of the bill and the roll was called.

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

There were 87 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Aasness	Friedrich	Laidig	Otis	Stadum
Ainley	Greenfield	Lehto	Peterson, B.	Staten
Anderson, B.	Gustafson	Levi	Peterson, D.	Stowell
Anderson, G.	Halberg	Long	Piepho	Stumpf
Berkelman	Hauge	Ludeman	Redalen	Sviggum
Carlson, D.	Haukoos	Mann	Rees	Tomlinson
Clark, J.	Heap	Marsh	Reif	Valan
Clark, K.	Heinitz	McDonald	Rodriguez, C.	Valento
Clawson	Himle	Mehrrens	Rodriguez, F.	Vellenga
Dahlvang	Hoberg	Metzen	Rothenberg	Weaver
Dean	Jennings	Munger	Schafer	Wenzel
Dempsey	Johnson, C.	Nelsen, B.	Schoenfeld	Wieser
Den Ouden	Johnson, D.	Nelson, K.	Schreiber	Wigley
Eken	Kahn	Niehaus	Searles	Zubay
Erickson	Kaley	Nysether	Shea	Spkr. Sieben, H.
Esau	Kalis	O'Connor	Sherwood	
Ewald	Knickerbocker	Ogren	Sieben, M.	
Forsythe	Kostohryz	Onnen	Simoneau	

Those who voted in the negative were:

Anderson, I.	Elioff	Jude	Novak	Swanson
Anderson, R.	Ellingson	Kelly	Olsen	Vanasek
Battaglia	Evans	Kvam	Osthoff	Voss
Begich	Fjoslien	Lemen	Pogemiller	Welch
Blatz	Gruenes	Luknie	Rice	Welker
Brandl	Hanson	McCarron	Rose	Wynia
Brinkman	Harens	McEachern	Samuelson	
Byrne	Hokanson	Minne	Sarna	
Carlson, L.	Hokr	Murphy	Sherman	
Drew	Jacobs	Norton	Skoglund	

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

Mr. Speaker:

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

H. F. No. 3, A bill for an act relating to public welfare; amending the community social services act; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; defining the county of financial responsibility for participants in long term sheltered workshops; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256D.18, Subdivisions 2 and 3; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2 and 5 and by adding a subdivision; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivisions 4 and 11; and 261.27.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1445, A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard

deduction; imposing an income surtax; eliminating the deduction for tax paid on gasoline; limiting the medical expense deduction; providing for deduction of federal income tax on the accrual basis; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin to hold land for future development; increasing the rate of interest payable on delinquent taxes; rescheduling certain payment dates; limiting property tax refund payments to certain claimants; requiring declaration and estimated payments of gross earnings taxes by telephone and telegraph companies; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; establishing conditions for the special assessment of costs of operation, maintenance, or promotion of public improvements; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers'

bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; validating rules of the state board of assessors; providing for accrediting of certain assessors; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance a project located in the city of New Brighton; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commissioner; appropriating funds; amending Minnesota Statutes 1980, Sections 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.136, Subdivision 3; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d, 3g and by adding subdivisions; 290.067, Subdivision 2; 290.08, by adding a subdivision; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.17, Subdivision 2; 290.18, Subdivision 2 and by adding a subdivision; 290.37, Subdivision 3; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 297A.01, Subdivision 3; 297A.25, Subdivision 1; 298.75, Subdivisions 1, 2 and 3; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 429.031; 429.051; 429.061, Subdivision 1 and by adding subdivisions; 458.14; 473.626; 477A.03; 477A.04, Subdivision 2; and 477A.13; Laws 1975, Chapter 226, Section 4, as amended; and Laws 1980, Chapter 607, Article V, Section 5; proposing new law coded in Minnesota Statutes, Chapters 38; 273; 295; 297A; and 477A; repealing Minnesota Statutes 1980, Sections 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; and 477A.01."

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

PATRICK E. FLAHAVEN, Secretary of the Senate

The following conference committee reports were received:



## CONFERENCE COMMITTEE REPORT ON H. F. NO. 1475

A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4.

May 18, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 1475, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1475 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [PUBLIC LAND AND BUILDINGS; APPROPRIATIONS.] The sums set forth in the column designated "APPROPRIATIONS" are appropriated from the state building fund, or any other fund designated, to the state agencies indicated, to be expended for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, as more specifically described in the following sections of this act.

## SUMMARY

ADMINISTRATION .....	\$ 8,614,900
NATURAL RESOURCES .....	2,769,000
TRANSPORTATION .....	101,942,000
MINNESOTA HISTORICAL SOCIETY .....	700,000
VETERANS AFFAIRS .....	261,000
ECONOMIC DEVELOPMENT .....	2,500,000
BOND SALE EXPENSES .....	116,300
TOTAL .....	\$116,903,200

Game and Fish Fund .....	195,000
Trunk Highway Fund .....	4,093,200
Transportation Fund .....	98,000,000
Building Fund .....	14,615,000

## APPROPRIATIONS

\$            \$

## Sec. 2. [ADMINISTRATION.]

To the commissioner of administration for the purposes specified in this sec- tion .....	8,614,900
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(a) Replace capitol dock and outside freight elevator .....	177,000
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(b) Screen and light Ford building parking lot C and continue grounds improvements .....	56,000
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(c) Construct pedestrian and utility tunnel to the Ford building .....	750,400
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(d) Construct pedestrian and utility tunnel to Veterans Service building ...	1,232,000
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(e) Construct connecting tunnel to link the Historical Society building with the Mechanic Arts School building with the gymnasium wing of the Mechanic Arts School building .....	448,000
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(f) Repair Historical Society build- ing rain gutters .....	54,000
--	--------

(g) Fergus Falls State Hospital Power Plant Conversion.....	2,700,000
--	-----------

This appropriation is for the construc-  
tion of a facility to incinerate solid waste  
and to produce heat in the form of steam  
for use at the Fergus Falls state hospital.  
Solid waste generated in the Fergus Falls  
area now disposed of in landfill may be  
incinerated in the facility.

\$

\$

The commissioner of administration may prepare construction documents for bidding purposes but shall not award construction contracts for the incineration facility at the Fergus Falls state hospital until he has obtained the written agreement of the city of Fergus Falls to pay to the state the principal amount of the bonds sold to finance this appropriation, less the portion of the cost attributable to the removal of the old ash handling equipment, not to exceed \$350,000, plus interest at the rate at which the bonds were sold, and to pay all reasonable operating, maintenance, and repair costs of this power plant, as set forth in the agreement. The agreement shall obligate the city of Fergus Falls to levy each year an amount not less than the principal and interest due and to become due on the bonds through July 1 in the third ensuing year, plus the estimated operating, maintenance, and repair costs of the power plant for that period, less the amount then on hand in the Fergus Falls power plant account and also less an amount equal to the market value of the energy savings accruing to the state through July 1 in the third ensuing year due to the construction of the power plant, including any payments received by the state from the federal government for utilizing alternative energy sources attributable to the solid waste incinerator. The levy does not require approval by the electors of the city of Fergus Falls under section 475.58. The agreement with the city shall not be executed by the commissioner until it has been reviewed by the chairman of the house appropriations committee and the chairman of the senate finance committee and received their recommendations on it. The recommendations are advisory only.

The agreement shall also obligate the city of Fergus Falls to deliver solid waste to the facility, to remove incinerated waste residue, and to pay tipping fees to

\$

\$

the state. The commissioner may contract with additional persons for delivery of solid waste to the facility and the payment of tipping fees.

The proceeds of the levy and receipts from tipping fees shall be deposited in the state treasury for credit to the Fergus Falls power plant account.

Amounts to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year shall be paid by the city of Fergus Falls by November 1 of each year.

The balance on hand each November 1 in the Fergus Falls power plant account needed to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year is appropriated to the commissioner of finance for transfer to the Minnesota state building bond account in the state bond fund. Any amounts in the account on November 1 not needed to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year but needed to cover the operating, maintenance, and repair costs of the power plant through the next ensuing November 1 are appropriated to the commissioner of finance for transfer to the general fund. Any balance remaining in the Fergus Falls power plant account after the above transfers each November 1 may, as the city of Fergus Falls directs the commissioner of finance, either be used to prepay principal or interest, or both, on bonds still outstanding, or remain in the account to reduce the amount otherwise required to be levied by the city of Fergus Falls for the ensuing year.

(h) Raise high voltage switch gear and transformers .....

151,200

The appropriation in item (h) is from the trunk highway fund.

	\$	\$
(i) Appleton public television . . . . .	1,446,300	
(j) Duluth public television . . . . .	1,600,000	

### Sec. 3. [NATURAL RESOURCES.]

Subdivision 1. To the commissioner of administration or the commissioner of natural resources for the purposes more specifically described in the following subdivisions of this section . . . . . 2,769,000

Subd. 2. To the commissioner of administration for the purposes specified in this subdivision . . . . . 419,000

(a) Remodel southern service center . . . . . 165,000

(b) Improve Rochester regional headquarters facilities . . . . . 184,000

(c) Relocate Dentaybow warehouse or construct shop and warehouse building at Little Fork forestry station . . . . . 30,000

(d) Construct warehouse for fisheries and forestry at Finland area headquarters . . . . . 40,000

This building is considered an agricultural building and is exempt from the provisions of the building code relating to public buildings.

Of the appropriations in clauses (a), (b), and (d), \$195,000 is from the game and fish fund.

Subd. 3. To the commissioner of natural resources to relocate agricultural dikes along the Red River of the North—state match . . . . . 750,000

Money spent from this appropriation shall be matched on a dollar for dollar basis by money raised or services provided locally. Federal general revenue sharing money may be counted as money

\$

\$

raised locally, but other federal grants or loans shall be used to reduce equally the state share and the local share of project costs. This project is not eligible for a local dam loan pursuant to Minnesota Statutes, Section 105.482. The commissioner of natural resources shall cooperate with the watershed district and the affected landowners.

Subd. 4. To the commissioner of natural resources to construct a flood water detention structure in the Red Lake Watershed District .....	1,500,000
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Money for this project shall be disbursed through the Lower Red River Water Management Board. State funds shall not exceed 2/3 of the cost of the project with the remaining 1/3 cost to be provided locally. This project is not eligible for a local dam loan pursuant to Minnesota Statutes, Section 105.482.

Subd. 5. To the commissioner of natural resources to rehabilitate the Spruce Center Dam .....	100,000
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#### Sec. 4. [TRANSPORTATION.]

Subdivision 1. To the commissioner of transportation for the purposes more specifically described in the following subdivisions of this section .....	101,942,000
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Subd. 2. Operating facilities .....	3,400,000
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(a) Purchase materials for energy improvements at truck stations .....	125,000
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(b) Provide security fencing at truck stations .....	25,000
--	--------

(c) Construct electronic communications buildings .....	86,000
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(d) Retrofit Minnesota department of transportation buildings for energy savings according to department of administration energy survey .....	805,000
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	\$	\$
(e) Acquire land—Mapleton .....	20,000	
(f) Construct equipment storage buildings .....		2,059,000
(1) Aitkin .....	\$ 275,000	
(2) Grygla .....	249,000	
(3) Mendota Heights	1,230,000	
(4) Redwood Falls ..	305,000	

Building construction costs shall not exceed \$35 per square foot. Any unused portion of building construction costs shall cancel back to the trunk highway fund.

(g) Provide public access to rest areas, information centers and other buildings serving the largest numbers of the public .....	100,000
(h) Replace heating systems .....	100,000
(i) Modify ventilation systems .....	80,000

If the commissioner of transportation does not have sufficient money to match all available federal aid for road and bridge construction during the biennium ending June 30, 1983, the commissioner shall defer the construction of some or all of the buildings in subdivision 2 until it is possible to match federal aid.

Subd. 3. Construct interstate weigh station at Worthington .....	542,000
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The appropriations in subdivisions 2 and 3 are from the trunk highway fund.

Subd. 4. The commissioner of transportation may expend any portion of the appropriation made by Laws 1978, Section 8, Subdivision 4(b) for design, land acquisition, and construction of the Mendota Heights truck station serving the Dakota County area.

\$

\$

Subd. 5. From the state transportation fund to the commissioner of transportation to acquire and better public land, buildings, and capital improvements in accordance with Minnesota Statutes, Section 174.50 and rules promulgated thereunder, to be expended for the purposes more specifically described in this subdivision . . . . .

98,000,000

(a) For construction and reconstruction of key bridges and bridge approaches on routes on the trunk highway system, including interstate routes, for completion of non-interstate trunk highway bridges on projects in which a substantial investment has been made, and for construction of segments of the interstate highway system . . . . .

95,000,000

(b) For matching funds not to exceed two-thirds of the nonfederal share of right-of-way, preliminary and construction engineering, and construction costs of local transportation projects which are funded with federal interstate substitution funds . . . . .

3,000,000

#### Sec. 5. [MINNESOTA HISTORICAL SOCIETY.]

To the Minnesota historical society for the purposes specified in this section . . . . .

700,000

(a) Remodeling in main historical building for microfilm operations . . . . .

45,000

(b) Fort Snelling . . . . .

619,000

Up to \$200,000 may be used for reconstruction of the Commandants Quarters. Federal Great River Road funds may be used to supplement this appropriation.

(c) Remodeling and expansion of research center . . . . .

36,000



\$

\$

## Sec. 6. [VETERANS AFFAIRS.]

To the commissioner of administration to complete remodeling of the Hastings veterans home ..... 261,000

## Sec. 7. [ECONOMIC DEVELOPMENT.]

For the improvement of the Duluth Public Marine Terminal ..... 2,500,000

## Sec. 8. [BOND SALE EXPENSES.]

To the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Sections 16A.64, Subdivision 4, and 174.51, Subdivision 3 ..... 116,300

## Sec. 9. [BOND SALE; DEBT SERVICE.]

*To provide the money appropriated in this act from the state building fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$14,615,000 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. 10. [AUTHORIZATION OF BONDS.]

*To provide the money appropriated in section 4 from the state transportation fund the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$98,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, Section 174.51, and by the Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, except premium and accrued interest, are appropriated to and shall be deposited in the Minnesota state transportation fund for expenditure for the acquisition and betterment of public land, buildings, and capital improvements in accordance with section 4 and Minnesota Statutes, Section 174.50.*

## Sec. 11. [REVIEW OF PLANS.]

*The commissioner of administration shall not prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their*

*recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

**Sec. 12. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.]**

*Upon the awarding of final contracts for the completion of any project for construction or other permanent improvement authorized by this act, the commissioner of administration may transfer any unencumbered balance in the project account to any other project enumerated in the same section of the appropriation act as the project about to be completed. The money transferred pursuant to this section is appropriated for the purposes for which transferred. The commissioner of administration shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.*

**Sec. 13. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.]**

*The commissioner of administration shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration has consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

**Sec. 14. Minnesota Statutes 1980, Section 116.18, Subdivision 1, is amended to read:**

**Subdivision 1. [APPROPRIATION FROM THE FUND.]**  
The sum of \$155,000,000, or so much thereof as may be necessary, is appropriated from the Minnesota state water pollution control fund in the state treasury to the pollution control agency, for the period commencing on July 23, 1971 and ending June 30, (1981) 1983, to be granted and disbursed to municipalities and agencies of the state in aid of the construction projects conforming to section 116.16, in accordance with the rules, priorities, and criteria therein described. Except as otherwise provided in this subdivision and in subdivision 2, these state funds shall be expended at 15 per centum of the eligible cost of construction and shall be expended only for projects tendered a grant of federal funds under section 201(g), section 202, section 203 or section 206(f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq., at 75 per centum of the eligible cost for construction of the treatment works; provided, that not

less than ten percent of (SUCH) *the* cost shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered (SUCH) federal and state grants in a percentage cumulatively exceeding 90 per centum of the eligible cost of construction, the state pollution control agency shall reduce the grant to (SUCH) *the* municipality under this chapter to the extent necessary to assure that not less than ten percent of (SUCH) *the* cost shall be paid by (SAID) *the* municipality. It is the purpose of this appropriation that a grant of state funds for each project approved in each of the fiscal years ending June 30, 1971 through (1981) 1983, shall be made in an amount not less than that required in federal law and regulations as a condition for the grant of federal funds for the project and for all other water pollution control projects for which federal grants are allocated in the same year, in the maximum amount permissible under (SUCH) law and regulations.

Notwithstanding any other provision, the agency may, in its discretion, and after consideration of the amount of state funds required to match federal funds, make a grant of state funds not exceeding 15 per centum to a municipality that would qualify for a grant of federal funds but desires to initiate construction of a project without a federal grant. The agency may limit the scope and eligible cost of the project.

If a municipality is tendered a grant of federal funds under section 201, paragraph (g), section 202, section 203 or section 206, paragraph (f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq., at 85 percent of the eligible cost for construction of treatment works utilizing innovative or alternative wastewater treatment processes and techniques, state funds shall be expended at nine percent of the eligible cost of construction; provided, that not less than six percent of the eligible cost of construction shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered federal and state grants in a percentage cumulatively exceeding 94 percent of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to assure that the municipality receives no more than 94 percent of the eligible cost of construction.

Sec. 15. Minnesota Statutes 1980, Section 116.18, Subdivision 4, is amended to read:

Subd. 4. [BOND AUTHORIZATION.] For the purpose of providing money appropriated in subdivision 1 for expenditure from the Minnesota state water pollution control fund through grants to municipalities and agencies of the state for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control, and abatement of water pollution, the commissioner of finance is authorized upon request of the pollution control agency to sell and issue Minnesota state water pollution control

bonds in the amount of \$144,000,000, in the manner and upon the conditions prescribed in section 116.17 and in the Constitution, Article XI, Sections 4 to 7. The proceeds of (SUCH) the bonds, except as provided in section 116.17, subdivision 5, are appropriated and shall be credited to the Minnesota state water pollution control fund. The amount of bonds issued pursuant to this authorization shall not exceed at any time the amount needed to produce a balance in the water pollution control fund equal to the aggregate amount of grants then approved and not previously disbursed, plus the amount of grants to be approved in the current and the following fiscal year, as estimated by the pollution control agency.

Sec. 16. Minnesota Statutes 1980, Section 174.50, Subdivision 1, is amended to read:

Subdivision 1. State assistance is needed to supplement local effort and the highway user tax distribution fund in financing capital improvements to preserve and develop a balanced transportation system throughout the state. Such a system is a proper function and concern of state government and necessary to protect the safety and personal and economic welfare of all citizens. *It requires capital expenditures for public facilities, improvements, and equipment that are complementary, additional, and alternate to highways and are a proper object for contracting public debt and engaging in works of internal improvements under article XI, section 5, clause (a) of the constitution. These expenditures are needed to harmonize state and local highway systems with the requirements of the federal interstate highway system, to avoid harmful environmental impact of arterial highways on urban, scenic, and recreational areas, and to provide auxiliary facilities for the convenience and safety of persons crossing highways and persons living and working adjacent to them. Capital expenditures of this nature exceed requirements for basic highway systems and should be funded from sources other than the taxes and bonds authorized in article XIV of the constitution. However, the improvements tend to reduce the cost of maintenance of highways to the minimum required for accommodation of traffic, and the cost may and shall continue to be paid from taxes authorized in article XIV of the constitution. Immediate improvement needs are reconstruction and replacement of key bridges and approaches to remove obstructions to the flow of traffic on state and county highways, municipal streets and township roads and expedited completion of the interstate highway system in Minnesota by paying the state share of interstate highway segments, and a portion of the local share of interstate highway substitution projects when those interstate substitution projects are approved in accordance with state and federal law.*

Sec. 17. Notwithstanding the provisions of Minnesota Statutes, Section 282.01, the commissioner of revenue shall transfer

and convey, without monetary consideration and by quitclaim deed in a form approved by the attorney general, in the name of the state of Minnesota, to the city of Minneapolis, all of the interest of the state in the following described tract of land situated in the county of Hennepin:

*Portions of D.L. Peck's rearrangement of D.L. Peck's Addition to Minneapolis, namely Block 3 including the alley in said block, now vacated; that part of the North Half of 37th Avenue North, now vacated, lying between extensions across it of the Easterly and Westerly lines of said Block 3; and that part of 1 1/2 Street North, now vacated, lying between extensions across it of the North line of said Block 3 and the center line of 37th Avenue North.*

*Block 4 including the alley in said block, now vacated; that portion of the South half of 37th Avenue North, now vacated, lying between extensions across it of the Easterly and Westerly lines of said Block 4; and that part of 1 1/2 Street North, now vacated, lying between extensions across it of the South line of said Block 4 and the center line of 37th Avenue North according to the plat thereof on file or of record in the office of the Register of Deeds in and for said Hennepin County.*

*The described land is registered land evidenced by Certificate of Title No. 247556.*

*The conveyance shall state that the state of Minnesota releases to the city of Minneapolis any interest that may have been reserved in prior conveyances, except mineral interest.*

**Sec. 18. [EFFECTIVE DATE.]**

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

Further, amend the title as follows:

Page 1, line 8, before the period insert "; and 174.50, Subdivision 1"

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

House Conferees: PHYLLIS L. KAHN, GLEN H. ANDERSON, MICHAEL R. SIEBEN, MERLYN O. VALAN and JAMES P. METZEN.

Senate Conferees: WILLIAM P. LUTHER, GERALD L. WILLET, MARION MENNING, CLARENCE M. PURFEERST and ROBERT O. ASHBACH.

Kahn moved that the report of the Conference Committee on H. F. No. 1475 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1475, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4.

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 102 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kalis	Nysether	Simoneau
Anderson, B.	Evans	Kelly	Ogren	Skoglund
Anderson, G.	Ewald	Knickerbocker	Onnen	Stadum
Anderson, I.	Fjoslien	Kostohryz	Osthoff	Staten
Anderson, R.	Forsythe	Laidig	Otis	Stumpf
Battaglia	Greenfield	Lehto	Peterson, D.	Sviggum
Begich	Gruenes	Lemen	Piepho	Swanson
Berkelman	Gustafson	Levi	Pogemiller	Tomlinson
Byrne	Halberg	Long	Redalen	Valan
Carlson, D.	Hanson	Luknic	Reding	Valento
Carlson, L.	Harens	Mann	Rees	Vanasek
Clark, J.	Hauge	McEachern	Rice	Vellenga
Clark, K.	Heap	Mehrkens	Rodriguez, C.	Voss
Clawson	Heinitz	Metzen	Rodriguez, F.	Welch
Dahlvang	Himle	Minne	Sarna	Wenzel
Dean	Hoberg	Munger	Schoenfeld	Wigley
Dempsey	Jacobs	Murphy	Schreiber	Wynia
Eken	Johnson, C.	Nelsen, B.	Searles	Spkr. Sieben, H.
Elioff	Johnson, D.	Nelson, K.	Sherman	
Ellingson	Jude	Norton	Sherwood	
Erickson	Kahn	Novak	Sieben, M.	

Those who voted in the negative were:

Ainley	Friedrich	Kvam	Olsen	Shea
Blatz	Haukoos	Ludeman	Peterson, B.	Stowell
Brandl	Hokanson	Marsh	Reif	Weaver
Brinkman	Hokr	McCarron	Rose	Welker
Den Ouden	Jennings	McDonald	Rothenberg	Wieser
Drew	Kaley	Niehaus	Schafer	Zubay

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

#### CALL OF THE HOUSE LIFTED

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1143

A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction

of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

May 18, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 1143, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendments.

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

House Conferees: JOHN E. BRANDL, JOSEPH R. BEGICH and TERRY M. DEMPSEY.

Senate Conferees: NEIL DIETERICH, GEORGE S. PILLSBURY and GENE MERRIAM.

Brandl moved that the report of the Conference Committee on H. F. No. 1143 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosure of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Sub-



divisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

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 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

McCarron

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 604

A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Sections 204A.18; and 204A.23.

May 18, 1981

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 604, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 604 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 2, is amended to read:

Subd. 2. [INDIVIDUALS NOT QUALIFIED TO BE ELECTION JUDGES.] No individual shall be appointed as an election judge for any precinct if that individual:

(a) Is unable to read, write or speak the English language;

(b) Is the spouse, parent, child or sibling of any election judge serving in the same precinct or of any candidate at that election or of any member of the governing body of the municipality or county which established the precinct; or

(c) Is a candidate at that election (; OR)

((D) IS RECEIVING COMPENSATION AS AN EMPLOYEE OR OFFICER OF THE UNITED STATES, THE STATE OR ANY MUNICIPALITY OR COUNTY IN THE STATE).

Sec. 2. Laws 1981, Chapter 29, Article IV, Section 19, is amended by adding a subdivision to read:

Subd. 6. [TIME OFF FROM WORK TO SERVE AS ELECTION JUDGE.] *Every individual who is selected to serve as an election judge pursuant to Laws 1981, Chapter 29, Article IV, Section 21, Subdivision 2 is entitled, after giving his employer at least ten days written notice, to absent himself from his place of work for the purpose of serving as an election judge. No employer shall penalize an employee for such absence other than a deduction in salary for the time he absented himself from his place of employment.*

Sec. 3. Laws 1981, Chapter 29, Article IV, Section 31, is amended to read:

**Sec. 31. [204B.31] [COMPENSATION FOR ELECTION SERVICES.]**

The compensation for services performed under the Minnesota election law shall be as follows:

(a) To presidential electors from funds appropriated to the secretary of state for this purpose, \$35 for each day of attendance at the capitol and mileage for travel to and from the capitol in the amount allowed for state employees in accordance with rules adopted pursuant to Minnesota Statutes, Section (471.665, SUBDIVISION 1) *43.327*;

(b) To individuals, other than county, city, or town employees during their normal work day, who are appointed by the county auditor to carry ballots to or from the county auditor's office, a sum not less than the prevailing Minnesota minimum wage for each hour spent in carrying ballots and mileage in the amount allowed for state employees in accordance with rules adopted pursuant to Minnesota Statutes, Section (471.665, SUBDIVISION 1) *43.327*;

(c) To members of county canvassing boards, a sum not less than the prevailing Minnesota minimum wage for each hour necessarily spent and an amount for each mile of necessary travel equal to the amount allowed for state employees pursuant to Minnesota Statutes, Section (471.665, SUBDIVISION 1) *43.327*;

(d) (TO ELECTION JUDGES SERVING IN ANY CITY, AN AMOUNT FIXED BY THE GOVERNING BODY OF THE CITY, TO ELECTION JUDGES SERVING IN UNORGANIZED TERRITORY, AN AMOUNT FIXED BY THE COUNTY BOARD, AND TO ELECTION JUDGES SERVING IN TOWNS, AN AMOUNT FIXED BY THE TOWN BOARD. ELECTION JUDGES IN TOWNS AND UNORGANIZED TERRITORY SHALL RECEIVE AT LEAST THE PREVAILING MINNESOTA MINIMUM WAGE FOR EACH HOUR SPENT CARRYING OUT THEIR DUTIES AT THE POLLING PLACES.) *The compensation for election judges shall be set as follows: by the governing body in home rule charter and statutory cities, by the county board in unorganized territory, and by the town board in towns; provided that in all cases election judges shall receive not less than the prevailing Minnesota minimum wage for each hour spent carrying out their duties at the polling places and in attending training sessions required by Laws 1981, Chapter 29, Article IV, Section 25. An election judge who travels to pick up election supplies or to deliver election returns to the county auditor shall receive, in*

addition to other compensation authorized by this section, a sum not less than the prevailing Minnesota minimum wage for each hour spent performing these duties, plus mileage in (THE SAME) an amount (AS) *not less than that* allowed for state employees pursuant to section (471.665, SUBDIVISION 1) 43.327; and

(e) To sergeants at arms, an amount for each hour of service performed at the direction of the election judges, fixed in the same manner as compensation for election judges.

Sec. 4. Minnesota Statutes 1980, Section 410.12, Subdivision 4, is amended to read:

Subd. 4. [ELECTION.] Amendments shall be submitted to the qualified voters at a general or special election and published as in the case of the original charter. The form of the ballot shall be fixed by the governing body. The statement of the question on the ballot shall be sufficient to identify the amendment clearly and to distinguish the question from every other question on the ballot at the same time. If (51) 55 percent of the votes cast on any amendment are in favor of its adoption, copies of the amendment and certificates shall be filed, as in the case of the original charter and the amendment shall take effect in 30 days from the date of the election or at such other time as is fixed in the amendment.

Sec. 5. [REPEALER.]

*Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 3, is repealed."*

Delete the title and insert:

"A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; fixing the majority necessary to approve an amendment to a home rule charter; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Section 410.12, Subdivision 4; and Laws 1981, Chapter 29, Article IV, Sections 19, Subdivision 2, and by adding a subdivision; and 31; repealing Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 3."

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

House Conferees: DONNA PETERSON, C. THOMAS OSTHOFF and GARY W. LAIDIG.

Senate Conferees: ANNE K. STOKOWSKI, EARL W. RENNEKE and MARILYN M. LANTRY.

Peterson, D., moved that the report of the Conference Committee on H. F. No. 604 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 604, A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Sections 204A.18; and 204A.23.

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 127 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Reif	Schafer	Valento	Welker
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The bill was repassed, as amended by Conference, and its title agreed to.

There being no objection the order of business reverted to Introduction and First Reading of House Bills.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Peterson, B.; Drew; Dean and Kvam introduced:

H. F. No. 1539, A bill for an act relating to economic development; authorizing the creation of enterprise zones in distressed areas; granting powers to the department of economic development; providing special tax and other treatment for enterprise zones; proposing new law coded in Minnesota Statutes, Chapter 362.

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

Ogren introduced:

H. F. No. 1540, A bill for an act relating to local water management; establishing a natural resources management fund; providing for duties of counties, cities, towns, watershed districts, and soil and water conservation districts; appropriating money; amending Minnesota Statutes 1980, Sections 40.03, Subdivision 4; 40.036, by adding a subdivision; 40.07, Subdivision 9, and by adding a subdivision; 40.072, by adding a subdivision; 106.021, Subdivisions 3 and 6, and by adding a subdivision; 112.39, Subdivision 3, and by adding a subdivision; 112.411, Subdivision 1, and by adding a subdivision; 112.43, Subdivision 1, and by adding subdivisions; 112.46; 112.47; 378.31, Subdivision 2; and 459.20; proposing new law coded as Minnesota Statutes, Chapter 105A.

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

#### MOTION FOR RECONSIDERATION

Ewald moved that the vote whereby the Dean motion to return S. F. No. 368 to Conference Committee prevailed be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Ewald motion and the roll was called. There were 67 yeas and 66 nays as follows:

Those who voted in the affirmative were:

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

Simoneau  
Skoglund  
Staten

Stumpf  
Tomlinson  
Vanasek

Vellenga  
Voss  
Welch

Wynia  
Zubay

Spkr. Sieben, H.

Those who voted in the negative were:

Aasness  
Ainley  
Anderson, I.  
Blatz  
Carlson, D.  
Dahlvang  
Dean  
Dempsey  
Den Ouden  
Drew  
Erickson  
Esau  
Evans  
Fjoslien

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

Lemen  
Levi  
Ludeman  
Luknic  
Marsh  
McDonald  
McEachern  
Mehrkens  
Metzen  
Nelsen, B.  
Niehaus  
Nysether  
Olsen  
Onnen

Osthoff  
Peterson, B.  
Piepho  
Redalen  
Rees  
Reif  
Rose  
Rothenberg  
Schafer  
Schreiber  
Searles  
Sherman  
Sherwood  
Stadium

Stowell  
Swiggum  
Swanson  
Valan  
Valento  
Weaver  
Welker  
Wenzel  
Wieser  
Wigley

The motion prevailed.

Clark, K., moved that the report of the Conference Committee on S. F. No. 368 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Clark, K., motion and the roll was called. There were 63 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Anderson, B.  
Anderson, G.  
Battaglia  
Begich  
Berkelman  
Brandl  
Byrne  
Carlson, L.  
Clark, J.  
Clark, K.  
Clawson  
Eken  
Elioff

Ellingson  
Ewald  
Greenfield  
Gustafson  
Hanson  
Harens  
Hauge  
Hokanson  
Johnson, C.  
Jude  
Kahn  
Kalis  
Kelly

Kostohryz  
Laidig  
Lehto  
Long  
Mann  
McCarron  
Minne  
Munger  
Murphy  
Nelson, K.  
Norton  
Novak  
O'Connor

Ogren  
Otis  
Peterson, D.  
Pogemiller  
Reding  
Rice  
Rodriguez, C.  
Rodriguez, F.  
Samuelson  
Sarna  
Shea  
Sieben, M.  
Simoneau

Skoglund  
Staten  
Stumpf  
Tomlinson  
Vanasek  
Vellenga  
Voss  
Welch  
Wenzel  
Wynia  
Spkr. Sieben, H.

Those who voted in the negative were:

Aasness  
Ainley  
Anderson, I.  
Anderson, R.  
Blatz  
Brinkman  
Carlson, D.  
Dahlvang  
Dean  
Dempsey

Den Ouden  
Drew  
Erickson  
Esau  
Evans  
Forsythe  
Friedrich  
Gruenes  
Halberg  
Haukoos

Heap  
Heinitz  
Himle  
Hoberg  
Hokr  
Jacobs  
Jennings  
Johnson, D.  
Knickerbocker  
Kvam

Lemen  
Levi  
Ludeman  
Luknic  
Marsh  
McDonald  
McEachern  
Mehrkens  
Metzen  
Nelsen, B.

Niehaus  
Nysether  
Olsen  
Onnen  
Osthoff  
Peterson, B.  
Piepho  
Redalen  
Rees  
Reif

Rose	Schreiber	Stadum	Valan	Wieser
Rothenberg	Searles	Stowell	Valento	Wigley
Schafer	Sherman	Sviggum	Weaver	
Schoenfeld	Sherwood	Swanson	Welker	

The motion did not prevail.

S. F. No. 368 and the Conference Committee Report were laid over temporarily.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned.

#### HOUSE CONCURRENT RESOLUTION NO. 5

A Concurrent Resolution relating to adjournment of the Senate and House of Representatives until 1982.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1139, A bill for an act relating to courts; providing for certain reorganization in the court system in the state; providing that the second and fourth judicial district courts shall also be probate courts; creating certain judicial positions to be filled by election; raising the jurisdictional limit in county and county municipal court; providing the county and county municipal court with gross misdemeanor jurisdiction; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; authorizing the judges of the courts within each judicial district to elect to form one unified court; creating an appellate division of the district court; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.01; 484.70, Subdivision 1, and by adding subdivisions; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 488A.01, Subdivisions 4, 6 and 8; 488A.18, Subdivisions 4, 7, 9 and 13; 488A.27, Subdivision 11; 525.10; proposing new law coded in Minnesota Statutes, Chapter 484; proposing new law coded as Minnesota Statutes, Chapter 484A; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and



5; 487.08, Subdivision 4; 487.09; 525.04; and Laws 1978, Chapter 750, Section 6.

PATRICK E. FLAHAVEN, Secretary of the Senate

Schoenfeld moved that the House refuse to concur in the Senate amendments to H. F. No. 1139, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two Houses.

A roll call was requested and properly seconded.

The question was taken on the Schoenfeld motion and the roll was called. There were 85 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Johnson, C.	Nysether	Shea
Ainley	Evans	Johnson, D.	Ogren	Sherman
Anderson, B.	Ewald	Kalis	Onnen	Sherwood
Anderson, G.	Fjoslien	Knickerbocker	Otis	Simoneau
Anderson, I.	Friedrich	Kvam	Piepho	Stadum
Battaglia	Gruenes	Laidig	Pogemiller	Stowell
Begich	Halberg	Levi	Redalen	Stumpf
Berkelman	Hanson	Ludeman	Reding	Swiggum
Brinkman	Harens	Luknic	Rees	Valan
Byrne	Hauge	Mann	Reif	Valento
Clark, K.	Haukoos	Marsh	Rodriguez, C.	Vanasek
Clawson	Heap	McCarron	Rodriguez, F.	Voss
Dean	Heinitz	McDonald	Rose	Welker
Dempsey	Himle	Mehrkens	Rothenberg	Wenzel
Den Ouden	Hoberg	Nelsen, B.	Schafer	Wieser
Eken	Hokr	Niehaus	Schoenfeld	Wigley
Erickson	Jennings	Novak	Searles	Zubay

Those who voted in the negative were:

Blatz	Forsythe	Long	Osthoff	Swanson
Brandl	Greenfield	McEachern	Peterson, B.	Tomlinson
Carlson, D.	Gustafson	Metzen	Peterson, D.	Vellenga
Carlson, L.	Hokanson	Minne	Rice	Weaver
Clark, J.	Jacobs	Murphy	Sarna	Welch
Dahlvang	Jude	Nelson, K.	Schreiber	Wynia
Drew	Kelly	Norton	Sieben, M.	Spkr. Sieben, H.
Elioff	Kostohryz	O'Connor	Skoglund	
Ellingson	Lehto	Olsen	Staten	

The motion prevailed.

Mr. Speaker:

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

S. F. No. 537.

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. 537

A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

May 18, 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. 537, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and S. F. No. 537 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 169.81, Subdivision 3, is amended to read:

Subd. 3. [LENGTH OF COMBINATIONS AND SEMI-TRAILERS AND TRUCK-TRACTORS.] (a) No combination of vehicles coupled together unladen or with load, including truck-tractor and semitrailers, shall consist of more than two units unless the combination consists of a truck-tractor and semitrailer drawing one additional semitrailer equipped with an auxiliary dolly, and no combination of vehicles shall exceed a total length of 60 feet. The limitation shall not apply to the transportation of telegraph poles, telephone poles, electric light and power poles, piling, or pole length pulpwood, and is subject to the following further exceptions: The length limitations shall not apply to vehicles when transporting pipe, or other objects by a public utility when required for emergency or repair of public service facilities or when operated under special permits as provided in this subdivision, but with respect to night transportation a vehicle and the load shall be equipped with a suffi-

cient number of clearance lamps and marker lamps on both sides and upon the extreme ends of a projecting load to clearly mark the dimensions of the load. Mount combinations may be drawn but the combinations may not exceed (60) 65 feet in length. The limitation on the number of units shall not apply to vehicles used for transporting milk from point of production to point of first processing, in which case no combination of vehicles coupled together unladen or with load, including truck-tractor and semitrailers, shall consist of more than three units and no combination of those vehicles shall exceed a total length of 60 feet. For the purpose of registration, trailers coupled with a truck-tractor, semitrailer combination shall be considered the same as semitrailers. The state, as to state trunk highways, and a city or town, as to roads or streets located within the city or town, may issue permits authorizing the transportation of combinations of vehicles exceeding the limitations in this subdivision over highways, roads or streets within their boundaries. Combinations of vehicles authorized by this subdivision may be restricted as to the use of highways by the commissioner, as to state trunk highways, and a road authority, as to highways or streets subject to its jurisdiction. Nothing in this subdivision shall be deemed to alter or change the authority vested in local authorities under the provisions of section 169.04. This subdivision shall not apply to the operation of combinations of vehicles subject to the provisions of section 169.861.

(b) No single semitrailer or trailer shall have an overall length, exclusive of rear protective bumpers which do not increase the overall length by more than six inches and further exclusive of accessory equipment mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor, in excess of 45 feet, except for those semitrailers governed by subdivisions 3a, 3b and 7. For purposes of determining compliance with the provisions of this subdivision, the length of the semitrailer or trailer shall be determined separate from the overall length of the combination of vehicles.

Sec. 2. Minnesota Statutes 1980, Section 169.86, Subdivision 5, is amended to read:

Subd. 5. [FEES.] (TO COVER ADMINISTRATIVE COSTS IN ISSUING SUCH PERMIT,) The commissioner, with respect to highways under his jurisdiction, may charge a fee (OF \$5) for each (SUCH) permit issued (, EXCEPT A SEASONAL TRANSPORTATION PERMIT TO CONTRACTORS WHO MOVE THEIR OWN CONSTRUCTION MACHINERY AND EQUIPMENT FOR THEIR OWN USE, THE FEE FOR WHICH SEASONAL PERMIT SHALL BE \$25. AN ANNUAL PERMIT MAY BE ISSUED FOR REFUSE COMPACTOR VEHICLES WHICH WILL PERMIT UP TO BUT NOT IN EXCESS OF 22,000 POUNDS ON A SINGLE REAR AXLE AND NOT IN EXCESS OF 38,000 POUNDS ON A TANDEM REAR AXLE. THE FEE FOR THIS ANNUAL PERMIT SHALL BE

\$50). All such fees for permits issued by the commissioner of transportation shall be deposited in the state treasury and credited to the trunk highway fund. *Except for those annual permits for which the permit fees are specified elsewhere in this chapter, the fees shall be:*

(a) *\$12 for each single trip permit.*

(b) *\$12 for each job permit. A job permit may be issued for like loads carried on a specific route for a period not to exceed two months. "Like loads" means loads of the same product, weight and dimension.*

(c) *\$60 for an annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:*

(1) *truck cranes;*

(2) *construction equipment, machinery, and supplies;*

(3) *mobile homes;*

(4) *farm equipment when the movement is not made according to the provisions of section 169.80, subdivision 1, clauses (a) to (f).*

(5) *refuse compactor vehicles that carry a gross weight up to but not in excess of 22,000 pounds on a single rear axle and not in excess of 38,000 pounds on a tandem rear axle;*

(6) *motor vehicles used to alleviate a temporary crisis adversely affecting the safety or well-being of the public;*

(7) *motor vehicles which travel on interstate highways and carry loads authorized under subdivision 1a.*

### Sec. 3. [HIGHWAY POLICY STUDY COMMISSION.]

*Subdivision 1. There is hereby created an interim commission to study the contracting of trunk highway maintenance by counties, and the collection of highway user taxes from out-of-state vehicles.*

*The study of county maintenance is to include:*

(a) *historical and projected department of transportation expenditures including administrative, operating and capital expenditures for trunk highway maintenance, maintenance preservation, and associated activities;*

(b) *the experience of other states and Minnesota in contracting with governmental subdivisions for highway maintenance and associated activities; and a review of existing procedures for contracts between the department of transportation and local governments;*

(c) *consideration of alternatives which contemplate contracting with all counties, groups of counties, or several specific counties to perform maintenance functions on trunk highways;*

(d) *identification of the costs and benefits in each alternative to the state and to the pertinent counties, including the costs and benefits associated with operating, administrative, equipment, and capital expenditures;*

(e) *consideration of personnel issues, including but not limited to the transfer of affected state employees to county employment, and any effect on compensation and pensions;*

(f) *consideration of tort liability issues and how they might be addressed;*

(g) *any other pertinent matters.*

*The study of the collection of highway user taxes from motor vehicles registered in other states is to include:*

(a) *overview of the origination, routes, weight, and destination of truck shipments;*

(b) *current and alternative mechanisms to collect user revenues from out-of-state trucks, including reciprocity agreements for licenses and fuel;*

(c) *cost-effectiveness of alternative administrative and legislative methods to collect user revenues from out-of-state trucks;*

(d) *any other pertinent matters.*

**Subd. 2.** *The interim commission shall consist of seven members of the senate appointed by the subcommittee on committees of the committee on rules and administration of the senate and seven members of the house of representatives appointed by the speaker of the house. Payment of the expenses of the interim commission, including reimbursement for the expenses of the members shall be made pursuant to the rules of the legislature. Expenses of the commission shall be approved by the chairman and the expenses shall be paid in the same manner as other state expenses are paid. The commission shall select a chairman and other officers from its membership.*

*Subd. 3. The interim commission may request information and staff assistance from any state officer or agency to assist it in carrying out its duties, and such information and staff assistance shall be promptly furnished to the extent permitted by law.*

*Subd. 4. The interim commission shall exist and act from the date its members are appointed. The commission shall file a report with the legislature by February 1, 1982, and shall be terminated upon that date.*

Sec. 4. Minnesota Statutes 1980, Section 169.861, is amended to read:

**169.861 [(PERMITS FOR) OPERATION OF CERTAIN COMBINATIONS (; FEES).]**

**(SUBDIVISION 1. [APPLICATIONS.] THE COMMISSIONER SHALL ISSUE AN ANNUAL PERMIT TO ENABLE) A combination of vehicles consisting of a truck and semitrailer or a truck-tractor and semitrailer drawing one additional semitrailer equipped with an auxiliary dolly between 55 and 65 feet in length (TO) may operate on the public highways (. THE PERMIT SHALL ENTITLE THE COMBINATION OF VEHICLES TO OPERATE) only on divided highways having four or more lanes of travel, and on such other highways as may be designated by the commissioner of transportation subject to section 169.87, subdivision 1, and subject to the approval of the authority having jurisdiction over such highway, for the purpose of providing access between such divided highways of four or more lanes of travel and truck terminals and marshalling yards or for the purpose of providing continuity of route. All vehicles operated under the provisions of this section shall conform to the standards for such vehicles as prescribed by the United States Department of Transportation, Federal Highway Administration, Bureau of Motor Carrier Safety, and as may be amended.**

**(SUBD. 2. [DISPLAY.] THE PERMIT ISSUED UNDER THIS SECTION SHALL AT ALL TIMES BE CARRIED IN OR UPON THE VEHICLE SUPPLYING THE MODE OF POWER FOR THE COMBINATION OF VEHICLES FOR WHICH IT HAS BEEN ISSUED.)**

**(SUBD. 3. [FEES.] THE COMMISSIONER IS AUTHORIZED TO CHARGE A FEE OF \$75 FOR SUCH ANNUAL PERMIT FOR EACH COMBINATION EXCEEDING 55 BUT NOT MORE THAN 60 FEET IN LENGTH; AND \$200 FOR EACH COMBINATION EXCEEDING 60 BUT NOT MORE THAN 65 FEET IN LENGTH. ALL SUCH FEES FOR PERMITS ISSUED BY THE COMMISSIONER SHALL BE DEPOSITED IN THE STATE TREASURY AND CREDITED TO THE HIGHWAY USER TAX DISTRIBUTION FUND. THIS FEE MAY BE PRORATED IN THE SAME MANNER**

AS REGISTRATION FEES ARE PRORATED PURSUANT TO SECTION 168.187. FOR THOSE VEHICLES NOT COVERED BY SECTION 168.187 OR RECIPROCAL AGREEMENTS PURSUANT TO SECTION 168.181, A TRIP FEE OF \$10 FOR COMBINATIONS EXCEEDING 55 BUT NOT MORE THAN 60 FEET IN LENGTH AND \$20 FOR COMBINATIONS EXCEEDING 60 BUT NOT MORE THAN 65 FEET IN LENGTH MAY BE CHARGED.)”

Delete the title and insert:

“A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; creating a legislative study commission; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5; and 169.861.”

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

Senate Conferees: CLARENCE M. PURFEERST, WILLIAM V. BELANGER, JR. and ROBERT J. SCHMITZ.

House Conferees: LYLE G. MEHRKENS, GEORGE C. DAHLVANG and LAWRENCE J. POGEMILLER.

Mehrkens moved that the report of the Conference Committee on S. F. No. 537 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 537, A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

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 124 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Begich	Carlson, L.	Den Ouden	Ewald
Ainley	Berkelman	Clark, J.	Drew	Fjoslien
Anderson, B.	Blatz	Clark, K.	Elioff	Forsythe
Anderson, G.	Brandl	Clawson	Ellingson	Friedrich
Anderson, I.	Brinkman	Dahlvang	Erickson	Gruenes
Anderson, R.	Byrne	Dean	Esau	Gustafson
Battaglia	Carlson, D.	Dempsey	Evans	Hanson

Hauge	Laidig	Novak	Rodriguez, F.	Stumpf
Haukoos	Levi	Nysether	Rose	Svigum
Heap	Long	O'Connor	Rothenberg	Swanson
Heinitz	Ludeman	Ogren	Samuelson	Tomlinson
Himle	Luknic	Olsen	Sarna	Valan
Hoberg	Mann	Onnen	Schafer	Valento
Hokanson	Marsh	Osthoff	Schoenfeld	Vanasek
Hokr	McCarron	Otis	Schreiber	Voss
Jacobs	McDonald	Peterson, B.	Searles	Weaver
Jennings	McEachern	Peterson, D.	Shea	Welch
Johnson, C.	Mehrkens	Piepho	Sherman	Welker
Johnson, D.	Minne	Pogemiller	Sherwood	Wenzel
Jude	Munger	Redalen	Sieben, M.	Wieser
Kaley	Murphy	Reding	Simoneau	Wigley
Kalis	Nelsen, B.	Rees	Skoglund	Wynia
Knickerbocker	Nelson, K.	Reif	Stadum	Zubay
Kostohryz	Niehaus	Rice	Staten	Spkr. Sieben, H.
Kvam	Norton	Rodriguez, C.	Stowell	

Those who voted in the negative were:

Greenfield      Kahn      Lehto

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

Mr. Speaker:

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

H. F. No. 1253, A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Eken moved that the House concur in the Senate amendments to H. F. No. 1253 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1253, A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

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

The question was taken on the repassage of the bill and the roll was called. There were 90 yeas and 38 nays as follows:



## Those who voted in the affirmative were:

Anderson, G.	Evans	Kostohryz	O'Connor	Skoglund
Anderson, R.	Fjoslien	Laidig	Ogren	Stadum
Battaglia	Greenfield	Lehto	Otis	Staten
Begich	Gruenes	Lemen	Peterson, D.	Stowell
Berkelman	Gustafson	Levi	Pogemiller	Stumpf
Brandl	Harens	Long	Reding	Swanson
Brinkman	Hauge	Luknic	Rees	Tomlinson
Byrne	Heap	Mann	Reif	Valan
Carlson, D.	Heinitz	McCarron	Rice	Valento
Carlson, L.	Hokanson	McEachern	Rodriguez, C.	Vanasek
Clark, J.	Jacobs	Mehrkens	Rodriguez, F.	Vellenga
Clark, K.	Johnson, C.	Metzen	Rose	Voss
Clawson	Johnson, D.	Minne	Samuelson	Welch
Dahlvang	Jude	Munger	Schoenfeld	Wenzel
Drew	Kahn	Murphy	Searles	Wigley
Eken	Kaley	Nelson, K.	Sherwood	Wynia
Elioff	Kalis	Norton	Sieben, M.	Zubay
Ellingson	Kelly	Novak	Simoneau	Spkr. Sieben, H.

## Those who voted in the negative were:

Aasness	Forsythe	Knickerbocker	Olsen	Schreiber
Ainley	Friedrich	Kvam	Onnen	Sherman
Blatz	Halberg	Ludeman	Osthoff	Sviggum
Dempsey	Hanson	Marsh	Peterson, B.	Weaver
Den Ouden	Haukoos	McDonald	Piepho	Welker
Erickson	Himle	Nelsen, B.	Redalen	Wieser
Esau	Hokr	Niehaus	Rothenberg	
Ewald	Jennings	Nysether	Schafer	

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

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1139:

Jude, Schoenfeld and Sieben, M.

### MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate wishes to recall for the purpose of further consideration House File No. 1139.

H. F. No. 1139, A bill for an act relating to courts; providing for certain reorganization of the court system in the state; providing that Hennepin and Ramsey municipal courts shall also be probate courts; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; abolishing the office of court commissioner; providing for continuance of the Ramsey county court commissioner position for a limited time; changing the jurisdiction of county courts and county municipal courts; providing for the prosecution of gross misdemeanors by municipalities; creating certain judicial positions; abolishing certain judicial positions

by attrition; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.70, Subdivision 1, and by adding subdivisions; 487.03, by adding a subdivision; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 487.25, Subdivision 10; 488A.01, Subdivisions 4, 6, and 8; 488A.18, Subdivisions 4, 7, 9, and 13; 488A.27, Subdivision 11; 489.01; 525.10; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 525.04; and Laws 1978, Chapter 750, Section 6.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jude moved that the House reconsider the action whereby H. F. No. 1139 was sent to Conference Committee and that the House accede to the request of the Senate for the return of H. F. No. 1139 to the Senate for further consideration. The motion prevailed.

Mr. Speaker:

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

H. F. No. 1475, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4; and 174.50, Subdivision 1.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places

returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Eken moved that when the House adjourns today it adjourn until 12:00 noon, Tuesday, January 12, 1982. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER ON VETO MESSAGE

The Speaker announced to the House that a veto message had been received from Governor Albert H. Quie on H. F. No. 1445.

#### SPECIAL ORDERS

H. F. No. 1454 was reported to the House.

Jude moved to amend H. F. No. 1454 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1981, Chapter 59, Section 10, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] Upon the termination or cancellation of any franchise, the new motor vehicle dealer shall, in the time prescribed, be allowed fair and reasonable compensation by the manufacturer for the following items:

(a) New motor vehicle inventory which was originally acquired from the manufacturer;

(b) Equipment and furnishings if the new motor vehicle dealer purchased them from the manufacturer;

(c) Special tools;

(d) Supplies, including parts, purchased from the manufacturer. Fair and reasonable compensation as applied to parts means that the manufacturer shall reimburse the dealer for 100 percent of the net cost of all current unused automobile and truck parts, including transportation charges, and 85 percent of the current net prices on repair parts, including superseded parts listed in current price lists or catalogs plus five percent of the current net price on all parts returned to compensate the dealer for the handling, packing, and loading of the parts;

(e) Except as provided in paragraph (f), dealership facilities if the facilities were required to be purchased or constructed as a precondition to obtaining the franchise or its renewal by the manufacturer. If the facilities described in this clause were leased and the lease was required by the manufacturer as a precondition to obtaining the franchise or to its renewal, then the manufacturer is liable for one year's payment of the rent or the remainder of the term of the lease, whichever is less. The manufacturer has no obligations under this clause if the termination or cancellation was for good cause based on the conviction or a plea of nolo contendere of the dealer or one of its principal owners for a crime which constitutes a felony as defined in Minnesota Statutes, Section 609.02, Subdivision 2, or where it has been demonstrated (AT THE HEARING) that the new motor vehicle dealer has repeatedly exhibited a course of conduct constituting fraud with respect to the manufacturer or the general public;

(f) In the event the termination or cancellation is due to a failure of performance of the dealer in sales or service as described in section 7, subdivision 2, the manufacturer shall have no obligation to purchase facilities owned by the dealer but

shall be required to pay the dealer a sum equivalent to the reasonable rental value of the facilities for one year. In all other respects the provisions of paragraph (e) shall apply.

Sec. 2. Laws 1981, Chapter 59, Section 11, Subdivision 4, is amended to read:

Subd. 4. [PAYMENTS.] In the event of nonrenewal or failure to renew, the manufacturer or distributor shall be obligated to make the same payments to the dealer and in the same manner, subject to the same limitations and restrictions, as are set forth in section (9) 10.

Sec. 3. Laws 1981, Chapter 59, Section 15, Subdivision 1, is amended to read:

Subdivision 1. [NOTIFICATION; PROTEST; HEARING.] In the event that a manufacturer seeks to enter into a franchise establishing an additional new motor vehicle dealership or relocating an existing new motor vehicle dealership within or into a relevant market area where the line make is then represented, the manufacturer shall, in writing, first notify each new motor vehicle dealer in this line make in the relevant market area of the intention to establish an additional dealership or to relocate an existing dealership within or into that market area. The relevant market area is a radius of ten miles around an existing dealership. Within 15 days of receiving the notice or within 15 days after the end of any appeal procedure provided by the manufacturer, the new motor vehicle dealership may commence a civil action in a court of competent jurisdiction pursuant to section (17) 18 challenging the establishing or relocating of the new motor vehicle dealership. An action brought under this section shall be placed on the calendar ahead of other civil actions to be heard and determined as expeditiously as possible. Thereafter the manufacturer shall not establish or relocate the proposed new motor vehicle dealership unless the court has determined that there is good cause for permitting the establishment or relocation of the motor vehicle dealership.

For the purposes of this section, the reopening in a relevant market area of a new motor vehicle dealership within two miles of a location at which a former dealership of the same line make had been in operation within the previous two years shall not be deemed the establishment of a new motor vehicle dealership.

The relocation of an existing dealer within its area of responsibility as defined in the franchise agreement shall not be subject to this section, if the proposed relocation site is not within five miles of an existing dealer of the same line make.

Sec. 4. A law enacted at the 1981 Regular Session styled as H. F. No. 493, Section 7, Subdivision 1, is amended to read:

Subdivision 1. [GENERAL OBLIGATION BONDS.] A municipality may, by resolution, authorize, issue and sell general obligation bonds or obligations to finance any expenditure by the municipality for the acquisition, construction, expansion, modification 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, construct, expand or modify a district heating system. Except with regard to the net debt limit as provided in section (465.74) 6, subdivision 4, the general obligation bonds or obligations authorized by this subdivision shall be authorized, issued and sold in the same manner and subject only to the same conditions as those provided in chapter 475. When revenues from the operation of a district heating system are pledged to the repayment of the bonds or obligations, the estimated collections of said revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds or obligations under section 475.61, subdivision 1, or the collections thereof may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 1 or 3.

Sec. 5. A law enacted at the 1981 Regular Session styled as H. F. No. 493, Section 7, Subdivision 3, is amended to read:

Subd. 3. [REDEVELOPMENT AGENCY.] A municipality may itself, or by ordinance authorize any redevelopment agency as defined in section (474.03) 474.02, subdivision 3, acting for the municipality, to exercise any and all of the powers granted to the municipality under subdivision 2 and to the redevelopment agency under any other law for the purpose of financing all or any portion of the district heating system and any conversion facilities for modifying the user's heating or water system to use the heat energy converted from the steam or hot water furnished by the district heating system including, but without limitation, the payment of interest during construction and for a reasonable time thereafter and the establishment of reserves for bond payment and for working capital, in which event if the issuer is a redevelopment agency the sources of revenue that may be pledged to the payment of revenue bonds or obligations shall include any revenues of the redevelopment agency. The proceeds of bonds or obligations issued by the municipality or redevelopment agency may be used to make or purchase loans for facilities which the issuer estimates will require such financing, and, for the purpose of making or purchasing such loans the issuer shall have power to enter into loan agreements and other related agreements, both before and after the issuance of the obligations, with such persons, firms, public or private corporations, federal or state agencies, governmental units, and under such terms and conditions as the issuer shall deem appropriate; and any governmental unit in the state shall have the power to apply, contract for and receive the loans without limitation under any other provisions of chapter 475.

Sec. 6. A law enacted at the 1981 Regular Session styled as S. F. No. 1087, Section 42, is amended to read:

**Sec. 42. [REPEALER.]**

Minnesota Statutes 1980, Sections 60A.031, Subdivision 2; and 60A.11, Subdivisions 2, 3, 4, 5, 6, (7,) and 8, are repealed.

Sec. 7. Minnesota Statutes 1980, Section 60A.11, Subdivision 7, is amended to read:

Subd. 7. [INVESTMENTS IN NAME OF COMPANY OR NOMINEE AND PROHIBITIONS.] (ALL OF THE FUNDS OF AN INSURANCE COMPANY OTHER THAN A LIFE INSURANCE COMPANY SHALL BE HELD IN ITS CORPORATE NAME OR ITS NOMINEE NAME, EXCEPT THAT INVESTMENTS MAY BE HELD UNDER THE NAME OF A NOMINEE OF A BANK OR TRUST COMPANY IF THE SECURITIES ARE KEPT UNDER A CUSTODIAL ARRANGEMENT WITH SUCH BANK OR TRUST COMPANY. SUCH CUSTODIAL ARRANGEMENTS SHALL BE EVIDENCED BY AN AGREEMENT AND SHALL MEET THE FOLLOWING REQUIREMENTS:)

((1) THE SECURITIES SHALL BE HELD BY A BANK OR TRUST COMPANY LICENSED BY THE UNITED STATES OR ANY STATE THEREOF; AND)

((2) THE AGREEMENT SHALL PROVIDE THAT THE SECURITIES SO DEPOSITED SHALL AT ALL TIMES BE KEPT SEPARATE AND APART FROM OTHER DEPOSITS WITH THE DEPOSITORY, SO THAT AT ALL TIMES THEY MAY BE IDENTIFIED AS BELONGING SOLELY TO THE COMPANY MAKING THE DEPOSIT.)

No officer, director, or member of any committee passing on investments shall borrow any of such funds, or become, directly or indirectly, liable as a surety or endorser for or on account of loans thereof to others, or receive to his own use any fee, brokerage, commission, gift, or other consideration for, or on account of, any loan made by or on behalf of the company.

Sec. 8. Minnesota Statutes 1980, Section 595.02, as amended by Laws 1981, Chapter 131, Section 2, is amended to read:

**595.02 [COMPETENCY OF WITNESSES.]**

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows:

(1) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband

without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights;

(2) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the course of professional duty; nor can any employee of such attorney be examined as to such communication or advice, without the client's consent;

(3) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice, aid, or comfort or his advice given thereon in the course of his professional character, without the consent of such person;

(4) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity, and which was necessary to enable him to act in that capacity; after the decease of such patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of such deceased person for the purpose of waiving the privilege hereinbefore created, and no oral or written waiver of the privilege hereinbefore created shall have any binding force or effect except that the same be made upon the trial or examination where the evidence is offered or received;

(5) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by the disclosure;

(6) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear incapable of receiving just impressions of the facts respecting which they are examined, or of relating them truly, are not competent witnesses;



(7) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity.

(8) An interpreter for a person handicapped in communication shall not, without the consent of the person, be allowed to disclose any communication (OF THE PERSON) if the communication would, if the interpreter were not present, be privileged. For purposes of this section, a "person handicapped in communication" means a person who, because of a hearing, speech or other communication disorder, or because of the inability to speak or comprehend the English language, is unable to understand the proceedings in which he is required to participate. The presence of an interpreter as an aid to communication does not destroy an otherwise existing privilege.

Sec. 9. Minnesota Statutes 1980, Section 15.0413, Subdivision 3, as amended at the 1981 Regular Session by a law styled as S. F. No. 1043, Section 20, as enacted, is amended to read:

Subd. 3. [EXEMPT AGENCIES AND RULES.] (a) Any rules adopted, amended, suspended, or repealed by any agency but excluded from the administrative procedure act by section 15.0411, subdivision 2, shall have the force and effect of law upon compliance with the procedures of paragraph (c) of this subdivision. However, this subdivision does not apply to:

(1) rules implementing emergency powers pursuant to sections 12.31 to 12.37;

(2) rules of agencies directly in the legislative or judicial branches; or

(3) rules of the regents of the University of Minnesota.

(b) Rules adopted, amended, suspended, or repealed by any agency but excluded from the definition of "rule" in section 15.0411, subdivision 3, shall have the force and effect of law upon compliance with paragraph (c) of this subdivision. However, this subdivision does not apply to:

(1) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public; or,

(2) opinions of the attorney general.

(c) The rules have the force and effect of law if:

(1) the revisor of statutes approves the form of the rules by certificate;

(2) two copies of the rules with the revisor's certificate are filed in the office of the secretary of state; and,

(3) a copy is published in the state register.

(d) The rules become effective five working days after publication in the state register. The secretary of state shall forward one copy of each rule to the revisor of statutes. Rules filed in accordance with this subdivision, as it (IS) *was* in effect on the date the rules (ARE) *were* filed, shall be included in Minnesota Rules.

(e) Any law exempting an agency or rule from sections 15.0411 to 15.052 shall not be construed as preventing an agency from complying with this subdivision, unless the law specifically provides to the contrary.

Sec. 10. A law enacted at the 1981 Regular Session styled as S. F. No. 876, Section 30, Subdivision 3, is repealed.

Sec. 11. Minnesota Statutes 1980, Section 47.20, Subdivision 6a, as amended by Laws 1981, Chapter 137, Section 6, is amended to read:

Subd. 6a. If the purpose of a conventional loan, or loan made pursuant to the authority granted in subdivision 1, clause (3) or (4), 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 a new interest rate which will be the (BANK'S) lender's current market rate of interest on similar loans at the time of the transfer, but which will be no greater than the most recently published monthly index of the federal national mortgage association auction yields as compiled by the federal national mortgage association. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument.

Sec. 12. A law enacted by the 1981 Regular Session styled as H. F. No. 182, Section 2, is amended to read:

Sec. 2. [56.002] [APPLICATION.]

This chapter does not apply to a person doing business under and as permitted by any law of this state or of the United States relating to banks, building and loan associations, savings and loan associations, trust companies, licensed pawnbrokers, or credit unions. Notwithstanding the provisions of section 3, an industrial loan and thrift company under chapter 53 may contract for and receive the charges, including those in section (15) 14, authorized by this chapter without being licensed pursuant to this chapter, but shall comply with all other provisions of this chapter when contracting for or receiving charges on loans regulated by this chapter.

Sec. 13. A law enacted by the 1981 Regular Session styled as H. F. No. 182, Section 11, Subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL CHARGES.] In addition to the charges provided for by this section and section (15) 14, no further or other amount whatsoever, shall be directly or indirectly charged, contracted for, or received for the loan made, except actual out of pocket expenses of the licensee to realize on a security after default, and except for the following additional charges which may be included in the principal amount of the loan:

(a) Lawful fees and taxes paid to any public officer to record, file, or release security;

(b) With respect to a loan secured by an interest in real estate, the following closing costs, if they are bona fide, reasonable in amount, and not for the purpose of circumvention or evasion of this section; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater:

(1) Fees or premiums for title examination, abstract of title, title insurance, surveys, or similar purposes;

(2) An amount not to exceed \$150, if not paid to the licensee, an employee of the licensee, or a person related to the licensee, for fees for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, and appraisal fees.

Sec. 14. Minnesota Statutes 1980, Section 56.19, Subdivision 1, as amended by a law enacted by the 1981 Regular Session as H. F. No. 182, Section 18, is amended to read:

Subdivision 1. [CRIMINAL PENALTY.] Any person and the several members, officers, directors, agents, and employees thereof, who shall violate or participate in the violation of any of the provisions of sections 56.01, 56.12, 56.14, 56.17, 56.18, and (SECTIONS 11 AND 12) *section 11* shall be guilty of a gross misdemeanor.

Sec. 15. A law enacted by the 1981 Regular Session styled as H. F. No. 182, Section 11, Subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL CHARGES.] In addition to the charges provided for by this section and section (15) 14, no further or other amount whatsoever, shall be directly or indirectly charged, contracted for, or received for the loan made, except actual out of pocket expenses of the licensee to realize on a security after default, and except for the following additional charges which may be included in the principal amount of the loan:

(a) Lawful fees and taxes paid to any public officer to record, file, or release security;

(b) With respect to a loan secured by an interest in real estate, the following closing costs, if they are bona fide, reasonable in amount, and not for the purpose of circumvention or evasion of this section; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater:

(1) Fees or premiums for title examination, abstract of title, title insurance, surveys, or similar purposes;

(2) An amount not to exceed \$150, if not paid to the licensee, an employee of the licensee, or a person related to the licensee, for fees for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, and appraisal fees.

Sec. 16. A law enacted by the 1981 Regular Session styled as H. F. No. 1125, Article II, Section 3, Subdivision 2a, is amended to read:

Subd. 2a. [LICENSE; EXCEPTIONS.] "Business license" or "license" does not include the following:

(1) Any occupational license issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

(a) Abstracters regulated pursuant to chapter 386;

(b) Accountants regulated pursuant to chapter 326;

(c) Adjusters regulated pursuant to chapter 72B;

- (d) Architects regulated pursuant to chapter 326;
- (e) Assessors regulated pursuant to chapter 270;
- (f) Attorneys regulated pursuant to chapter 481;
- (g) Auctioneers regulated pursuant to chapter 330;
- (h) Barbers regulated pursuant to chapter 154;
- (i) Beauticians regulated pursuant to chapter 155;
- (j) Boiler operators regulated pursuant to chapter 183;
- (k) Chiropractors regulated pursuant to chapter 148;
- (l) *Collection agencies regulated pursuant to chapter 332;*
- ((L)) (m) Cosmetologists regulated pursuant to chapter 155;
- ((M)) (n) Dentists and dental hygienists regulated pursuant to chapter 150;
- ((N)) (o) Detectives regulated pursuant to chapter 326;
- ((O)) (p) Electricians regulated pursuant to chapter 326;
- ((P)) (q) Embalmers regulated pursuant to chapter 149;
- ((Q)) (r) Engineers regulated pursuant to chapter 326;
- ((R)) (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- ((S)) (t) Midwives regulated pursuant to chapter 148;
- ((T)) (u) Morticians regulated pursuant to chapter 149;
- ((U)) (v) Nursing home administrators regulated pursuant to chapter 144A;
- ((V)) (w) Optometrists regulated pursuant to chapter 148;
- ((W)) (x) Osteopathic physicians regulated pursuant to chapter 147;
- ((X)) (y) Pharmacists regulated pursuant to chapter 151;

((Y)) (z) Physical therapists regulated pursuant to chapter 148;

((Z)) (aa) Physicians and surgeons regulated pursuant to chapter 147;

((AA)) (bb) Plumbers regulated pursuant to chapter 326;

((BB)) (cc) Podiatrists regulated pursuant to chapter 153;

((CC)) (dd) Practical nurses regulated pursuant to chapter 148;

((ee) Professional fundraisers regulated pursuant to chapter 309;

((DD)) (ff) *Psychologists regulated pursuant to chapter 148;*

((EE)) (gg) Real estate brokers (AND), salespersons *and others* regulated pursuant to (CHAPTER) *chapters 82 and 83;*

((FF)) (hh) Registered nurses regulated pursuant to chapter 148;

((GG)) (ii) Securities brokers, dealers (AND), agents *and investment advisers* regulated pursuant to chapter 80A;

((HH)) (jj) Steamfitters regulated pursuant to chapter 326;

((II)) (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;

((JJ)) (ll) Veterinarians regulated pursuant to chapter 156;

((KK)) (mm) Watchmakers regulated pursuant to chapter 326;

((LL)) (nn) Water conditioning contractors and installers regulated pursuant to chapter 326;

((MM)) (oo) Water well contractors regulated pursuant to chapter 156A;

((NN)) (pp) Water and waste treatment operators regulated pursuant to chapter 115;

(4) Any driver's license required pursuant to chapter 171;

(5) Any aircraft license required pursuant to chapter 360;

(6) Any watercraft license required pursuant to chapter 361;

(7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and

(8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health.

Sec. 17. Minnesota Statutes 1980, Section 216B.16, Subdivision 1b, as added by a law enacted by the 1981 Regular Session styled as H. F. No. 1434, Section 70, is amended to read:

Subd. 1b. When a public utility proposes changes in *general* rates that would increase *general* rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well reasoned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 18. A law enacted by the 1981 Regular Session styled as H. F. No. 1434, Section 2, Subdivision 4, is amended to read:

Subd. 4. Public Transportation . . . . . 2,474,400    1,487,800

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Transportation Rates and Regulation

\$    539,000        \$    546,100

(b) Transit Administration

\$    352,000        \$    354,500

\$

\$

The appropriation made by Laws 1979, Extra Session, Chapter 1, Section 4, for development of operating standards for vehicles providing special transportation service and of procedures for enforcing the standards shall be available until June 30, 1983.

(c) Railroad Administration

\$ 583,400      \$ 587,200

(d) Rail Service Improvement Grants

\$ 1,000,000

This appropriation is from the general fund for transfer to the rail service improvement account.

This appropriation shall be used to maximize the use of federal money.

(e) AMTRAK operations for the Northstar line between Minneapolis-St. Paul and Duluth

\$ 75,000

This appropriation is from the general fund and may be used to satisfy any deficit and may be expended only if funds from any municipality or other sources are so appropriated or otherwise received. This appropriation shall be used to match on a 50-50 basis the amount received from the other sources. These funds shall be available immediately.

Sec. 19. Minnesota Statutes 1980, Section 237.075, Subdivision 1b, as added by a law enacted at the 1981 Regular Session styled as H. F. No. 1434, Section 73, is amended to read:

Subd. 1b. When a telephone company proposes changes in general rates that would increase general rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well rea-



soned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 20. A law enacted at the 1981 Regular Session styled as H. F. No. 1434, Section 1, is amended to read:

Section 1. [TRANSPORTATION AND OTHER AGENCIES; APPROPRIATIONS.]

The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1981", "1982", and "1983", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

((NET AFTER TRANSFERS))

	1981	1982	1983	TOTAL
General	\$75,000	\$(37,793,800)	\$37,615,700	\$(75,484,500)
		37,838,800		75,529,500
Airports		10,319,300	9,956,300	20,275,600
M.S.A.S.		35,208,600	35,280,900	70,489,500
C.S.A.H.		107,291,200	107,524,900	214,816,100
Tr. Hwy.		337,171,700	341,119,500	678,291,200
Hwy. User		6,077,500	6,129,200	12,206,700
Special Revenue Fund		157,900	167,500	325,400
TOTAL	\$75,000	\$(534,020,000)	\$537,794,000	\$(1,071,889,000)
		534,065,000		1,071,934,000

Sec. 21. A law enacted at the 1981 Regular Session styled as H. F. No. 1446 is amended by inserting a heading above the first section 1 to read:

## ARTICLE I

Sec. 22. A law enacted at the 1981 Regular Session styled as H. F. No. 1446, Article I, Section 2, Subdivision 5, is amended to read:

\$                      \$

Subd. 5. Mental Health . . . . . 146,855,000 146,157,300

The commissioner of public welfare may fill up to 120 human services technician positions in the state hospitals in addition to the approved complement specified in this subdivision for the purpose of alleviating recruitment delays in direct patient care, as salary savings become available to fund the positions.

The commissioner of public welfare shall not reduce the number of human services technician positions in the state hospital system.

As the hospital population decreases, the supportive staff complement shall be reduced in direct proportion.

The amounts that may be expended from this appropriation for each activity are as follows:

Program Offices

Mentally Ill

\$5,117,000      \$7,836,800

Mentally Retarded

\$1,733,400      \$2,512,700

The commissioner of public welfare may fund up to 200 families for the mentally retarded family subsidy program.

This appropriation contains \$12,000 each year for the brain-injured persons program. The commissioner of public welfare shall contract with an approved vendor to pay the costs of services provided to brain-injured persons. The commissioner shall contract with a neurosurgeon who is independent of the approved vendor to evaluate, initially

\$

\$

and on or about March 1, 1982, each person for whom services are provided under this appropriation to ascertain the person's current stage of neurological development and prognosis for improvement. The neurosurgeon shall send a written report of each evaluation to the commissioner. For the purposes of this appropriation, "approved vendor" means the Institutes for the Achievement of Human Potential.

#### Chemically Dependent

\$1,922,500      \$1,929,600

Any federal money received in excess of the estimates shown in the 1981 budget documents shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

#### State Hospitals

##### Approved Complement—

By June 30, 1983—5485

##### Current Expense

\$14,449,000      \$15,450,300

##### Salaries

\$107,955,500      \$104,662,100

##### Repairs and Betterments

\$1,400,100

##### Special Equipment

\$521,700

Notwithstanding the provisions of Minnesota Statutes 1980, Sections 246.50 to 246.53, the commissioner of public welfare shall determine what part of the cost of care for state hospital treatment a patient or his relatives are able to pay. In no case, shall a (PATIENT OR HIS) *patient's* relatives, unless they

reside outside of the state, be ordered to pay more than ten percent of the cost of care.

\$

\$

By July 1, 1981, the chemical dependency and surgical units at Rochester state hospital shall be closed. The remaining units at Rochester state hospital shall be closed no later than June 30, 1982. Best efforts shall be made by the department of administration to sell the buildings and adjoining land within one year from the date of closure, after the commissioner of public welfare has certified to the commissioner of administration pursuant to provisions of Minnesota Statutes, Section 94.09, Subdivision 2, that the state hospital campus is no longer needed by the department of public welfare. Notwithstanding any other law to the contrary, a portion or all of the buildings and the adjacent lands can be sold to anyone.

Prior to the closure date for each unit, the commissioner of public welfare shall arrange for the orderly transfer of all affected patients. The commissioner shall, to the extent possible, provide at least 60 days notice of transfer and allow patients and their parents, spouse or guardian, and the appropriate county agency input regarding the institution or community placement to which the patient is to be transferred.

Effective immediately, the commissioner of employee relations shall monitor the orderly reassignment of affected employees of the state hospital pursuant to authority vested in him by Minnesota Statutes, Section 246.60. The commissioners of public welfare and employee relations shall provide training or other assistance as necessary for employees to aid in this transition. Direct care positions shall be transferred to other state hospitals in the same proportion as patients are transferred. Early retirement shall be encouraged where possible, with full protection for retirement benefits. Notwithstanding any other law an employee who waives his right to transfer to a hospital other than Rochester state

hospital or other state employment shall be entitled to severance pay in the amount equal to five percent of the employee's base salary or wage, not to exceed \$500, multiplied by the number of years of state service, but in no case shall the total amount exceed \$5,000.

Quarterly progress reports must be submitted by the commissioner of public welfare to the legislative advisory commission and must include information with respect to the following:

- (a) Employee negotiations;
- (b) Community placement of affected patients;
- (c) Admissions figures; and
- (d) Any other activities affecting closure.

Any savings in excess of the \$7,000,000 projected to result from the closure of the hospital may be directed by the commissioner of public welfare into funding for community facilities for mentally ill, chemically dependent, and mentally retarded persons.

#### Nursing Homes

#### Approved Complement—

By June 30, 1983—617

#### Current Expense

\$ 1,710,700      \$ 1,888,200

#### Salaries

\$11,238,300      \$11,298,000

#### Repairs and Betterments

\$146,500

\$

\$

**Special Equipment**

\$68,300

**Mental Health Support**

\$592,000      \$579,600

Any unexpended balance remaining in the first year for special equipment and repairs and betterments does not cancel but is available for the second year of the biennium.

The information for the budgets for the nursing homes and hospitals shall be submitted to the 1983 legislature on an individual institution basis.

Positions and administrative money may be transferred between the various activities within each subdivision in this section.

Work activity centers in state hospitals shall make available up to 25 percent of their capacity for community referrals. The community referrals will be funded by the division of vocational rehabilitation, will provide sheltered work and work activity, and will be certified under Minnesota Statutes, Chapter 129A.

Sec. 23. Minnesota Statutes 1980, Section 256D.03, Subdivision 2, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 1446, Article II, Section 34, is amended to read:

Subd. 2. After December 31, 1980, state aid shall be paid to local agencies for 75 percent of all general assistance grants up to the standards of section 256D.01, subdivision 1, and according to procedures established by the commissioner. Any local agency may, from its own resources, make payments of general assistance: (a) at a standard higher than that established by the commissioner without reference to the standards of section 256D.01, subdivision 1; or, (b) to persons not meeting the eligibility standards set forth in section 256D.05, subdivision (2) 1, but for whom the aid would further the purposes established in the general assistance program in accordance with rules promulgated

by the commissioner pursuant to the administrative procedure act.

Sec. 24. A law enacted at the 1981 regular session styled as H. F. No. 1446, Article II, Section 54, is amended to read:

Sec. 54. [SUNSET PROVISION.]

*Article II, Sections 26, 27, 31 (AND), 36, and 40 are repealed effective June 30, 1983. Notwithstanding the provisions of Minnesota Statutes, Section 645.34, the repeal of Article II, Sections 26, 27, 31, and 36 shall revive the corresponding provision or section of the original law as it existed immediately prior to the amendments made by Article II, Sections 26, 27, 31, and 36; provided, however, that amendments made to the statutory sections amended by Article II, Sections 26, 27, 31, and 36 between the effective date of this section and June 30, 1983 shall remain effective after June 30, 1983 unless otherwise provided by law.*

Sec. 25. Minnesota Statutes 1980, Section 256.05, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 1446, Article II, Section 36, is amended to read:

Subdivision 1. [STANDARDS.] Each person or family whose income and resources are less than the standard of assistance established by the commissioner, and who is not eligible for the federally aided assistance programs of emergency assistance or aid to families with dependent children, or any successor to those programs, shall be eligible for and entitled to general assistance if the person or family is:

(a) A person suffering from an illness, injury, or incapacity which is both medically certified and prevents the individual from engaging in suitable employment, if a plan for rehabilitation approved by the local agency through its director or designated representative is being followed when the situation is certified as temporary;

(b) A person whose presence in the home on a substantially continuous basis is required because of the certified illness or incapacity of another member of the household;

(c) A person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, if the placement is based on illness or incapacity, and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) A person who resides in a shelter facility described in subdivision 3;

(e) A person who is or may be eligible for displaced home-maker services, programs, or assistance under section 4.40. In determining eligibility of the person for general assistance, income received as a stipend shall be disregarded as provided in section 4.40;

(f) A person who is unable to secure suitable employment due to inability to communicate in the English language, and who, if assigned to a language skills program by the local agency, is participating in that program;

(g) A person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally ill; or

(h) A person who is unable to secure suitable employment due to a lack of marketable skills as determined by the local agency, and who, if assigned to a vocational counseling, vocational rehabilitation, or work training program by the local agency, is participating in that program. Eligibility for general assistance under clause (h) of this (PARAGRAPH) *subdivision* is limited to five weeks per calendar year.

Sec. 26. A law enacted at the 1981 Regular Session styled as S. F. No. 359, Section 144, Subdivision 7, is amended to read:

Subd. 7. The following sums are appropriated from the general fund in the fiscal years indicated for the purposes of implementing the computerization of the records and information system of the department of labor and industry. The appropriations in this section shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30. The commissioner of insurance in consultation with the commissioners of labor and industry and of administration, shall propose a plan for implementation of this computerization no later than August 1, 1981. The commissioner of insurance shall consider use of the system evaluation and development methodology developed by the commissioner of administration pursuant to section 16.955, but this project is not subject to the requirements of that section. The installation and operation of computer equipment shall commence by October 1, 1981 and be completed by January 1, (1981) 1982.

Sec. 27. Minnesota Statutes 1980, Section 260.031, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 515, Section 1, is amended to read:

Subdivision 1. The office of referee is abolished. No vacancy in the office of referee shall be filled, nor new office created. Persons holding office of referee on June 30, 1980, in the second and (JUNE 30, 1977) *August 15, 1980*, in the fourth judicial district may continue to serve at the pleasure of the chief judge



of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to juvenile court. Referees shall be qualified for their duties by their previous training and experience and hold office at the pleasure of the judge. The compensation of a referee shall be fixed by the judge, approved by the county board and payable from the general revenue funds of the county not otherwise appropriated. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Sec. 28. Minnesota Statutes 1980, Section 484.70, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 515, Section 3, is amended to read:

Subdivision 1. The office of referee is abolished. No vacancy in the office of referee, including family, juvenile, probate, and special term referees, shall be filled, nor new office created. Persons holding the office of referee on June 30, 1980, in the second and (JUNE 30, 1978) *August 15, 1980*, in the fourth judicial district may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to family (OR), probate, juvenile or special term court. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Sec. 29. A law enacted at the 1981 Regular Session styled as H. F. No. 1443, Section 358, is amended to read:

Sec. 358. [EXPENSES OF JUDGES.]

During the biennium ending June 30, 1983, judges of the district court shall be reimbursed for all sums, not reimbursed by counties (.), they shall necessarily hereafter pay out for membership dues in state and local judges' associations.

Sec. 30. Minnesota Statutes 1980, Section 124.5624, Subdivision 3, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 70, Article V, Section 29, is amended to read:

Subd. 3. "Post-secondary vocational aid" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid, debt service aid, and repair and betterment aid apportioned by the state board for vocational education to local school districts for the purpose of

- (a) acquisition or purchase of equipment or machinery;
- (b) betterment as defined in section 475.51 of equipment or machinery; and
- (c) paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment, as necessary for the conduct of post-secondary vocational-technical training. Post-secondary vocational *equipment* aid shall be utilized solely for the purposes enumerated in this section.

Sec. 31. Minnesota Statutes 1980, Section 124.11, Subdivision 2a, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 70, Article V, Section 11, is amended to read:

Subd. 2a. (a) Through the 1981-1982 school year, ninety percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month. The estimated aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The (TEN PERCENT) final payment, adjusted to reflect the actual average daily membership, shall be made (TO EACH DISTRICT) in September of the following fiscal year.

(b) Beginning in the 1982-1983 school year, eighty-five percent of the estimated post-secondary vocational instructional aid shall be paid to each district in 12 equal monthly payments on the 15th of each month. The estimated aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The (15 PERCENT) final payment, adjusted to reflect the actual average daily membership, shall be made (TO EACH DISTRICT) in September of the following fiscal year.

Sec. 32. Minnesota Statutes 1980, Section 124.11, Subdivision 2b, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 70, Article V, Section 12, is amended to read:

Subd. 2b. (a) Through the 1981-1982 school year, post-secondary vocational supply aid and support services aid shall be paid to districts in equal installments on or before August 1, November 1, February 1, and May 1 of each year. Eighty percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts on or before August 1 of each year. The remaining 20 percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts (ON OR BEFORE) by May 1 of each year.

(b) Beginning in the 1982-1983 school year, the state shall pay to districts 25 percent of post-secondary vocational supply aid and support services aid by August 1, 20 percent by November 1, 20 percent by February 1, and 20 percent by May 1 of each school year. Eighty-five percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts by August 1 of each year. The (15 PERCENT) final aid distribution shall be (PAID TO DISTRICTS) *made* by October 31 of the following (SCHOOL) *fiscal* year.

Sec. 33. Minnesota Statutes 1980, Section 177.25, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as S. F. No. 338, Section 1, is amended to read:

Subdivision 1. No employer shall employ any of his employees for a workweek longer than 48 hours, unless such employee receives compensation for his employment in excess of 48 hours in a workweek at a rate of not less than one and one-half times the regular rate at which he is employed; (1) provided, however, that an employer if it is the State of Minnesota or a political subdivision may grant time off at the rate of one and one-half hours for each hour worked in excess of 48 hours in any week in lieu of monetary compensation; and, (2) provided, however, that no employer shall be deemed to have violated the overtime pay provisions of this section by employing any employees for a workweek in excess of that specified in this section without paying the compensation for overtime employment prescribed herein (a) if the employee is employed under an agreement meeting the requirement of section 7 (b) (2) of the Fair Labor Standards Act of 1938, as amended, or (b) if the employee is employed as a sugarbeet hand laborer on a piece rate basis, provided that the regular rate of pay received per hour of work pursuant to applicable rules exceeds the applicable wage provided in section (179.24) 177.24, subdivision 1, by at least 40 cents.

Sec. 35. Minnesota Statutes 1980, Section 290A.03, Subdivision 8, is amended by a law enacted at the 1981 Regular Session styled as H. F. No. 1445, Article III, Section 3, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person, other than a dependent, who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes, including payments of special assessments imposed in lieu of ad valorem taxes, are payable at some time during the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on resi-

dence in a nursing home on which ad valorem taxes were not payable. "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long term residential facility whose rent constituting property taxes is paid pursuant to the supplementary security income program under Title XVI of the social security act, the Minnesota supplemental aid program under sections 256D.35 to 256D.41, the medical assistance program pursuant to Title XIX of the social security act, or the general assistance medical care program pursuant to section 256D.03, Subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3 reduced by the total amount of income from the above sources *other than benefits received under the supplemental security income program or the supplemental aid program*, and the denominator of which is income as defined in subdivision 3 *plus vendor payments under the medical assistance program or the general assistance medical care program*, to determine the allowable refund pursuant to this chapter. In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.

If a homestead is occupied by two or more renters, who are not husband and wife, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 36. A law enacted at the 1981 Regular Session styled as S. F. No. 359, Section 144, Subdivision 3, is amended to read:

Subd. 3. There is appropriated from the general fund to the commissioner of labor and industry for the fiscal year indicated for the purpose of hiring six additional support personnel and ancillary expenses needed in conjunction with the departmental improvements provided in section 96; and for the purpose of hiring four additional rehabilitation personnel.

1982	1983
\$246,200	\$246,200

Additional approved complement—(6) 10

Sec. 37. A law enacted at the 1981 Regular Session styled as H. F. No. 1443, Section 377, is amended to read:

Sec. 377. [REPEALER.]

Minnesota Statutes 1980, Sections 3.86; 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; (363.073, SUBDIVISIONS 1 AND 2;) 481.15, Subdivision 3; 480.053; 483.01; 483.02; 648.45; and 648.46 are repealed. Minnesota Statutes 1980, Section 473.556, Subdivision 15 is repealed, effective July 1, 1982.

Sec. 38. A law enacted at the 1981 Regular Session styled as H. F. No. 1434, Section 6, is amended to read:

Sec. 6. PUBLIC UTILITIES  
COMMISSION ..... (1,064,500) 1,011,300  
  
1,109,500

Approved Complement—27

\$85,000 the first year is for transfer to the special account for administrative hearing costs.

Sec. 39. A law enacted at the 1981 Regular Session styled as H. F. No. 182, Section 1, Subdivision 3, is amended to read:

Subd. 3. [APPLICABLE CHARGE.] "Applicable charge" means the amount of interest attributable to each monthly installment period of the loan contract. The applicable charge is computed as if each installment period were one month and any charge for extending the first installment period beyond one month is ignored. The applicable charge for any installment period is that which would have been made for the period had the loan been made on an interest-bearing basis at the single annual percentage rate permitted by section 11, subdivision 1, (PARAGRAPH (B),) based upon the assumption that all payments were made according to schedule. For convenience in computation, the licensee may round the single annual rate to the nearest one quarter of one percent.

Sec. 40. *Notwithstanding any provision in law enacted at the 1981 Regular Session styled as H. F. No.'s 515 and 1139 no new district court referee positions may be created but any vacancies in referee positions which position existed as of January 1, 1981 may be filled.*

Sec. 41. [EFFECT OF AMENDMENTS ON REPEALS BY THIS ACT.]

*Regardless of the order of final enactment of sections 1 to 40 and the acts those sections amend or repeal, the amendments on repeals in sections 1 to 40 shall be given effect. Notwithstanding Minnesota Statutes, Section 645.34, or other law, a repeal in sections 1 to 40 of an amendatory law revives the original law as it existed before or without the amendment. Notwithstanding Minnesota Statutes, Sections 645.26, Subdivision 3, 645.33, or other law, an amendment in sections 1 to 40 shall prevail over any other act amending the same provisions of law in an irreconcilable manner.*

#### Sec. 42. [EFFECTIVE DATE.]

*This act is effective the day following final enactment. Unless otherwise provided within a section, each section of this act is effective on the effective date of the section amended by that section."*

Amend the title as follows:

Page 1, delete lines 6 to 9 and insert: "182, Sections 1 and 2; Section 11, Subdivision 2; 493, Section 7, Subdivisions 1 and 3; 900, Section 4; 1125, Article II, Section 3, Subdivision 2a; 1434, Sections 1; 2, Subdivision 4 and 6; 1443, Sections 358 and 377; 1446; Articles I, Section 2, Subdivision 5; II, Section 54; S. F. No. 359, Section 144, Subdivisions 3 and 7; 1087, Section 42; Minnesota Statutes 1980, Sections 15.0413, Subdivision 3, as amended; 47.20, Subdivision 6a, as amended; 60A.11, Subdivision 7; 124.11, Subdivisions 2a and 2b, as amended; 124.5624, Subdivision 3, as amended; 177.25, Subdivision 1, as amended; 216B.16, Subdivision 1b, as amended; 237.075, Subdivision 1b, as amended; 256.05, Subdivision 1; 256D.03, Subdivision 2; 260.031, Subdivision 1, as amended; 290A.03, Subdivision 8, as amended; 484.70, Subdivision 1, as amended; 595.02, as amended; Laws 1981, Chapter 59, Section 10, Subdivision 1; 11, Subdivision 4; 15, Subdivision 1; repealing S. F. No. 876, Section 30, Subdivision 3."

Zubay moved to amend the Jude amendment to H. F. No. 1454, as follows:

Page 18, line 28, delete "and surgical units" and insert "unit"

The roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 66 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Aasness	Dean	Erickson	Fjoslien	Halberg
Ainley	Dempsey	Esau	Forsythe	Hauge
Blatz	Den Ouden	Evans	Friedrich	Haukoos
Carlson, D.	Drew	Ewald	Gruenes	Heap

Heinitz	Lemen	Olsen	Schoenfeld	Valento
Himle	Levi	Onnen	Schreiber	Weaver
Hoberg	Ludeman	Peterson, B.	Searles	Welker
Hokr	Luknic	Piepho	Shea	Wieser
Johnson, D.	Marsh	Redalen	Sherman	Wigley
Kaley	McDonald	Rees	Sherwood	Zubay
Knickerbocker	Mehrkens	Reif	Stadum	
Kostohryz	Nelsen, B.	Rose	Stowell	
Kvam	Niehaus	Rothenberg	Sviggum	
Laidig	Nysether	Schafer	Valan	

Those who voted in the negative were:

Anderson, B.	Clawson	Kalis	Novak	Simoneau
Anderson, G.	Dahlvang	Kelly	O'Connor	Skoglund
Anderson, I.	Eken	Lehto	Ogren	Staten
Anderson, R.	Elioff	Long	Otis	Stumpf
Battaglia	Ellingson	Mann	Peterson, D.	Swanson
Begich	Greenfield	McCarron	Pogemiller	Tomlinson
Berkelman	Hanson	McEachern	Reding	Vanasek
Brandl	Harens	Metzen	Rice	Vellenga
Brinkman	Hokanson	Minne	Rodriguez, C.	Voss
Byrne	Jacobs	Munger	Rodriguez, F.	Welch
Carlson, L.	Johnson, C.	Murphy	Samuelson	Wenzel
Clark, J.	Jude	Nelson, K.	Sarna	Wynia
Clark, K.	Kahn	Norton	Sieben, M.	Spkr. Sieben, H.

The motion prevailed and the amendment to the amendment was adopted.

Jude withdrew his amendment to H. F. No. 1454, as amended.

Laidig moved to amend H. F. No. 1454 by offering the Jude amendment, as amended by the Zubay amendment.

A roll call was requested and properly seconded.

The question was taken on the Laidig amendment and the roll was called. There were 63 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Knickerbocker	Olsen	Sherman
Ainley	Friedrich	Kvam	Onnen	Sherwood
Blatz	Gruenes	Laidig	Peterson, B.	Stadum
Carlson, D.	Halberg	Lemen	Piepho	Sviggum
Dean	Haukoos	Levi	Redalen	Valan
Dempsey	Heap	Ludeman	Rees	Valento
Den Ouden	Heinitz	Luknic	Reif	Weaver
Drew	Himle	Marsh	Rose	Welker
Erickson	Hoberg	McDonald	Rothenberg	Wieser
Esau	Hokr	Mehrkens	Schafer	Wigley
Evans	Jennings	Nelsen, B.	Schreiber	Zubay
Ewald	Johnson, D.	Niehaus	Searles	
Fjoslien	Kaley	Nysether	Shea	

Those who voted in the negative were:

Anderson, B.	Eken	Kostohryz	Ogren	Stowell
Anderson, G.	Elioff	Lehto	Otis	Swanson
Anderson, I.	Ellingson	Long	Peterson, D.	Tomlinson
Battaglia	Greenfield	Mann	Pogemiller	Vanasek
Begich	Hanson	McCarron	Reding	Vellenga
Berkelman	Harens	McEachern	Rice	Voss
Brandl	Hauge	Metzen	Rodriguez, C.	Welch
Brinkman	Hokanson	Minne	Rodriguez, F.	Wenzel
Byrne	Jacobs	Munger	Samuelson	Wynia
Carlson, L.	Johnson, C.	Murphy	Sarna	Spkr. Sieben, H.
Clark, J.	Jude	Nelson, K.	Sieben, M.	
Clark, K.	Kahn	Norton	Simoneau	
Clawson	Kalis	Novak	Skoglund	
Dahlvang	Kelly	O'Connor	Staten	

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

H. F. No. 1454, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature; amending H. F. No. 332, Sections 11, Subdivision 4; and 15, Subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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



Those who voted in the negative were:

Rees

Shea

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. 775.

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. 775

A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

May 18, 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. 775, 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. 775 be further amended as follows:

Page 4, after line 24, insert:

**"Sec. 5. [FLUORIDATION OF MUNICIPAL WATER SUPPLIES.]**

*Notwithstanding section 144.145, the commissioner of health shall exempt the community of Brainerd from the requirement for fluoridation of its water supply. This exemption is for a study by the commissioner of health of the impact of fluoridation on the health, including the dental health of the residents. All costs generated by this study shall be borne by the city of Brainerd. This exemption is only effective upon approval by a majority of registered Brainerd voters voting on the issue at a regular or special election set by the Brainerd city council."*

Page 7, after line 19, insert:

*"Subd. 3. [CANCER SURVEILLANCE SYSTEM.] The sum of \$30,000 is appropriated to the commissioner of health for the biennium ending June 30, 1983 for the purpose of designing a statewide cancer and birth defects surveillance system and pilot testing the system. This amount shall be taken from the appropriations for subdivisions 1 and 2. The commissioner shall seek matching funds from other sources to supplement this amount."*

Page 7, line 21, delete "10" and insert "11"

Renumber the sections in sequence

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

Senate Conferees: TOM A. NELSON, GERRY SIKORSKI and EARL W. RENNEKE.

House Conferees: DON SAMUELSON, BOB ANDERSON and JANET H. CLARK.

Samuelson moved that the report of the Conference Committee on S. F. No. 775 be adopted and that the bill be repassed as amended by the Conference Committee.

**POINT OF ORDER**

Forsythe raised a point of order relating to the Conference Committee report on S. F. No. 775 pursuant to House rule 6.11.

The Speaker submitted the following question to the House:

"Is it the judgment of the House that the point of order is well taken?"

A roll call was requested and properly seconded.

The question was taken on the point of order and the roll was called. There were 73 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Ainley	Friedrich	Knickerbocker	Piepho	Stumpf
Berkelman	Gruenes	Kvam	Redalen	Sviggum
Blatz	Halberg	Laidig	Rees	Swanson
Byrne	Hanson	Lemen	Reif	Tomlinson
Carlson, D.	Haukoos	Levi	Rose	Valan
Carlson, L.	Heap	Ludeman	Rothenberg	Valento
Clawson	Heinitz	Luknic	Schafer	Voss
Dempsey	Himle	Marsh	Schreiber	Weaver
Den Ouden	Hoberg	McDonald	Searles	Welch
Drew	Hokanson	Murphy	Shea	Welker
Erickson	Hokr	Nelsen, B.	Sherman	Wieser
Esau	Jennings	Niehaus	Sherwood	Wigley
Ewald	Johnson, D.	Nysether	Skoglund	Zubay
Fjoslien	Kahn	Olsen	Stadum	
Forsythe	Kaley	Peterson, B.	Stowell	

Those who voted in the negative were:

Aasness	Dean	Kelly	Norton	Rodriguez, F.
Anderson, B.	Eken	Kostohryz	Novak	Samuelson
Anderson, G.	Elioff	Lehto	O'Connor	Sarna
Anderson, I.	Ellingson	Long	Ogren	Schoenfeld
Anderson, R.	Evans	Mann	Onnen	Sieben, M.
Battaglia	Greenfield	McCarron	Osthoff	Simoneau
Begich	Harens	McEachern	Otis	Staten
Brandl	Hauge	Mehrkens	Peterson, D.	Vanasek
Brinkman	Jacobs	Metzen	Pogemiller	Vellenga
Clark, J.	Johnson, C.	Minne	Reding	Wenzel
Clark, K.	Jude	Munger	Rice	Spkr. Sieben, H.
Dahlvang	Kalis	Nelson, K.	Rodriguez, C.	

It was the judgment of the House that the point of order relating to the Conference Committee report on S. F. No. 775 was well taken.

#### ADJOURNMENT

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Tuesday, January 12, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives