

STATE OF MINNESOTA

THIRD SPECIAL SESSION - 1981

THIRTEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, DECEMBER 31, 1981

The House of Representatives convened at 10:00 a.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Very Reverend John V. Khoury, St. George Antiochian Orthodox, West St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Aasness, Brinkman, Dempsey, Ewald, Heap, Hoberg, Metzen, Simoneau and Wigley were excused.

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

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.

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.

Byrne, Halberg, Mehrkens and Ogren were excused for the remainder of today's session.

MOTIONS AND RESOLUTIONS

Eken introduced:

House Concurrent Resolution No. 2, A house concurrent resolution relating to adjournment of the Senate and House of Representatives.

SUSPENSION OF RULES

Eken moved that the Rules be so far suspended that House Concurrent Resolution No. 2 be now considered and be placed upon its adoption. The motion prevailed.

HOUSE CONCURRENT RESOLUTION NO. 2

A house concurrent resolution relating to adjournment of the Senate and House of Representatives.

Be it resolved by the House of Representatives, the Senate concurring:

(1) Upon their adjournments on Thursday, December 31, 1981 the House of Representatives may set its next day of meeting for Monday, January 11, 1982, at 2:00 p.m. and the Senate may set its next day of meeting for Monday, January 11, 1982 at 2:00 p.m.

(2) By adoption of this resolution, each house consents to adjournment of the other body for more than three days.

Eken moved that House Concurrent Resolution No. 2 be now adopted. The motion prevailed.

SUSPENSION OF RULES

Pursuant to House Rule 1.12, Voss moved that the rules be so far suspended that H. F. No. 1 be recalled from the Committee on Taxes, be given its second and third readings and be placed upon its final passage. The motion prevailed.

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Voss moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1 be given its second and third readings and be placed upon its final passage. The motion prevailed.

H. F. No. 1 was read for the second time.

Schreiber moved to amend H. F. No. 1, as follows:

Strike everything after the enacting clause and insert the following:

"Section 1. [STATEMENT OF PURPOSE.]

Stagnant national and local economic conditions have resulted in reduced state budgetary resources and consequently have caused similar reductions in the budgets of local governments with the prospect of additional reductions in 1982 due to the interrelation of the state's tax and aid systems. In order to support and stabilize local budget conditions, maintain public confidence in the state's system of intergovernmental finance, and minimize precipitous increases in property tax rates, the state finds it necessary to assure local governments that state obligations to them will be met, and to grant additional powers to local governments so that they can most efficiently and effectively deal with local problems resulting from temporary state measures designed to alleviate the budget crisis.

Sec. 2. [DEFINITIONS.]

For purposes of sections 2 to 4 the following terms have the meanings given:

(a) *"Municipality" means a county, statutory or home rule charter city, town, or other taxing district within the meaning of section 273.13, subdivision 15a, other than a school district; and*

(b) *"Commissioner" means the commissioner of revenue.*

Sec. 3. [FULL PAYMENT OF AIDS TO MUNICIPALITIES.]

Subdivision 1. [PAYMENTS REQUIRED.] Notwithstanding the provisions of sections 16A.14 and 16A.15, by February 28, 1982, the commissioner of finance shall draw warrants for the amounts appropriated to the commissioner of revenue for the following state aids, payments, reimbursements, or fund transfers to or on behalf of municipalities, to the extent that they were deferred or withheld pursuant to sections 16A.14 or 16A.15:

(a) Payments of local government aid to be made during November and December, 1981 pursuant to section 477A.015,

(b) Payments of attached machinery aids to be made during November and December, 1981 pursuant to section 273.138, subdivisions 2 and 5,

(c) Subject to the limits contained in Laws 1981, First Special Session, Chapter 1, Article 3, Section 3, payments to be made during November and December, 1981 pursuant to section 273.139, and section 273.13, subdivision 15a to replace revenue lost as a result of sections 273.115, 273.116, and 273.13, subdivisions 6, 7, or 14a, and

(d) Any state aids, payments, reimbursements or fund transfers to be made during November and December, 1981 pursuant to any law other than those specified in clauses (a) to (c).

Subd. 2. [CERTIFICATION OF AMOUNT.] The commissioner shall, on or before January 15, 1982, certify to each municipality the amount of aids, payments, reimbursements or fund transfers deferred or withheld pursuant to section 16A.14 or 16A.15 and subject to subdivision 1. In connection with certifying the amount to the municipality the commissioner shall issue to and transmit to the municipality a certificate of aids to be paid by March 1, 1982.

Sec. 4. [AUTHORITY TO BORROW MONEY.]

Subdivision 1. [BORROWING IN ANTICIPATION OF AIDS.] The governing body of the municipality may borrow money in anticipation of the receipt of state aids, payments, reimbursements or fund transfers scheduled to be made on or before February 28, 1982, and may issue certificates of indebtedness upon passage of a resolution specifying the amount and purposes for which it deems the borrowing is necessary. The resolution shall fix the amount, date, maturity, denomination, and other terms of the certificates and shall fix the terms of the sale of the certificates.

Subd. 2. [REPAYMENT; SECURITY.] The governing body of the municipality may pledge the full faith and credit of the municipality, and the proceeds of any tax levies, future state aid receipts, or other municipal funds which may become available to repay certificates issued pursuant to this section. The governing body may provide in the resolution that it will assign a certificate received pursuant to section 3, subdivision 2, and the moneys due thereunder as collateral for repayment of the certificates of indebtedness. An assignment is effective only upon registration of the assignment with the commissioner. The commissioner shall pay any funds due under an assigned certificate to the assignee.

Subd. 3. [INTEREST RATE.] Certificates of indebtedness may be sold at a price equal to such percentage of the par value of the certificates, plus accrued interest, and bearing interest at a rate or rates agreed upon by the governing body of the municipality and the purchaser or underwriter of the certificates or as determined at public sale, notwithstanding any limitation of interest rate or cost contained in any other law.

Sec. 5. [DECEMBER, 1981 AND JANUARY, 1982 EDUCATION AID PAYMENTS SUSPENDED.]

Notwithstanding the provisions of Minnesota Statutes, Sections 16A.15 and 124.11, or any other law to the contrary, the commissioner of education may suspend payment of some or all state aids, payments, reimbursements and fund transfers from some or all school districts, public library systems, educational cooperative service units or regional management information systems in the months of December, 1981 and January, 1982. The commissioner may consider the cash flow requirements of each individual recipient when determining whether to suspend payments of any aid, payments, reimbursements or fund transfers.

Sec. 6. [CERTIFICATION.]

On or before January 15, 1982 and January 31, 1982, the commissioner shall certify to each recipient the amount of aids, payments, reimbursements, or fund transfers suspended pursuant to section 5. The commissioner shall issue a certificate of unpaid aids for the certified amount to be paid by February 26, 1982.

Sec. 7. [REPAYMENT BY FEBRUARY 26, 1982.]

Notwithstanding any law to the contrary, by February 26, 1982, the commissioner of finance shall draw warrants in favor of school districts, public library systems, educational cooperative service units or regional management information systems for any of the state aids, payments, reimbursements and

fund transfers that were suspended by the commissioner of education pursuant to section 1.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment."

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 56 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Ainley	Gruenes	Levi	Redalen	Stowell
Blatz	Haukoos	Ludeman	Rees	Sviggun
Carlson, D.	Heinitz	Luknic	Reif	Valan
Dean	Himle	Marsh	Rose	Valento
Den Ouden	Hokr	McDonald	Rothenberg	Weaver
Drew	Jennings	Nelsen, B.	Schafer	Welker
Erickson	Johnson, D.	Niehaus	Schreiber	Wieser
Esau	Kaley	Nysether	Searles	Zubay
Evans	Knickerbocker	Olsen	Shea	
Fjoslien	Kvam	Onnen	Sherman	
Forsythe	Laidig	Peterson, B.	Sherwood	
Frerichs	Lemen	Piepho	Stadum	

Those who voted in the negative were:

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

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

Voss moved to amend H. F. No. 1, as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I

Section 1. Minnesota Statutes 1980, Section 16A.15, is amended by adding a subdivision to read:

Subd. 4. [NOTIFICATION OF LEGISLATIVE COMMITTEES.] If the commissioner of finance determines to reduce

an allotment pursuant to subdivision 1 or if he determines it is necessary to withhold any payment after the statutorily prescribed date for payment in compliance with subdivision 3, the commissioner shall notify the committees on finance and taxes and tax laws of the senate, the committees on appropriations and taxes of the house of representatives. The notice shall be made in writing not later than 15 days after the reduction in the allotment is made or the date prescribed for payment for any payment withheld. The notice shall specify the amount of the reduction in the allotment and the agency and programs affected, the amount of any payments withheld, and any additional information the commissioner determines is appropriate.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 15b, is amended 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 *excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k), 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 excluding any amount levied pursuant to section 275.50, subdivision 5, clause (k), 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, plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982.* 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, *plus any amount levied pursuant to section 275.50, subdivision 5, clause (k), for taxes payable in 1982.* 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. [RECERTIFICATION.]

The county auditor of any county in which an amount was levied for taxes payable in 1982 pursuant to section 275.50, subdivision 5, clause (k), shall notify the commissioner of revenue. The commissioner of revenue shall recertify to the county auditor the property tax credits limitation amounts for taxes payable in 1982.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision 4, is amended 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 multiplying 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. 5. Laws 1981, First Special Session, Chapter 1, Article I, Section 5, is amended to read:

Sec. 5. [TRANSITIONAL PROVISION.]

Notwithstanding the provisions of sections 1, 2, and 3, for taxable years beginning after December 31, 1980 and before January 1, 1982 the inflation adjustment of the income tax brackets, credits, and maximum standard deduction shall be the arithmetic average of (1) the percentage computed pursuant

to Minnesota Statutes 1980, Sections 290.06, Subdivisions 2d and 3g, and 290.09, Subdivision 15, as applicable and (2) the percentage computed pursuant to section 1 of this article. The taxable net income adjustment factor for taxable years beginning after December 31, 1980 and before January 1, 1982 shall be (ONE-HALF OF THE AMOUNT COMPUTED PURSUANT TO SECTION 4) computed as follows: the taxable net income adjustment factor calculated pursuant to Laws 1981, First Special Session, Chapter 1, Article I, Section 4 minus one shall be divided by two and the resulting quotient added to one.

Sec. 6. [DEFINITIONS.]

For purposes of sections 6 to 8 the following terms have the meanings given:

(a) "Municipality" means a county, statutory or home rule charter city, town, or other taxing district within the meaning of section 273.13, subdivision 15a, other than a school district; and

(b) "Commissioner" means the commissioner of revenue.

Sec. 7. [FULL PAYMENT OF AIDS TO MUNICIPALITIES.]

Subdivision 1. [PAYMENTS REQUIRED.] By February 26, 1982, the commissioner of finance shall draw warrants for the amounts appropriated to the commissioner of revenue for the following state aids, payments, reimbursements, or fund transfers to or on behalf of municipalities, to the extent that they were deferred or withheld pursuant to sections 16A.14 or 16A.15:

(a) *Payments of local government aid to be made during November and December, 1981 pursuant to section 477A.015,*

(b) *Payments of attached machinery aids to be made during November and December, 1981 pursuant to section 273.138, subdivisions 2 and 5,*

(c) *Subject to the limits contained in Laws 1981, First Special Session, Chapter 1, Article 3, Section 3, payments to be made during November and December, 1981 pursuant to section 273.139, and section 273.13, subdivision 15a to replace revenue lost as a result of sections 273.115, 273.116, and 273.13, subdivisions 6, 7, or 14a, and*

(d) *Any state aids, payments, reimbursements or fund transfers to be made during November and December, 1981 pursuant to any law other than those specified in clauses (a) to (c); less*

(e) Any amount of the state aids, payments, reimbursements or fund transfers which the commissioner of finance permanently unallots pursuant to Minnesota Statutes, Section 16A.15, Subdivision 1, prior to January 8, 1982 or to issuance of a certificate for the aid, payment, reimbursement or fund transfer pursuant to subdivision 2, whichever occurs first.

Subd. 2. [CERTIFICATION OF AMOUNT.] The commissioner shall, on or before January 8, 1982, certify to each municipality the amount of aids, payments, reimbursements or fund transfers deferred or withheld pursuant to section 16A.14 or 16A.15 and subject to subdivision 1. In connection with certifying the amount to the municipality the commissioner shall issue to and transmit to the municipality a certificate of aids to be paid by February 26, 1982. The provisions of Minnesota Statutes, Section 16A.15 shall not apply to aids, payments, reimbursement or fund transfers certified pursuant to this section.

Sec. 8. [AUTHORITY TO BORROW MONEY.]

Subdivision 1. [BORROWING IN ANTICIPATION OF AIDS.] The governing body of the municipality may borrow money in anticipation of the receipt of state aids, payments, reimbursements or fund transfers scheduled to be made on or before February 26, 1982, and may issue certificates of indebtedness upon passage of a resolution specifying the amount and purposes for which it deems the borrowing is necessary. The resolution shall fix the amount, date, maturity, denomination, and other terms of the certificates and shall fix the terms of the sale of the certificates.

Subd. 2. [REPAYMENT; SECURITY.] The governing body of the municipality may pledge the full faith and credit of the municipality, and the proceeds of any tax levies, future state aid receipts, or other municipal funds which may become available to repay certificates issued pursuant to this section. The governing body may provide in the resolution that it will assign a certificate received pursuant to section 7, subdivision 2, and the moneys due thereunder as collateral for repayment of the certificates of indebtedness. An assignment is effective only upon registration of the assignment with the commissioner. The commissioner shall pay any funds due under an assigned certificate to the assignee.

Subd. 3. [INTEREST RATE.] Certificates of indebtedness may be sold at a price equal to a percentage of the par value of the certificates, plus accrued interest, and bearing interest at a rate or rates negotiated by the governing body of the municipality and the purchaser or underwriter of the certificates or as determined at public sale, notwithstanding any limitation of price or interest rate contained in chapter 475 or any other law or city charter to the contrary.

Sec. 9. [REPEALER.]

Minnesota Statutes 1981 Supplement, Section 124.781, is repealed.

Sec. 10. Laws 1981, Chapter 358, Article 7, Section 29, is amended to read:

Sec. 29. [EXEMPTION FROM PUBLIC SALE.] Notwithstanding Minnesota Statutes, Section 124.76, from (THE EFFECTIVE DATE OF THIS SECTION OF THIS ARTICLE) *June 1, 1981* until (JANUARY 1, 1982) *June 30, 1983*, the requirements as to public sale of tax and aid anticipation certificates of indebtedness shall not apply to certificates which mature no later than six months after their date of issue. The interest rate on these certificates may be determined by direct negotiation.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 and 6 to 10 are effective the day following final enactment. Sections 2 and 3 are effective for taxes payable in 1982. Sections 4 and 5 are effective for taxable years beginning after December 31, 1980.

ARTICLE II

Section 1. Minnesota Statutes 1981 Supplement, Section 168.011, Subdivision 7, is amended to read:

Subd. 7. [PASSENGER AUTOMOBILE.] "Passenger automobile" means any motor vehicle designed and used for the carrying of not more than ten persons *including station wagons* but excluding motorcycles and motor scooters. *For purposes of taxation only*, "passenger automobile" includes pickup trucks (AND STATION WAGONS) and vans.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 168.011, Subdivision 10, is amended to read:

Subd. 10. [TRUCK.] "Truck" means any motor vehicle designed and used for carrying things other than passengers, except pickup trucks and vans included within the definition of passenger automobile in subdivision 7.

Sec. 3. Minnesota Statutes 1980, Section 168.011, is amended by adding a subdivision to read:

Subd. 28. [VAN.] "Van" means any vehicle of box-like design with no barrier or separation between the operator's area and the remainder of the passenger-carrying or cargo-

carrying area, and with a manufacturers rated capacity of 2,000 pounds or less.

Sec. 4. Minnesota Statutes 1980, Section 168.011, is amended by adding a subdivision to read:

Subd. 29. [PICKUP TRUCKS.] "Pickup truck" means any truck with a manufacturer's rated capacity of 2,000 pounds or less.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 168.013, Subdivision 1c, is amended to read:

Subd. 1c. [FARM TRUCKS.] (1) On farm trucks having a gross weight of not more than 57,000 pounds, the tax shall be based on total gross weight and shall be 45 percent of the Minnesota base rate prescribed by subdivision 1e during each of the first eight years of vehicle life, but in no event less than \$35, and during the ninth and succeeding years of vehicle life the tax shall be 27 percent of the Minnesota base rate prescribed by subdivision 1e, but in no event less than \$21, except as otherwise provided in this subdivision. On farm trucks having a gross weight of not more than 57,000 pounds during each of the first eight years of vehicle life, the tax shall be:

(a) for the registration year 1982, 34 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 38 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 42 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 45 percent of the tax imposed in the Minnesota base rate schedule.

On farm trucks having a gross weight of not more than 57,000 pounds during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 20 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 22 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 24 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 27 percent of the Minnesota base rate schedule.

(2) On farm trucks having a gross weight of more than 57,000 pounds, the tax shall be 60 percent of the Minnesota base rate during the first eight years of vehicle life and 36 percent of the Minnesota base rate during the (TENTH) *ninth* and succeeding years, except as otherwise provided in this subdivision. On farm trucks having a gross weight of more than 57,000 pounds during the first eight years of vehicle life, the tax shall be:

(a) for the registration year 1982, 38 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 45 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 53 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 60 percent of the tax imposed in the Minnesota base rate schedule.

On farm trucks having a gross weight of more than 57,000 pounds, during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 23 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 27 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 31 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 36 percent of the tax imposed in the Minnesota base rate schedule.

In addition to the gross weight tax imposed on a truck-tractor or truck used as a truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 168.-013, Subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On all trucks and tractors except those in this

chapter defined as farm trucks, and urban trucks, and on all truck-tractor and semi-trailer combinations except those defined as farm combinations and urban combinations and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

MINNESOTA BASE RATE SCHEDULE

Scheduled taxes include five percent
surtax provided for in subdivision 14

TOTAL GROSS WEIGHT IN POUNDS

	Tax
A 0 - 1,500	\$ 15
B 1,501 - 3,000	20
C 3,001 - 4,500	25
D 4,501 - 6,000	35
E 6,001 - 9,000	45
F 9,001 - 12,000	70
G 12,001 - 15,000	105
H 15,001 - 18,000	145
I 18,001 - 21,000	190
J 21,001 - 27,000	270
K 27,001 - 33,000	360
L 33,001 - 39,000	470
M 39,001 - 45,000	590
N 45,001 - 51,000	710
O 51,001 - 57,000	860
P 57,001 - 63,000	1010
Q 63,001 - 69,000	1180
R 69,001 - 73,280	1320
S 73,281 - 78,000	1520
T 78,001 - 81,000	1620

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to provisions of subdivision 12.

All truck-tractors except those herein defined as farm and urban truck-tractors and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of such truck-tractor and any semi-trailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition, to the gross weight tax imposed on the truck-tractor, each semi-trailer shall be taxed a fee of \$10 for a one year period or \$50 for a five year period whichever the applicant elects.

Commercial zone trucks include only all trucks and all truck-tractors and (SEMI-TRAILERS) *semi-trailer combinations* which are:

(1) used by an authorized local cartage carrier operating under a permit issued pursuant to section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within the area defined in section 221.296, subdivision 1; or,

(2) operated by an interstate carrier registered pursuant to section 221.61 or 221.62, or by an authorized local cartage carrier or other carrier receiving operating authority pursuant to chapter 221, and operated solely within a zone exempt from regulation by the Interstate Commerce Commission pursuant to 49 U.S.C. 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. Any person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to re-register the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule, except as otherwise provided in this subdivision. On commercial zone trucks, during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 35 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 40 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 45 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 50 percent of the tax imposed in the Minnesota base rate schedule.

On all trucks, truck-tractors and semi-trailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, the tax for the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision, except as otherwise provided in this subdivision.

On all trucks, truck-tractors and semi-trailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, during each of the first eight years of vehicle life the tax shall be:

(a) for the registration year 1982, 83 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 89 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 95 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 168.013, Subdivision 1i, is amended to read:

Subd. 1i. [URBAN TRUCKS.] On all vehicles registered as urban trucks for the registration year 1981, or any part thereof, and which are not registered as commercial zone trucks for the registration year 1982 and succeeding years, the tax shall be:

(a) for the registration year 1982, 50 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 67 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 84 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Beginning with the registration year 1985, the registrar shall not issue urban license plates.

For purposes of this subdivision, "urban trucks" include only all trucks and all truck-tractors and semi-trailer combinations used exclusively in transporting property within the metropolitan area consisting of Hennepin, Ramsey, Scott, Dakota, Anoka, Washington and Carver counties or within the corporate limits of any city or contiguous cities or within one mile of cities of the first and second class. For the purposes of this clause a land area ceded to the United States of America under general laws 1889, chapter 57, is a statutory city. The vehicle shall not be operated outside the metropolitan area or corporate limits of any such city or contiguous cities, or beyond one mile of cities of the first and second class; except that the commissioner of public safety may by special permit authorize the permanent removal of the vehicle from any registration area to another.

Sec. 8. Minnesota Statutes 1980, Section 168.10, Subdivision 1c, is amended to read:

Subd. 1c. [COLLECTOR'S VEHICLE, COLLECTOR LICENSE.] Any motor vehicle, *including any truck*, that is at least 20 model years old and manufactured after 1935, or *any motor vehicle* of a defunct make (,) defined as any car or truck originally licensed as a separate identifiable make as designated by the division of motor vehicles, and owned and operated solely as a collector's vehicle, shall be listed for taxation and registration as follows: An affidavit shall be executed stating the name and address of the person from whom purchased and of the new owner, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. The owner must also prove that he or she also has one or more vehicles with regular license plates. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$20 tax, the registrar shall list (SUCH) *the* vehicle for taxation and registration and shall issue number plates.

The number plates (SO) issued shall bear the inscription "Collector," "Minnesota" and the registration number, but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for (SUCH) *the* vehicle. The registrar has the power to revoke (SUCH) *the* plates for failure to comply with this subdivision.

In the event of the defacement, loss or destruction of (SUCH) *the* number plates, the registrar, upon receiving and filing a sworn statement of the vehicle owner, setting forth the circumstances, together with any defaced plates and the payment of a \$2 fee, shall issue duplicate plates specially designed for that purpose. The registrar shall then note on his records the issue of (SUCH) *the* new number plates and shall proceed in (SUCH A) *the* manner as he may deem advisable to cancel and call in the original plates.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following enactment and apply to registration year 1982 and subsequent years. Section 8 is effective the day following final enactment.

Further delete the title and insert:

"A bill for an act relating to the financing of government in this state; requiring notification of legislative committees of unallotments and payment deferrals; permitting homestead credit reimbursement of certain special levies in excess of 108 percent and permitting recertification of the levies; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; directing the commissioner of finance to pay by February 26, 1982, certain state aids and payments to local government for calendar year 1981; granting local governments temporary borrowing authority; permitting private sales of school district tax and aid anticipation certificates through June 30, 1983; repealing limitations on the amount of school district tax and aid anticipation certificates; defining vans and pickup trucks; providing for the registration and taxation of certain vans and passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 16A.15, by adding a subdivision; 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1c, 1e, and 1i; 273.13, Subdivision 15b; 290.18, Subdivision 4; and Laws 1981, Chapter 358, Article 7, Section 29; and First Special Session Laws 1981, Chapter 1, Article 1, Section 5; repealing Minnesota Statutes 1981 Supplement, Section 124.781."

The motion prevailed and the amendment was adopted.

H. F. No. 1, A bill for an act relating to the financing of government in this state; requiring notification of legislative committees of unallotments and payment deferrals; permitting homestead credit reimbursement of certain special levies in excess of 108 percent and permitting recertification of the levies; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; directing the commissioner of finance to pay by February 26, 1982, certain state aids and payments to local government for calendar year 1981; granting local governments temporary borrowing authority; permitting private sales of school district tax and aid anticipation certificates through June 30, 1983; repealing limitations on the amount of school district tax and aid anticipation certificates; defining vans and pickup trucks; providing for the registration and taxation of certain vans and passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 16A.15, by adding a subdivision; 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1c, 1e, and 1i; 273.13, Subdivision 15b; 290.18, Subdivision 4; and Laws 1981, Chapter 358, Article 7, Section 29; and First Special Session Laws 1981, Chapter 1, Article 1, Section 5; repealing Minnesota Statutes 1981 Supplement, Section 124.781.

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

The question was taken on the passage of the bill and the roll was called. There were 106 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Esau	Kelly	Norton	Sarna
Anderson, R.	Evans	Knickerbocker	Novak	Schafer
Battaglia	Fjoslien	Kostohryz	Nysether	Schreiber
Begich	Forsythe	Kvam	O'Connor	Searles
Berkelman	Frerichs	Laidig	Olsen	Sherman
Blatz	Greenfield	Lehto	Onnen	Sherwood
Brandl	Gruenes	Lemen	Osthoff	Skoglund
Carlson, D.	Gustafson	Levi	Otis	Stadum
Carlson, L.	Hanson	Long	Peterson, B.	Staten
Clark, J.	Harens	Ludeman	Peterson, D.	Stowell
Clark, K.	Hauge	Luknic	Piepho	Stumpf
Clawson	Heinitz	Mann	Pogemiller	Sviggum
Dahlvang	Himle	Marsh	Redalen	Swanson
Dean	Hokr	McCarron	Rees	Tomlinson
Den Ouden	Jacobs	McDonald	Reif	Valan
Drew	Johnson, C.	McEachern	Rice	Valento
Eken	Johnson, D.	Munger	Rodriguez, C.	Vellenga
Elioff	Jude	Nelsen, B.	Rodriguez, F.	Voss
Ellingson	Kaley	Nelson, K.	Rose	Weaver
Erickson	Kalis	Niehaus	Rothenberg	Welch

Welker
Wenzel

Wieser

Wynia

Zubay

Spkr. Sieben, H.

Those who voted in the negative were:

Anderson, G.
Anderson, I.
HaukoosHokanson
Jennings
KahnMinne
MurphySamuelson
SchoenfeldShea
Sieben, M.

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

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, January 11, 1982. The motion prevailed.

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.

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, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2, A bill for an act relating to motor vehicles; defining vans and pickup trucks; providing for the registration and taxation of certain vans as passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and certain collector's vehicles; including certain trucks among the motor vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; and 168.013, Subdivisions 1c, 1e and 1i.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sarna moved that the House refuse to concur in the Senate amendments to H. F. No. 2, 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. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2:

Sieben, M.; Anderson, I.; McEachern; Carlson, D., and Laidig.

MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 2

A House Concurrent Resolution relating to adjournment of the Senate and House of Representatives.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1, A bill for an act relating to the financing of government in this state; requiring notification of legislative committees of unallotments and payment deferrals; permitting homestead credit reimbursement of certain special levies in excess of 108 percent and permitting recertification of the levies; clarifying the application of the taxable net income adjustment factor to fiscal year taxpayers and its computation for 1981; directing the commissioner of finance to pay by February 26, 1982, certain state aids and payments to local government for calendar year 1981; granting local governments temporary borrowing authority; permitting private sales of school district tax and aid anticipation certificates through June 30, 1983; repealing limitations on the amount of school district tax and aid anticipation certificates; defining vans and pickup trucks; providing for the registration and taxation of certain vans and passenger automobiles; correcting references to the taxation of farm trucks and commercial zone combinations; defining urban trucks; and

certain collector's vehicles entitled to collector license plates; amending Minnesota Statutes 1980, Sections 16A.15, by adding a subdivision; 168.011, by adding subdivisions; 168.10, Subdivision 1c; and Minnesota Statutes 1981 Supplement, Sections 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1c, 1e, and 1i; 273.13, Subdivision 15b; 290.18, Subdivision 4; and Laws 1981, Chapter 358, Article 7, Section 29; and First Special Session Laws, Chapter 1, Article 1, Section 5; repealing Minnesota Statutes 1981 Supplement, Section 124.781.

PATRICK E. FLAHAVER, Secretary of the Senate

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, January 11, 1982. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, January 11, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives