

## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## SEVENTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, FEBRUARY 26, 1982

The House of Representatives convened at 12:00 noon and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Reverend Stanley O. Hanks, Messiah United Methodist Church, Plymouth, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Anderson, R.; Hanson; Johnson, D.; Knickerbocker; Metzen and Searles were excused.

Olsen was excused until 1:00 p.m. Ewald was excused until 1:30 p.m. Shea was excused until 1:45 p.m.

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

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1747, 2116, 2130, 2177, 1736, 1748, 1794, 1809, 1867, 1871, 1885, 1897, 1954, 2015, 2059, 2066, 1890, 1955, 1532, 1589, 1572, 1684, 1697, 1707, 1712, 1713 and 1719 and S. F. Nos. 1107, 1424, 1582, 1695, 1756, 1721, 1567, 1521, 1644, 1648, 1878, 2095 and 2126 have been placed in the members' files.

S. F. No. 1878 and H. F. No. 1812, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kelly moved that S. F. No. 1878 be substituted for H. F. No. 1812 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1521 and H. F. No. 1687, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Dempsey moved that S. F. No. 1521 be substituted for H. F. No. 1687 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1644 and H. F. No. 1830, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Heap moved that S. F. No. 1644 be substituted for H. F. No. 1830 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1695 and H. F. No. 1768, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Marsh moved that S. F. No. 1695 be substituted for H. F. No. 1768 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

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

H. F. No. 917, A bill for an act relating to retirement; authorizing special coverage for members of the Minnesota state retirement system prohibited from performing specified duties after age 60; proposing new law coded in Minnesota Statutes, Chapter 352.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1980, Section 352.85, Subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY; RETIREMENT ANNUITY.] (AN EMPLOYEE OF) *Any person who is employed by the department of military affairs who is covered by the general employee retirement plan of the Minnesota state retirement system as provided in section 352.01, subdivision 23, who is ordered to active duty pursuant to section 190.08, subdivision 3, (AND) who elects this special retirement coverage pursuant to subdivision 4, who is required to retire from federal military status at the age of 60 years by applicable federal laws or regulations and who terminates employment as a state employee upon attaining that age shall be entitled upon application, to a retirement annuity (COMMENCING AT THE AGE OF 60) computed in accordance with section 352.115, subdivisions 2 and 3, without any reduction for early retirement pursuant to section 352.116, subdivision 1.*

Sec. 2. Minnesota Statutes 1980, Section 352.85, Subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL CONTRIBUTIONS.] The special retirement annuities and disability benefits authorized by this section shall be financed by an employee contribution *from the covered department of military affairs* of (ONE) 1.6 percent and an employer contribution *from the department of military affairs* of (ONE) 1.6 percent, which contributions shall be in addition to the contributions required by section 352.04, subdivisions 2 and 3, and shall be made in the manner provided for in section 352.04, subdivisions 4, 5 and 6."

Page 1, line 11, delete "An" and insert "*Any person who is employed by*"

Page 1, line 12, delete "*employee of*" and delete "*job*" and insert "*civil service employment*"

Page 1, line 13, delete "*a member*" and insert "*covered by*"

Page 1, line 14, delete "*of*" and after "*the*" insert "*general employee retirement plan of the*" and delete "*and*" and insert

*"pursuant to section 352.01, subdivision 23, who elects this special retirement coverage pursuant to subdivision 3,"*

Page 1, line 15, after "of" insert "aircraft"

Page 1, line 16, after "by" insert "a"

Page 1, line 17, after "administration" insert "adopted by the department of transportation and who terminates employment as a state employee upon attaining that age"

Page 1, line 18, delete "commencing at the age of 60"

Page 1, line 19, after "without" insert "any"

Page 1, line 20, after "reduction" insert "for early retirement"

Page 1, line 22, delete "annuities" and insert "annuity"

Page 1, line 23, after "contribution" insert "from the covered aircraft pilot or chief pilot" and delete "one" and insert "1.6"

Page 1, line 24, after "contribution" insert "from the department of transportation" and delete "one" and insert "1.6"

Page 2, line 5, delete "1981" and insert "1982"

Page 2, line 6, delete "1981" and insert "1982" and delete "30" and insert "90"

Page 2, line 10, after "covered" insert "by this special plan"

Page 2, after line 11, insert:

*"Subd. 4. [ACTUARIAL VALUATION EXHIBIT.] In each valuation of the Minnesota state retirement system prepared pursuant to section 356.215, an exhibit pertaining to this special retirement program shall be included which shall contain for the special program those actuarial valuation content items specified in section 356.215, subdivision 4, which the executive director deems are necessary to adequately disclose the actuarial condition of the special program."*

Page 2, line 13, delete "This act" and insert "Section 3" and delete "July 1, 1981" and insert "June 30, 1982. Section 1 is effective retroactively to July 1, 1980. Section 2 is effective on the first day of the full pay period next following the day following final enactment"

Renumber the sections

Amend the title as follows:

Page 1, line 5, after "60;" insert "clarifying various aspects of the special retirement program for certain employees of the department of military affairs; amending Minnesota Statutes 1980, Section 352.85, Subdivisions 1 and 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1028, A bill for an act relating to the legislature; creating a legislative fiscal office; requiring fiscal notes to accompany certain bills and administrative rules; appropriating money; amending Minnesota Statutes 1980, Sections 3.98, Subdivision 1; 15.0412, Subdivision 7; proposing new law coded in Minnesota Statutes, Chapter 3; repealing Minnesota Statutes 1980, Section 3.98.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [3.9795] [LEGISLATIVE FISCAL OFFICE.]

*Subdivision 1. [ESTABLISHED.] A legislative fiscal office is established under the jurisdiction of the legislative coordinating commission.*

*Subd. 2. [DUTIES.] The office shall prepare fiscal notes as required by section 2.*

*Subd. 3. [STAFF.] The legislative coordinating commission shall employ and shall fix the compensation of a director of the legislative fiscal office and other professional, clerical and technical assistants necessary for the legislative fiscal office to perform its duties. The director and all employees of the legislative fiscal office are employees of the legislature in the unclassified service of the state.*

*Subd. 4. [AUTHORITY.] The legislative fiscal office may call upon any department or agency of the state or any political subdivision for data as may be available to assist it in the preparation of fiscal notes. The department, agency or political subdivision shall cooperate with the office to the fullest extent possible.*

Sec. 2. [3.9796] [FISCAL NOTES ON BILLS AFFECTING CERTAIN POLITICAL SUBDIVISIONS.]

*Subdivision 1. [FISCAL NOTE REQUEST.] The chairman of the senate or house standing committee, other than the senate finance or house appropriations committees, to which a bill is originally referred shall, at least five working days before the bill is heard in committee, request the appropriate office or agency to prepare a fiscal note for any bill on which a fiscal note is required. A fiscal note is required (1) on any bill mandating an expenditure of public funds by affecting the credit rating of, or otherwise having a fiscal impact upon, a county, town, school district, home rule charter city or statutory city; and (2) on a bill which requires an expenditure of public funds by a department or agency of state government.*

*Subd. 2. [FISCAL NOTE PREPARATION.] The legislative fiscal office shall prepare the fiscal note for bills relating to units of local government. The head of each affected state agency or department shall prepare a fiscal note for bills relating to state government.*

*Subd. 3. [CONTENTS OF FISCAL NOTE.] The fiscal note, where possible, shall state:*

*(a) the estimated total cost to each state agency or to all counties, towns, school districts, statutory cities or home rule charter cities of implementing or complying with the proposed law for the two years immediately following the effective date;*

*(b) the estimated revenue that the law would generate in the two years immediately following the effective date;*

*(c) the long range fiscal implications, if any;*

*(d) whether the levy limits established pursuant to sections 275.50 to 275.59 apply to the required expenditure; and*

*(e) the statutory sections affected.*

*The fiscal note may comment upon the technical or mechanical defects of the bill but shall not express any opinion concerning the merits of the proposal.*

*Subd. 4. [TIME FOR PREPARATION.] The legislative fiscal office or the appropriate state department or agency shall prepare and return the fiscal note to the chairman within five working days after the request. An extension of five working days may be granted upon approval of the committee chairman and the author of the bill.*

*Subd. 5. [NEW FISCAL NOTE.] Any committee which amends a bill so as to change its fiscal impact and which recommends the bill to pass may, by vote of the committee, request that a new fiscal note be prepared. The author of a bill may request*

at any time that a new fiscal note be prepared. The legislative fiscal office or the appropriate state department or agency shall prepare the new note and return it to the chairman of the requesting committee within three days of the request. A fiscal note is not otherwise subject to amendment by the house, the senate, or any committee of either body.

Subd. 6. [COMMITTEE REPORT.] If a committee requests a new fiscal note, the committee shall not report the bill until the new fiscal note has been prepared. The most recent fiscal note shall be included as part of the committee report.

Subd. 7. [PRINTING OF FISCAL NOTE.] The most recent fiscal note shall be printed at the end of each bill as part of an engrossment of the bill after it is reported by each standing committee to which it is assigned. However, a fiscal note shall not be printed as part of an enrolled bill, nor shall a fiscal note be printed in the Laws of Minnesota or in Minnesota Statutes.

### Sec. 3. [TRANSITION.]

Prior to January 1, 1983, the legislative coordinating commission, in consultation with the chief clerk of the house, the secretary of the senate, the commissioner of finance or his designee, the Minnesota association of township officers, the association of Minnesota counties, the league of Minnesota cities, and the Minnesota school boards association shall:

(a) develop a manual regarding form and procedures for preparation of fiscal notes;

(b) suggest changes in senate rules, house rules and joint rules needed to accommodate the fiscal note process; and

(c) make further recommendations regarding the preparation and use of fiscal notes.

### Sec. 4. [APPROPRIATION.]

The sum of \$69,732 is appropriated from the general fund to the legislative fiscal office for the purpose of preparing fiscal notes on bills affecting counties, towns, school districts, statutory city or home rule charter city. The sum is available until June 30, 1983. The committee on rules and legislative administration of the house of representatives and the committee on rules and administration of the senate shall reassign portions of unspent funds from legislative committee budgets to meet the expenses of the legislative fiscal office until June 30, 1983.

### Sec. 5. [REPEALER.]

*Minnesota Statutes 1980, Section 3.98, is repealed January 1, 1983. Section 3 is repealed June 30, 1984.*

Sec. 6. [EFFECTIVE DATE.]

*Sections 1, 3, and 4 are effective the day following final enactment. Sections 2 and 5 are effective January 1, 1983."*

Amend the title as follows:

Page 1, line 4, delete "and administrative rules"

Page 1, line 5, delete everything after "money;"

Page 1, line 6, delete everything before "proposing"

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

The report was adopted.

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

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

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 174.21, is amended to read:

174.21 [PUBLIC TRANSIT ASSISTANCE AND TRANSPORTATION MANAGEMENT; PURPOSE.]

It is the purpose of sections 174.21 to 174.27:

((A) TO INCREASE VEHICLE OCCUPANCY, TO REDUCE THE USE OF VEHICLES OCCUPIED BY ONLY ONE PERSON AND THE CONGESTION, POLLUTION, ENERGY CONSUMPTION, HIGHWAY DAMAGE, AND OTHER COSTS ASSOCIATED WITH SUCH USE;)

((B) TO ASSURE THAT THOSE CITIZENS OF THIS STATE WHO ARE UNABLE BY REASON OF AGE OR IN-



CAPACITY TO USE REGULAR MEANS OF PRIVATE OR PUBLIC TRANSPORTATION SHALL HAVE REASONABLE ACCESS TO TRANSPORTATION SERVICE NECESSARY TO PERMIT THEM TO BE ACTIVE, PRODUCTIVE, SELF-SUPPORTING AND HEALTHY CITIZENS; AND)

((C) TO INCREASE THE EFFICIENCY AND PRODUCTIVITY OF AND BENEFIT FROM PUBLIC INVESTMENTS IN ROAD SPACE AND TRANSPORTATION AND TRANSIT FACILITIES AND SYSTEMS IN THE STATE.)

(a) *to provide access to transit for persons who have no alternative mode of transit available;*

(b) *to increase the efficiency and productivity of public transit systems;*

(c) *where such activities are cost-effective, to alleviate problems of automobile congestion and energy consumption and to promote desirable land use;*

(d) *to maintain a state commitment to public transportation; and*

(e) *consistent with the above objectives, to meet the needs of individual transit systems.*

Sec. 2. Minnesota Statutes 1980, Section 174.22, is amended by adding subdivisions to read:

Subd. 9. "Large urbanized area service" means the non-elderly and handicapped service as defined in subdivision 13 of this section provided by the Duluth transit authority.

Subd. 10. "Urbanized area service" means a nonelderly and handicapped service as defined in subdivision 13 of this section operating in an urban area of more than 50,000 persons except for services operated by the metropolitan transit commission as defined in section 174.22 and service operating in a large urbanized area.

Subd. 11. "Small urban area service" means a service operating in an area with a population between 2,500 and 50,000.

Subd. 12. "Rural area service" means a service primarily operated in an area having population centers of less than 2,500 persons.

Subd. 13. "Elderly and handicapped service" means service provided on a regular basis in urbanized areas, except for metro mobility service established under section 174.31, and designed

*exclusively or primarily to serve individuals who are elderly or handicapped and unable to use regular means of public transportation.*

Sec. 3. Minnesota Statutes 1980, Section 174.23, is amended by adding a subdivision to read:

*Subd. 7. The commissioner shall by rule define "total operating cost" as the term is used in carrying out the purposes of section 174.24. The commissioner shall consult with eligible recipients to the maximum extent feasible in formulating these rules and develop necessary and reasonable changes in cost allowability provisions and financial examination procedures where possible. The rules are subject to the provisions in the administrative procedure act of sections 15.041 to 15.052.*

Sec. 4. Minnesota Statutes 1980, Section 174.24, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A public transit (SUBSIDY) participation program is established to (PROVIDE) carry out the objectives stated in section 174.21 by providing financial assistance from the state to eligible recipients. (THE PURPOSE OF THE PUBLIC TRANSIT SUBSIDY PROGRAM SHALL BE TO SUPPLEMENT LOCAL EFFORT IN FINANCING PUBLIC TRANSIT SYSTEMS IN ORDER TO PRESERVE AND DEVELOP PUBLIC TRANSIT AND A BALANCED TRANSPORTATION SYSTEM IN THE STATE.)

Sec. 5. Minnesota Statutes 1981 Supplement, Section 174.24, Subdivision 3, is amended to read:

Subd. 3. [FINANCIAL ASSISTANCE.] Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the (OPERATING DEFICIT) total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles (, PROVIDED THAT ANY FINANCIAL ASSISTANCE RECEIVED FROM ANY AGENCY OF THE FEDERAL GOVERNMENT FOR THE OPERATION OF A PUBLIC TRANSIT SYSTEM SHALL BE TREATED AS REVENUE FOR THE PURPOSES OF DETERMINING THE OPERATING DEFICIT). To be eligible for financial assistance an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system the commissioner shall identify one as lead agency for

the purpose of receiving moneys under this section. (THE COMMISSIONER MAY ADOPT RULES ESTABLISHING PERFORMANCE STANDARDS FOR PUBLIC TRANSIT SYSTEMS FOR USE IN DETERMINING THE AMOUNT OF ASSISTANCE WHICH MAY BE PAID TO AN ELIGIBLE RECIPIENT. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBDIVISION, PAYMENTS SHALL NOT EXCEED TWO-THIRDS OF THE OPERATING DEFICIT OF A PUBLIC TRANSIT SYSTEM.) The commissioner shall adopt rules establishing uniform performance standards for private operators of regular route transit systems in the transit taxing district as defined in section 473.446, subdivision 2. *The rules are subject to the provisions in the administrative procedure act of sections 15.041 to 15.052.* Payments to those private operators shall be based on the uniform performance standards and shall not exceed 100 percent of the operating deficit. *Payments shall be based on approved estimates of expenditures during the contract period and shall be subject to audit and adjustment after any payment has been made.*

*Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all recipients into one of the following classifications: large urbanized area service, urbanized area service, small urban area service, rural area service, and elderly and handicapped service. The commissioner shall distribute funds under this section so that the percentage of total operating cost paid by any recipient from local sources will not exceed the percentage for that recipient's classification. The percentages shall be: for large urbanized area service excluding elderly and handicapped service, 55 percent; for urbanized and small urban service, 40 percent; for rural service, 35 percent; and for elderly and handicapped service, 35 percent. The remainder of the total operating cost will be paid from state funds less any assistance received by the recipient from any federal source. For purposes of this subdivision "local sources" means all local sources of funds and includes all operating revenue, tax levies and contributions from public funds, except that the commissioner may exclude from this total contract revenues derived from operations the cost of which is excluded from the computation of total operating cost. If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources for all other recipients in its classification so that the total state funds to be received by all the recipients in the classification will not be altered. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph he shall reduce the state share in each classification to the extent necessary.*

Sec. 6. Minnesota Statutes 1980, Section 174.24, is amended by adding a subdivision to read:

*Subd. 5. [PAYMENT.] Payments under this section to recipients other than the metropolitan transit commission and private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be made in the following manner:*

*50 percent of the total contract amount in the first month of operation;*

*40 percent of the total contract amount in the seventh month of operation;*

*9 percent of the total contract amount in the twelfth month of operation; and*

*1 percent of the total contract amount after the final audit.*

*The method of payment under this section to private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be determined by the commissioner.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 174.265, Subdivision 4, is amended to read:

**Subd. 4. [ASSISTANCE FOR REPLACEMENT SERVICE.]** An application for financial assistance for replacement services shall: describe the existing service provided to the applicant by the metropolitan transit commission, including the estimated number of passengers carried and the routes, schedules, and fares; describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of state assistance requested for the replacement services. Financial assistance shall (NOT) be granted under this subdivision (UNLESS) to an applicant community served by the metropolitan transit commission at the time of application only if the commissioner determines that the service proposed for funding is intended and designed to replace and substitute for (THAT) the service provided by the (METROPOLITAN TRANSIT) commission at the time of application and that the average subsidy per passenger per route for the replacement service will not exceed the (AVERAGE SUBSIDY PER PASSENGER DURING THE SIX MONTHS PRECEDING THE APPLICATION ON THE COMMISSION'S ROUTES WHICH SERVE THE APPLICANT COMMUNITIES) subsidy per passenger per route stan-

dard as adopted by the commission in its current transportation development program. (IF THE) Financial assistance shall be granted under this subdivision to an applicant (COMMUNITIES ARE) community not served by the commission at the time of the application (,) only if the commissioner determines that the average subsidy per passenger per trip for the (REPLACEMENT) service (SHALL) proposed for funding will not exceed the (AVERAGE SUBSIDY PER PASSENGER DURING THE SIX MONTHS PRECEDING THE APPLICATION ON ALL ROUTES OF THE COMMISSION EXTENDING INTO ZONE FOUR. AFTER THE FIRST YEAR OF REPLACEMENT SERVICE, THE MAXIMUM SUBSIDY SHALL BE ESCALATED AT A RATE EQUAL TO THE RATE OF INFLATION IN THE REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS IN THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA) subsidy per passenger per trip standard as adopted by the commission in its current transportation development program. The amount of financial assistance provided for replacement service under this subdivision shall not exceed the sum of: (a) the portion of the available local transit funds which the applicant proposes to use to subsidize the service, and (b) an amount of state assistance bearing an identical proportional relationship to the amount under (a) as the total amount of state assistance available to the metropolitan transit commission under section 174.24, subdivision 3a bears to the total amount of taxes collected by the commission under section 473.446, subdivision 1, clauses (a) to (c). The commissioner shall transfer the amounts provided to the recipient from the assistance available to the metropolitan transit commission pursuant to section 174.24, subdivision 3.

Sec. 8. [REPEALER.]

*Minnesota Statutes 1980, Sections 174.25; and 174.26 are repealed.*

Sec. 9. [EFFECTIVE DATE.]

*Sections 1, 6, 7 and 8 are effective the day following final enactment. Sections 2, 3, 4 and 5 are effective January 1, 1984."*

Delete the title and insert:

"A bill for an act relating to transportation; providing for the distribution of assistance under the public transit participation program; defining terms; changing eligibility requirements for replacement transit service; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 174.21; 174.22, by adding subdivisions; 174.23, by adding a subdivision; 174.24, Subdivision 1, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 174.24, Subdivision 3; and 174.265, Subdivision 4; repealing Minnesota Statutes 1980, Sections 174.25; and 174.26."

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

The report was adopted.

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

H. F. No. 1246, A bill for an act relating to public welfare; authorizing the commissioner of public welfare to use money in the revolving fund for vocational rehabilitation of the blind for certain purposes; removing the preference given to blind operators of vending machines who have resided in the state for a year; amending Minnesota Statutes 1980, Section 248.07, Subdivision 8.

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

The report was adopted.

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

H. F. No. 1336, A bill for an act relating to retirement; highway patrol benefits and refunds; amending Minnesota Statutes 1980, Sections 352B.08, Subdivision 2; and 352B.11, Subdivisions 1 and 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 352B.02, Subdivision 1, is amended to read:

Subdivision 1. There is hereby established a highway patrol retirement fund, the membership of which shall consist of all persons defined in section 352B.01, subdivision 2. Each member shall pay a sum equal to (SEVEN) 8.5 percent of (HIS) *the member's* monthly salary. Member contribution amounts shall be deducted monthly by the department head, who shall cause the total amount of the monthly deductions to be paid to the state treasurer, and shall cause a detailed report of all monthly deductions to be made each month to the executive director of the Minnesota state retirement system. In addition thereto, there shall be paid out of money appropriated to the departments for this purpose, monthly, by the department heads, a sum equal to 12 percent of the salary upon which deductions were made, and a sum equal to nine percent of the salaries upon which deductions were made for the purpose of amortizing the actuarial deficit of the fund. These amounts shall be credited to the high-

way patrol retirement fund. All moneys received shall be deposited by the state treasurer in the highway patrol retirement fund. Out of the fund shall be paid the administrative expenses of the retirement fund, and the benefits and annuities as hereinafter provided.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 352B.08, Subdivision 2, is amended to read:

Subd. 2. The annuity shall be paid in monthly installments equal to that portion of the average monthly salary of the member multiplied by 2-1/2 percent for each year and pro rata for completed months of service not exceeding (20) 25 years and two percent for each year and pro rata for completed months of service in excess of (20) 25 years. "Average monthly salary" shall mean the average of the monthly salaries for the five highest successive years of service as a member. The monthly salary for the period prior to July 2, 1969 shall be deemed to be \$600. The term "average monthly salary" shall not include any reduced salary paid during the period the person is entitled to benefit payments from the workers' compensation court of appeals for temporary disability. In lieu of the single life annuity herein provided, the member or former member with ten years or more of service may elect a joint and survivor annuity, payable to a designated beneficiary for life, adjusted to the actuarial equivalent value of the single life annuity. The joint and survivor annuity elected by a member may also provide that the elected annuity be reinstated to the single life annuity herein provided, if after drawing the elected joint and survivor annuity, the designated beneficiary dies prior to the death of the member. This reinstatement shall not be retroactive but shall be in effect for the first full month subsequent to the death of the designated beneficiary. This additional joint and survivor option with reinstatement clause shall be adjusted to the actuarial equivalent value of a regular single life annuity.

Sec. 3. Minnesota Statutes 1980, Section 352B.11, Subdivision 1, is amended to read:

Subdivision 1. [(REFUNDMENT) *REFUND OF PAYMENTS.*] Should any member who does not qualify for other benefits under this chapter become separated, *either voluntarily or involuntarily*, from state service that entitled him or her to be a member of the association, (EITHER VOLUNTARILY OR INVOLUNTARILY, HE) *the member, or in the event of the member's death, the member's estate*, shall (THEREUPON) be entitled to receive a (REFUNDMENT) *refund* of all payments which have been made by salary deductions.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 352B.-11, Subdivision 2, is amended to read:

Subd. 2. [DEATH; PAYMENT TO SPOUSE AND CHILDREN.] In the event any member serving actively as a member, a member receiving the disability benefit provided by section 352B.10, clause (1), or a former member (WITH 20 OR MORE YEARS OF ALLOWABLE SERVICE CREDIT) receiving a disability benefit as provided by section 352B.10, clause (3) dies from any cause, the surviving spouse and dependent child or dependent children shall be entitled to benefit payments as follows:

(a) A member with at least ten years of allowable service or a former member with at least 20 years of allowable service is deemed to have elected a 100 percent joint and survivor annuity payable to a surviving spouse only on or after the date the member or former member attained or would have attained the age of 55.

(b) The surviving spouse of a member who had credit for less than ten years of service shall receive, for life, a monthly annuity equal to 20 percent of that portion of the average monthly salary of the member from which deductions were made for retirement. If the surviving spouse remarries, the annuity shall cease as of the date of the remarriage.

(c) The surviving spouse of a member who had credit for at least ten years of service and who dies after attaining 55 years of age, may elect to receive a 100 percent joint and survivor annuity, for life, notwithstanding a subsequent remarriage, in lieu of the annuity prescribed in clause (b).

(d) The surviving spouse of any member who had credit for ten years or more and who was not 55 years of age at death, shall receive the benefit equal to 20 percent of the average monthly salary as described in clause (b) until the deceased member would have reached his or her 55th birthday, and beginning the first of the month following that date, may elect to receive the 100 percent joint and survivor annuity. If the surviving spouse remarries prior to the deceased member's 55th birthday, all benefits or annuities shall cease as of the date of remarriage. Remarriage subsequent to the deceased member's 55th birthday shall not affect the payment of the benefit.

(e) Each dependent child shall receive a monthly annuity equal to ten percent of that portion of the average monthly salary of the former member from which deductions were made for retirement. A dependent child over the age of 18 years and under the age of 22 years also may receive the monthly benefit provided herein, if the child is continuously attending an accredited school as a full time student during the normal school year as determined by the director. If the child does not continuously attend school but separates from full time attendance during any portion of a school year, the annuity shall cease at the end of the month of separation. In addition, a payment of \$20 per month shall be prorated equally to surviving dependent children when



the former member is survived by one or more dependent children. Payments for the benefit of any qualified dependent child shall be made to the surviving spouse, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed 40 percent of the average monthly salary for any number of children.

(f) If the member shall die under circumstances which entitle the surviving spouse and dependent children to receive benefits under the workers' compensation law, amounts equal to the workers' compensation benefits received by them shall not be deducted from the benefits payable pursuant to this section.

(g) (IN THE EVENT ANY FORMER MEMBER WHO HAD SEPARATED FROM SERVICE PRIOR TO HAVING COMPLETED TEN YEARS OF SERVICE, EXCEPT FORMER MEMBERS PERMANENTLY DISABLED IN PERFORMANCE OF DUTY, AND WAS NOT EMPLOYED BY THE STATE IN A CAPACITY ENTITLING THE FORMER MEMBER TO ACCUMULATE ALLOWABLE SERVICE CREDIT AT THE TIME OF DEATH, THE SURVIVING SPOUSE, OR IF NONE, THE CHILDREN OR HEIRS SHALL BE ENTITLED TO RECEIVE ANY FUNDS THE FORMER MEMBER MAY HAVE LEFT ON DEPOSIT IN THE HIGHWAY PATROL RETIREMENT FUND, BUT SHALL RECEIVE NO FURTHER BENEFITS UNDER THIS CHAPTER.) The surviving spouse of a deceased former member who had credit for ten or more years of allowable service, but excluding the spouse of a former member receiving a disability benefit under the provisions of section 352B.10, clause (3), (BASED ON LESS THAN 20 YEARS OF SERVICE,) shall be entitled to receive the 100 percent joint and survivor annuity at such time as the deceased member would have reached his or her 55th birthdate, provided the surviving spouse has not remarried prior to that date. *In the event of the death of a former member who does not qualify for other benefits under this chapter, the surviving spouse or, if none, the children or heirs shall be entitled to receive a refund of the accumulated deductions left in the fund.*

Sec. 5. [352B.265] [PRE-1973 INCREASE.]

*Total benefits payable to a retiree or surviving spouse whose benefits were computed under the law in effect prior to June 1, 1973, shall be increased by six percent on July 1, 1982 and on July 1 of each year thereafter. Funds sufficient to pay the increases provided by this section are hereby appropriated annually to the executive director from the highway patrol retirement fund.*

Sec. 6. [EFFECTIVE DATE.]

*This act is effective July 1, 1982."*

Delete the title and insert:

"A bill for an act relating to retirement; highway patrol benefits and refunds; providing annual benefit increases to pre-1973 retirees and surviving spouses; appropriating funds; amending Minnesota Statutes 1980, Section 352B.11, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 352B.02, Subdivision 1; 352B.08, Subdivision 2; and 352B.11, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 352B."

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

The report was adopted.

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

H. F. No. 1404, A bill for an act relating to nursing homes; requiring new procedures for determining nursing home rates; amending Minnesota Statutes 1980, Sections 256B.41; 256B.47; and 256B.48; proposing new law coded in Minnesota Statutes, Chapter 256B; repealing Minnesota Statutes 1980, Sections 256B.42; 256B.43; 256B.44; 256B.45; and 256B.46.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 256B.41, is amended to read:

**256B.41 [INTENT.]**

Subdivision 1. [AUTHORITY.] The (STATE AGENCY) *commissioner* shall (BY RULE) establish (A FORMULA), *by rule, procedures* for (ESTABLISHING PAYMENT) *determining equitable rates for care of residents of nursing homes which qualify as vendors of medical assistance, and for implementing the provisions of sections 256B.41, 256B.47, 256B.48 and sections 2, 3, 6, 7, and 8. The procedures shall be based on methods and standards that the commissioner finds are adequate to provide for the costs that must be incurred for the care of residents in efficiently and economically operated nursing homes and shall specify the costs that are allowable for payment through medical assistance.*

Subd. 2. [FEDERAL REQUIREMENTS.] (IT IS THE INTENT OF THE LEGISLATURE TO ESTABLISH CERTAIN LIMITATIONS ON THE STATE AGENCY IN SETTING STANDARDS FOR NURSING HOME RATE SETTING FOR THE CARE OF RECIPIENTS OF MEDICAL ASSISTANCE PURSUANT TO THIS CHAPTER. IT IS NOT THE INTENT OF THE LEGISLATURE TO REPEAL OR

CHANGE ANY EXISTING OR FUTURE RULE PROMULGATED BY THE STATE AGENCY RELATING TO THE SETTING OF RATES FOR NURSING HOMES UNLESS THE RULE IS CLEARLY IN CONFLICT WITH SECTIONS 256B.41 TO 256B.48.) If any provision of sections 256B.41 (TO), 256B.47 and 256B.48 and sections 2, 3, 6, 7, and 8 is determined by the United States government to be in conflict with existing or future requirements of the United States government with respect to federal participation in medical assistance, the federal requirements shall prevail.

**Sec. 2. [256B.421] [DEFINITIONS.]**

*Subdivision 1. [SCOPE.] For the purposes of sections 256B.41, 256B.47, 256B.48, and sections 2, 3, 6, 7, and 8, the following terms and phrases shall have the meanings given to them.*

*Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of public welfare.*

*Subd. 3. [NURSING HOME.] "Nursing home" means a facility licensed under chapter 144A or a boarding care facility licensed under sections 144.50 to 144.56.*

*Subd. 4. [OPERATING COSTS.] "Operating costs" means costs of meeting licensure and certification standards and routine service costs including nursing, dietary, and other support service costs.*

*Subd. 5. [PAYMENT RATE.] "Payment rate" means the prospective rate determined under section 3.*

*Subd. 6. [NONMEDICAL ASSISTANCE RESIDENT.] "Nonmedical assistance resident" means a nursing home resident who is not a medical assistance recipient.*

*Subd. 7. [RATE YEAR.] "Rate year" means the fiscal year for which a payment rate determined under section 3 is effective, from July 1 to the next June 30.*

*Subd. 8. [RENT.] "Rent" means the amount paid for nursing home residents' use of real estate and equipment as determined under section 3, subdivision 3.*

*Subd. 9. [REPORTING YEAR.] "Reporting year" means the calendar year, immediately preceding the rate year, for which the nursing home submits reports required under section 256B.48, subdivision 2.*

**Sec. 3. [256B.431] [RATE DETERMINATION.]**

*Subdivision 1. [IN GENERAL.] The commissioner shall determine prospective payment rates for resident care costs. These rates shall include items for the direct care of residents and for associated items related to the operation of the nursing home. In determining the rates, the commissioner shall recognize cost differences among nursing homes providing different levels of care and may group nursing homes according to geographic location or other justifiable differences. The commissioner may establish separate groups for determining operating costs. On or before May 15 of each year, the commissioner shall mail notices to each nursing home of the rates to be effective from July 1 of that year to June 30 of the following year. The commissioner shall limit each facility's payment rate when and as necessary to comply with specific and general legislative direction.*

*Subd. 2. [OPERATING COSTS.] (a) The commissioner shall establish, by rule, procedures for determining per diem reimbursement for operating costs based on actual resident days. The commissioner may establish limitations on operating costs, including separate limits on management compensation and administrative costs.*

*(b) The commissioner shall:*

*(i) provide for the analysis and evaluation of each nursing home's report of allowed operating costs incurred by the nursing home during the calendar year immediately preceding the year for which the payment rate becomes effective. The historical base for determining the prospective payment rate shall not exceed the prospective operating cost payment rate during that calendar year;*

*(ii) compute the average costs in each category of operating costs for each group of nursing homes;*

*(iii) multiply the average historical cost for each category by the appropriate economic change indicator to determine the average prospective cost change for each category; and*

*(iv) add the average prospective cost changes for all categories in each group of nursing homes to determine the total average dollar increase for each group.*

*(c) The commissioner shall also establish a composite index for each group by determining the weighted average of all economic change indicators applied to the cost categories in that group. Within each group, each nursing home shall receive an operating cost payment rate of its allowed historical operating costs plus the lesser of the average dollar change in subdivision 2, clause (b)(iv), or the percentage change resulting from application of the composite index to its historical base. Whenever the commissioner deems appropriate, the commissioner shall apply economic change indices used in hospital rate review procedures under section 144.702. The amounts calculated*

*in this section shall be adjusted to account for the economic changes that occur between the reporting year and the rate year.*

*The commissioner shall include the reported actual real estate tax liability of proprietary nursing homes as an operating cost of those nursing homes.*

*(d) For each facility that does not receive an exception under section 6 for a rate year, the commissioner shall allow the nursing home to keep, as an efficiency incentive, the difference between the nursing home's operating cost payment rate established for that rate year and the actual historical operation costs incurred for that rate year, if the latter amount is smaller. If an annual cost report or field audit indicates that the expenditures for direct resident care have been reduced in amounts large enough to indicate a possible detrimental effect on the quality of care, the commissioner shall notify the commissioner of health.*

*(e) A nursing home may apply for an exception to its operating cost payment rate under the circumstances and according to the procedures described in section 6.*

**Subd. 3. [PROPERTY-RELATED COST.]** *(a) The commissioner shall reimburse nursing home providers who are vendors in the medical assistance program for the rental use of their property. The "rent" is the amount of periodic payment which a renter might expect to pay for the right to the agreed use of the real estate and the equipment as it exists. "Real estate" means land, land improvements, and buildings used directly for patient care. "Equipment" means the standard moveable patient care equipment and support service equipment generally used in long-term care facilities. The rent payment shall be deemed to include compensation for depreciation expense, interest expense and the owner's investment.*

*(b) For the state fiscal year beginning July 1, 1983, and each year thereafter, the commissioner of revenue shall provide for the appraisal of all nursing homes by uniform standards. The appraisals shall include the real estate and the equipment. The estimated market value of each nursing home as determined by the appraisal shall be reported to the commissioner of public welfare no later than March 31 each year.*

*(c) The commissioner shall establish an investment per bed limitation on the value to be recognized of buildings, land improvements, land used for patient care and major movable equipment and shall annually update the limitation to reflect changes in replacement costs.*

*(d) The per diem rent shall be determined annually by multiplying the estimated market value of the real estate plus equipment, after applying the investment per bed limitation, by an*

amount equal to the average interest rate paid by the Federal Hospital Insurance Trust Fund, during the last quarter for which data are available, divided by 96 percent of the nursing home's certified capacity days. The commissioner may limit any increase in rent payments to a fixed amount if necessary to comply with specific and general legislative direction.

(e) Rent for the state fiscal year 1984, beginning July 1, 1983, shall not exceed by more than eight percent the statewide aggregate for depreciation, interest expense and investment allowance for the most recent calendar year. Payment made pursuant to clause (f) shall be included in the eight percent limit.

(f) Facilities that on the date of enactment have principal and interest payments on the allowed value in excess of the rent shall receive reimbursement in the amount of those obligations in lieu of rent for a period of three years or until the rent exceeds the amount of those obligations, whichever occurs first.

Subd. 4. [SPECIAL RATES.] A newly constructed nursing home may, upon written application to the commissioner, receive an interim rate to be effective from the first day a medical assistance recipient resides in the home until the rate determined under subdivisions 1 to 3 becomes effective. The commissioner shall by rule establish procedures for determining payment rates for nursing homes which provide care under a lesser care level than the level for which the nursing home is certified. A small nursing home may choose to receive a flat rate rather than the rate determined under subdivisions 1 to 3. A nursing home where fewer than 20 percent of the residents are medical assistance recipients may choose to receive a flat rate. The flat rate is the average rent determined for the same level of care in the appropriate group of nursing homes; in determining the average, the commissioner shall exclude nursing homes receiving a flat rate.

Sec. 4. Minnesota Statutes 1980, Section 256B.47, is amended to read:

**256B.47 [(RATE LIMITS) NONALLOWABLE COSTS; NOTICE OF INCREASES TO (PRIVATE PAYING) NON-MEDICAL ASSISTANCE RESIDENTS.]**

Subdivision 1. (THE STATE AGENCY SHALL BY RULE ESTABLISH SEPARATE OVERALL LIMITATIONS ON THE COSTS FOR ITEMS WHICH DIRECTLY RELATE TO THE PROVISION OF PATIENT CARE TO RESIDENTS OF NURSING HOMES AND THOSE WHICH DO NOT DIRECTLY RELATE TO THE PROVISION OF CARE. THE STATE AGENCY MAY ALSO BY RULE, ESTABLISH LIMITATIONS FOR SPECIFIC COST CATEGORIES WHICH DO NOT DIRECTLY RELATE TO THE PROVISION OF PA-

TIENT CARE. THE STATE AGENCY SHALL REIMBURSE NURSING HOMES FOR THE COSTS OF NURSING CARE IN EXCESS OF ANY STATE AGENCY LIMITS ON HOURS OF NURSING CARE IF THE COMMISSIONER OF HEALTH ISSUES A CORRECTION ORDER PURSUANT TO SECTION 144A.10, SUBDIVISION 4, DIRECTING THE NURSING HOME TO PROVIDE THE ADDITIONAL NURSING CARE. ALL COSTS DETERMINED OTHERWISE ALLOWABLE SHALL BE SUBJECT TO THESE LIMITATIONS.)

(SUBD. 2.) [NONALLOWABLE COSTS.] The following costs shall not be recognized as allowable (TO THE EXTENT THAT THESE COSTS CANNOT BE DEMONSTRATED BY THE NURSING HOME TO THE STATE AGENCY TO BE DIRECTLY RELATED TO THE PROVISION OF PATIENT CARE): (1) political contributions; (2) salaries or expenses of a lobbyist, as defined in section 10A.01, subdivision 11, for lobbying activities; (3) advertising designed to encourage potential residents to select a particular nursing home; (4) assessments levied by the (HEALTH DEPARTMENT) *commissioner of health* for uncorrected violations; and (5) legal fees for unsuccessful challenges to decisions by state agencies (; AND (6) DUES PAID TO A NURSING HOME OR HOSPITAL ASSOCIATION). (THE STATE AGENCY SHALL PROMULGATE RULES ESTABLISHING STANDARDS WHICH SHALL DISTINGUISH BETWEEN ANY PATIENT-CARE RELATED COMPONENTS AND NONPATIENT-CARE RELATED COMPONENTS OF THESE COSTS, WHERE APPLICABLE. FOR PURPOSES OF THESE RULES, THE STATE AGENCY SHALL EXERCISE EMERGENCY POWERS AND ESTABLISH EMERGENCY RULES PURSUANT TO SECTION 15.0412, SUBDIVISION 5, BEFORE SEPTEMBER 1, 1977.) The (STATE AGENCY) *commissioner* shall by rule exclude the costs of any other *similar* items (WHICH IT DETERMINES ARE) not directly related to the provision of (PATIENT) *resident* care.

(SUBD. 3. ON OR BEFORE JANUARY 1, 1977 THE STATE AGENCY SHALL BY RULE ESTABLISH A PROCEDURE AFFORDING NOTICE OF THE APPROVED RATE FOR MEDICAL ASSISTANCE RECIPIENTS TO NURSING HOMES WITHIN 120 DAYS AFTER THE CLOSE OF THE FISCAL YEAR OF THE NURSING HOME.)

Subd. (4) 2. [NOTICE TO RESIDENTS.] No increase in nursing home rates for (PRIVATE PAYING) *nonmedical assistance* residents shall be effective unless the nursing home notifies the resident or person responsible for payment of the increase in writing 30 days before the increase takes effect.

A nursing home may adjust its rates without giving the notice required by this subdivision when the purpose of the rate adjustment is to (: (A)) reflect a necessary change in the level of care

provided to a resident ( ; OR (B) RETROACTIVELY OR PROSPECTIVELY EQUALIZE PRIVATE PAY RATES WITH RATES CHARGED TO MEDICAL ASSISTANCE RECIPIENTS AS REQUIRED BY SECTION 256B.48, SUBDIVISION 1, CLAUSE (A) AND APPLICABLE FEDERAL LAW).

(SUBD. 5. THE COMMISSIONER SHALL PROMULGATE RULES NO LATER THAN AUGUST 1, 1980, TO AMEND THE CURRENT RULES GOVERNING NURSING HOME REIMBURSEMENT, IN ACCORDANCE WITH SECTIONS 15.0411 TO 15.052, TO ALLOW PROVIDERS TO ALLOCATE THEIR RESOURCES IN ORDER TO PROVIDE AS MANY NURSING HOURS AS NECESSARY WITHIN THE TOTAL COST LIMITATIONS OF THE PER DIEM ALREADY GRANTED.)

Sec. 5. Minnesota Statutes 1980, Section 256B.48, is amended to read:

256B.48 [CONDITIONS FOR PARTICIPATION.]

Subdivision 1. [PROHIBITED PRACTICES.] (NO) A nursing home (SHALL BE) *is not* eligible to receive medical assistance payments unless it agrees in writing that it will refrain from:

(a) (CHARGING NONMEDICAL ASSISTANCE RESIDENTS RATES FOR SIMILAR SERVICES WHICH EXCEED BY MORE THAN TEN PERCENT THOSE RATES WHICH ARE APPROVED BY THE STATE AGENCY FOR MEDICAL ASSISTANCE RECIPIENTS. FOR NURSING HOMES CHARGING NONMEDICAL ASSISTANCE RESIDENTS RATES LESS THAN TEN PERCENT MORE THAN THOSE RATES WHICH ARE APPROVED BY THE STATE AGENCY FOR MEDICAL ASSISTANCE RECIPIENTS, THE MAXIMUM DIFFERENTIAL IN RATES BETWEEN NONMEDICAL ASSISTANCE RESIDENTS AND MEDICAL ASSISTANCE RECIPIENTS SHALL NOT EXCEED THAT DIFFERENTIAL WHICH WAS IN EFFECT ON APRIL 13, 1976. IF A NURSING HOME HAS EXCEEDED THIS DIFFERENTIAL SINCE APRIL 13, 1976, IT SHALL RETURN THE AMOUNT COLLECTED IN EXCESS OF THE ALLOWABLE DIFFERENTIAL STATED BY THIS SUBDIVISION TO THE NONMEDICAL ASSISTANCE RESIDENT, OR THAT PERSON'S REPRESENTATIVE, BY JULY 1, 1977. EFFECTIVE JULY 1, 1978, NO NURSING HOME SHALL BE ELIGIBLE FOR MEDICAL ASSISTANCE IF IT CHARGES NONMEDICAL ASSISTANCE RECIPIENTS) *Charging nonmedical assistance residents rates for similar services which exceed those which are approved by the state agency for medical assistance recipients ( ; PROVIDED, HOWEVER, THAT) except under the following circumstances: the nursing home may (1) charge nonmedical assistance residents a higher rate for a private room, and (2) charge for special services*



which are not included in the daily rate if medical assistance (PATIENTS) residents are charged separately at the same rate for the same services in addition to the daily rate paid by the (STATE AGENCY;) commissioner. A nursing home that charges a nonmedical assistance resident a rate in violation of this clause is subject to an action by the state of Minnesota or any of its subdivisions or agencies for civil damages. A non-medical assistance resident or his legal representative has a cause of action for civil damages against a nursing home that charges him rates in violation of this clause. The damages awarded shall include three times the payments that result from the violation, together with costs and disbursements, including reasonable attorneys' fees or their equivalent. The prohibition set forth in this clause shall not apply to facilities licensed as boarding care facilities.

(b) Requiring an applicant for admission to the home, or the guardian or conservator of the applicant, as a condition of admission, to pay an admission fee in excess of \$100, loan any money to the nursing home, or promise to leave all or part of the applicant's estate to the home; and

(c) Requiring any resident of the nursing home to utilize a vendor of health care services who is a licensed physician or pharmacist chosen by the nursing home.

The prohibitions set forth in clause (b) shall not apply to a retirement home with more than 325 beds including at least 150 licensed nursing home beds and which:

(1) is owned and operated by an organization tax-exempt under section 290.05, subdivision 1, clause (i); and

(2) at the time of admission places all of the applicant's assets which are required to be assigned to the home in a trust account from which only expenses for the cost of care of the applicant may be deducted; and

(3) agrees in writing at the time of admission to the home to permit the applicant, or his guardian, or conservator, to examine the records relating to the individual's trust account upon request, and to receive an audited statement of the expenditures from his individual account upon request; and

(4) agrees in writing at the time of admission to the home to permit the applicant to withdraw from the home at any time and to receive, upon withdrawal, all of the unexpended funds remaining in his individual trust account (; AND)

((5) WAS IN COMPLIANCE WITH PROVISIONS (1) TO (4) AS OF JUNE 30, 1976).

Subd. 2. [REPORTING REQUIREMENTS.] (EFFECTIVE JULY 1, 1976, NO) A nursing home (SHALL BE) *is not* eligible to receive medical assistance payments unless it agrees in writing to:

(a) *No later than March 31 of each year, provide the (STATE AGENCY) commissioner with its most recent (1) balance sheet and statement of revenues and expenses, including a statement of the rate or rates charged to nonmedical assistance residents, as audited by a certified public accountant licensed by this state or by a public accountant as defined in section 412.222; (2) statement of ownership for the nursing home; and (3) a separate audited balance sheet and statement of revenues and expenses for each nursing home if more than one nursing home or other business operation is owned by the same owner; a governmentally owned nursing home may comply with the auditing requirements of this clause by submitting an audit report prepared by the state auditor's office. The commissioner shall audit cost reports as required by section 256B.27, subdivision 2a;*

(b) *No later than March 31 of each year, provide to the commissioner the information and supporting documents that the commissioner requires for determining payment rates. The commissioner shall prescribe, by rule, the information necessary for determining payment rates;*

((B)) (c) Provide the (STATE AGENCY) commissioner with copies of leases, purchase agreements and other related documents related to the lease or purchase of the nursing home (;) and

((C) PROVIDE TO THE STATE AGENCY UPON REQUEST COPIES OF LEASES, PURCHASE AGREEMENTS, OR SIMILAR DOCUMENTS FOR) *to the purchase or acquisition of equipment, goods and services which are claimed as allowable costs.*

Subd. 3. [INCOMPLETE OR INACCURATE REPORTS.] The (STATE AGENCY MAY) *commissioner shall reject any annual cost report filed by a nursing home pursuant to this chapter if (IT) the commissioner determines that the report or the information required in subdivision 2, clause (a) has been filed in a form that is incomplete or inaccurate. In the event that a report is rejected pursuant to this subdivision, the (STATE AGENCY MAY) commissioner shall make payments to a nursing home at (THE) its most recently established rate (DETERMINED FOR ITS PRIOR FISCAL YEAR, OR AT AN INTERIM RATE ESTABLISHED BY THE STATE AGENCY,) until the information is completely and accurately filed.*

Subd. 4. [EXTENSIONS; AMENDMENTS.] *Upon written request submitted to the commissioner no later than March 15, the commissioner may grant a 30-day extension of the reporting deadline to a nursing home in unusual circumstances. A nursing*

home shall submit amendments to a previously filed report when it discovers errors or omissions in the report.

**Subd. 5. [FALSE REPORTS.]** If a nursing home knowingly supplies inaccurate or false information in a required report that results in an overpayment, the commissioner shall: (a) immediately adjust the nursing home's payment rate to recover the entire overpayment within the rate year; or (b) terminate the commissioner's agreement with the nursing home; or (c) prosecute under applicable state or federal law; or (d) use any combination of the foregoing actions.

## **Sec. 6. [256B.49] [EXCEPTIONS.]**

**Subdivision 1. [PROGRAM CHANGES.]** The commissioner shall grant an exception to an operating cost payment rate only if (a) the cost cannot be met through the payment rate determined under section 3, subdivision 1, including the efficiency incentive; and (b) the exception is related to direct resident care needs, changes in the scope of the care program offered to residents, or compliance with regulatory standards that affect direct resident care. The commissioner shall establish, by rule, procedures and standards to implement this section. The commissioner shall establish a seven-member committee to review applications for exceptions to the operating cost payment rates and make recommendations to the commissioner.

The commissioner shall appoint committee members as follows: a representative from the department of public welfare; a representative from the department of health; a representative of nursing home providers; a representative of consumers of nursing home services; two persons experienced in long-term care, at least one of whom is knowledgeable in health economics; and a representative of the county board of commissioners from the county in which the nursing home applying for an exception is located. The commissioner of health shall provide technical assistance as the committee requests.

Without requiring committee review, the commissioner shall act on a request for an exception to an operating cost payment rate for the costs of nursing care in excess of any limits on hours of nursing care if the commissioner of health issues a correction order under section 144A.10, subdivision 4, directing the nursing home to provide the additional nursing care.

**Subd. 2. [APPLICATIONS.]** A nursing home shall submit a written application for an exception no later than December 31 for an exception that might affect the payment rate to become effective the following July 1. A nursing home shall apply for an exception relating to a correction order as soon as possible after receiving notice of the correction order. The commissioner shall notify the nursing home within 60 days after receiving the

*application of the commissioner's approval or denial of the request, including a written explanation of the decision.*

Sec. 7. [256B.50] [APPEALS.]

*A nursing home may appeal a decision arising from the application of standards or methods pursuant to sections 256B.41, 256B.47, 256B.48 and sections 2, 3, 6, 7, and 8 if the appeal, if successful, would result in a change to the nursing home's payment rate. An appealable decision is a decision such as an operating cost determination, rent determination, appraisal, or exception decision. To appeal, the nursing home shall submit a written appeal request within 30 days of receiving notice of the payment rate determination or decision. The request shall specify each disputed item, the reason for the dispute, an estimate of the dollar amount involved and such other information as may be required by the commissioner. The appeal shall be heard by a hearing examiner according to section 15.052. To challenge the validity of rules established by the commissioner pursuant to sections 256B.41, 256B.47, 256B.48 and sections 2, 3, 6, 7, and 8 a nursing home shall comply with section 15.0416.*

Sec. 8. [256B.502] [TEMPORARY RULES.]

*To implement sections 256B.41, 256B.47, 256B.48 and sections 2, 3, 6, and 7 the commissioner shall promulgate temporary rules in accordance with section 15.0412, subdivision 5.*

Sec. 9. [REPEALER.]

*Minnesota Statutes 1980, Sections 256B.42; 256B.43; 256B.44; 256B.45; and 256B.46 are repealed.*

Sec. 10. [APPROPRIATION.]

*A sum of \$265,000 is appropriated to the commissioner of public welfare to arrange for appraisals by the commissioner of revenue.*

Sec. 11. [EFFECTIVE DATE.]

*Sections 1 to 10 are effective July 1, 1982 for establishing procedures for determining payment rates to become effective July 1, 1983 and thereafter."*

Amend the title as follows:

Page 1, line 3, after the semicolon insert "appropriating money;"

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

The report was adopted.

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

H. F. No. 1542, A bill for an act relating to metropolitan government; regulating the organization, duties and powers of the metropolitan mosquito control district and commission; amending Minnesota Statutes 1980, Sections 473.701, Subdivisions 1, 2 and 3; 473.702; 473.703, Subdivisions 1, 2 and by adding a subdivision; 473.704, Subdivisions 1, 5, 13, 14 and 17; 473.705; and 473.706; proposing new law coded in Minnesota Statutes, Chapter 473; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.703, Subdivisions 3, 4, 5, 6, 8, and 9; 473.704, Subdivisions 2, 3, 4, 6, and 15; 473.711; 473.713; 473.714; 473.715; and 473.717.

Reported the same back with the following amendments:

Page 1, line 20, strike "473.717" and insert "473.716"

Page 2, line 5, delete "473.703" and insert "473.702"

Page 2, line 8, after "AREA" insert "; GOVERNING BODY"

Page 2, line 13, after the period insert "*The metropolitan mosquito control commission is created as the governing body of the district, composed and exercising the powers as prescribed in sections 473.701 to 473.716.*"

Pages 2, 3 and 4, delete sections 5, 6, 7, 8, 9, 10, and 11

Page 4, lines 7 to 10, reinstate the stricken language and delete the new language

Page 4, lines 16 to 18, reinstate the stricken language and delete the new language

Page 4, line 21, after the period insert "*The commissioner of natural resources shall allow the commission to enter upon state property for the purposes described in this subdivision.*"

Page 4, line 21, delete "They" and insert "The commission"

Page 4, line 23, after the period, insert "*The commission shall not enter upon private property if the owner objects.*"

Page 4, delete lines 24 to 36

Pages 5 and 6, delete lines 1 to 36

Page 7, delete lines 1 to 20 and insert:

"Sec. 6. Minnesota Statutes 1980, Section 473.711, Subdivision 2, is amended to read:

Subd. 2. *The commission shall prepare an annual budget. The budget may provide for expenditures in an amount not exceeding six-tenths of one mill times the current assessed valuation of the metropolitan area. Each county in the district shall levy a special tax each year in order to defray its share of the cost of the activities of the commission (, WHICH). The share shall be (BASED ON POPULATION) per capita based upon the most recent population estimate made by the metropolitan council. (SUCH) The levy where necessary may be made separate from the general levy of the county and may be made at any time of the year (, HOWEVER,). No (PARTICIPATING) county shall levy any tax for mosquito control except under sections 473.701 to (473.717) 473.716. The levy shall be in addition to other taxes authorized by law and shall be disregarded in the calculation of limits on taxes imposed by chapter 275."*

Renumber sections

Page 7, line 23, delete everything after "6;"

Page 7, line 24, delete "Subdivisions 2, 3, 4, 6, and 15; 473.711;" and "473.714;"

Page 7, line 25, delete "473.715;"

Amend the title as follows:

Page 1, line 4, after "commission;" insert "authorizing taxes;"

Page 1, line 6, delete "473.703,"

Page 1, delete lines 7 to 14 and insert "473.704, Subdivision 17; and 473.711, Subdivision 2; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.713; and 473.717."

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

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

H. F. No. 1581, A bill for an act relating to judicial procedure; providing an alternative time for a guardian or conservator to file an annual report; amending Minnesota Statutes 1981 Supplement, Section 525.58, Subdivision 1.

Reported the same back with the following amendments:

Page 1, line 11, after "waived" insert "or modified"

Page 1, lines 12 and 13, reinstate the stricken language

Page 1, lines 15 to 19, delete the new language

Page 2, after line 20, insert a new section to read:

"Sec. 2. [EFFECTIVE DATE.]

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

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1717, A bill for an act relating to agriculture; requiring the commissioner of agriculture to make certain rules relating to milk for manufacturing purposes; proposing new law coded in Minnesota Statutes, Chapter 32.

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

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

H. F. No. 1743, A bill for an act relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

Reported the same back with the following amendments:

Page 1, line 15, after the period, insert "*A court requiring an appearance is liable for all transportation and other costs incurred with respect to the production of the confined person.*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1879, A bill for an act relating to energy; transferring certain duties to the commissioner of the department

of energy, planning and development; providing for local zoning of wind energy conversion systems; changing certain procedures; defining certain terms; regulating residential energy sales practices; authorizing wind easements for the operation of wind energy conversion systems; amending Minnesota Statutes 1980, Sections 16.86, Subdivisions 4 and 5; 116H.02, Subdivision 5, and by adding a subdivision; 394.25, Subdivision 2; 462.357, Subdivision 1; and 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.085; 116H.088, Subdivision 1; 116H.09, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.12, Subdivision 4; 116H.128; 116H.13, Subdivision 8; and 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; 116H.19, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 116H.19, Subdivision 1.

Reported the same back with the following amendments:

Page 10, line 2, strike "of administration, in"

Page 10, line 3, strike "consultation with the commissioner,"

Page 10, line 12, delete "*promulgated*" and insert "*adopted*"

Page 10, line 14, after "*code*" insert a period and delete the balance of the line

Page 10, delete line 15

Page 11, after line 11, insert:

"Sec. 16. Minnesota Statutes 1980, Section 116H.15, Subdivision 1, is amended to read:

Subdivision 1. Any person who violates (SECTIONS 116H.01 TO 116H.15,) *any provision of this chapter or section 325F.20 (,) or 325F.21, or any rule or regulation promulgated thereunder, or knowingly submits false information in any report required by (SECTIONS 116H.01 TO 116H.15,) this chapter or section 325F.20 (,) or 325F.21 shall be guilty of a misdemeanor. Each day of violation shall constitute a separate offense.*

Sec. 17. Minnesota Statutes 1981 Supplement, Section 116H.15, Subdivision 2, is amended to read:

Subd. 2. The provisions of *this chapter and sections (116H.01 TO 116H.15,) 325F.20 (,) and 325F.21, or any rules or regulations promulgated hereunder may be enforced by injunction, action to compel performance or other appropriate action in the*



district court of the county wherein the violation takes place. The attorney general shall bring any action under this subdivision upon the request of the commissioner, and the existence of an adequate remedy at law shall not be a defense to an action brought under this subdivision.

Sec. 18. Minnesota Statutes 1980, Section 116H.15, Subdivision 3, is amended to read:

Subd. 3. When the court finds that any person has violated (SECTIONS 116H.01 TO 116H.15,) *any provision of this chapter or section 325F.20 (,) or 325F.21, or any rule or regulation thereunder, has knowingly submitted false information in any report required by (SECTIONS 116H.01 TO 116H.15,) this chapter or section 325F.20 (,) or 325F.21, or has violated any court order issued under sections (116H.01 TO 116H.15,) this chapter or section 325F.20 (,) or 325F.21, the court may impose a civil penalty of not more than \$10,000 for each violation. These penalties shall be paid to the general fund in the state treasury."*

Page 12, line 6, delete "*energy*" and insert "*natural gas*"

Page 12, lines 7 and 8, delete "*and using a computerized billing system*" and insert "*, and electrical suppliers serving cities of the first and second class,*"

Page 15, after line 35, insert a new section to read:

"Sec. 25. [EFFECTIVE DATE.]

*Sections 1, 2 and 13 shall be effective the day following final enactment."*

Renumber the sections

Amend the title as follows:

Page 1, line 11, after the first semicolon, insert "116H.15, Subdivisions 1 and 3;"

Page 1, after line 17, after "Subdivision 8;" insert "116H.15, Subdivision 2;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1899, A bill for an act relating to local government; allowing towns and cities to set license fees for cigarette sellers; amending Minnesota Statutes 1980, Section 461.12.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1980, Section 375.12, Subdivision 1, is amended to read:

Subdivision 1. The county board shall cause the official proceedings of its sessions to be published in some qualified newspaper produced and published in its county, which publication shall be let annually by contract to the lowest bidder, at the first regular session of the board in January each year. *The board may elect to publish all or any part of the official proceedings; provided that in the case of partial publication, the published proceedings shall indicate in what respect they are incomplete.* In each county whose population exceeds 600,000, the proceedings shall be published in a daily newspaper. The board may reject any offer if, in its judgment, the public interests so require, and may thereupon designate a newspaper without regard to any rejected offer. In any county whose population exceeds 50,000, and is less than 250,000, the proceedings may be published in one daily and one weekly newspaper at their respective county seats. If the official newspaper of the county shall cease to exist for any reason, except by consolidation with another newspaper, the county board shall have authority to designate another newspaper for the remainder of the year. For the purpose of this section, a newspaper is produced and published in the county if it has in the county its known office of issue, as such term is defined in section 331.02, and if it does its typographic composition or presswork or both in the county."

Renumber the section

Amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing county boards to publish its official proceedings completely or partially;"

Page 1, line 4, delete "Section" and insert "Sections 375.12, Subdivision 1; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

H. F. No. 1997, A bill for an act relating to bankruptcy exemptions; providing that married couples filing petitions in bankruptcy must both select either the state or the federal bankruptcy exemptions; proposing new law coded in Minnesota Statutes, Chapter 550.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [550.371] [EXEMPTIONS IN JOINT BANKRUPTCY.]

*Subdivision 1. [APPLICABLE LAW.] Except as provided in this section, the exemptions set forth in subsection (d) of Section 522 of the Bankruptcy Act, 11 United States Code Section 522(d), shall be available to residents of this state.*

*Subd. 2. [JOINT PETITION.] When a husband and wife are joined in a petition for bankruptcy, they may jointly elect to utilize either the applicable exemption provisions pursuant to Minnesota law or pursuant to subsection (d) of Section 522 of the Bankruptcy Act, 11 United States Code Section 522(d), but not both.*

*Subd. 3. [INDIVIDUAL PETITION.] When a petition for bankruptcy is filed individually, and not jointly, for a husband or a wife, (a) one spouse shall not claim any exemption pursuant to Minnesota law if the other spouse has claimed any exemption under subsection (d) of Section 522 of the Bankruptcy Act, 11 United States Code Section 522(d); and (b) one spouse shall not claim any exemption pursuant to subsection (d) of Section 522 of the Bankruptcy Act, 11 United States Code Section 522(d), if the other spouse has claimed any exemption pursuant to Minnesota law.*

*Subd. 4. [MARITAL STATUS DETERMINED.] For the purposes of this section, persons shall be considered to be husband and wife if they are married at the time of the filing of the first individual or joint petition for bankruptcy by either of them unless a decree of separation or temporary order of separation of the parties is issued prior to the time the petition is filed.*

Sec. 2. [EFFECTIVE DATE.]

*This act shall be effective the day following final enactment and shall apply to bankruptcies filed on or after that date."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

H. F. No. 2008, A bill for an act relating to crimes; providing for the protection of the victims of criminal sexual conduct and intrafamilial sexual abuse; amending Minnesota Statutes 1981 Supplement, Section 15.791, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 631.

Reported the same back with the following amendments:

Page 1, line 19, before the semicolon, insert "*or of a violation of 617.246, subdivision 1*"

Page 2, after line 4, insert:

"Sec. 2. [15.7915] [SEXUAL ASSAULT DATA.]

*Subdivision 1. [DEFINITIONS.] (a) "Community based program" means any office, institution, or center offering assistance to victims of sexual assault and their families through crisis intervention, medical, and legal accompaniment and subsequent counseling.*

*(b) "Sexual assault counselor" means a person who has undergone at least 40 hours of crisis counseling training and works under the direction of a supervisor in a crisis center, whose primary purpose is the rendering of advice, counseling, or assistance to victims of sexual assault.*

*(c) "Victim" means a person who consults a sexual assault counselor for the purpose of securing advice, counseling, or assistance concerning a mental, physical, or emotional condition caused by a sexual assault.*

*(d) "Confidential communication data" means all information transmitted in confidence between a victim of sexual assault and a sexual assault counselor and all other information received by the sexual assault counselor in the course of providing assistance to the victim. The victim shall be deemed the subject of confidential communication data.*

*Subd. 2. [CLASSIFICATION.] All confidential communication data is classified as private data on individuals.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 595.02, 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 the attorney be examined as to the 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 the 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 the 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 the deceased person for the purpose of waiving this privilege, and no oral or written waiver of the privilege shall have any binding force or effect except when 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. This exception does not apply to a child under ten years of age, in a criminal proceeding for intrafamilial sexual abuse as defined in section 609.364, subdivision 10, or in a criminal proceeding under sections 609.342 clause (a), 609.343 clause (a), 609.344 clause (a), or 609.345 clause (a), who is able to describe or relate in language appropriate for a child of that age the events or facts respecting which the child is examined;

(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 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;

(9) A parent or his minor child may not be examined as to any communication made in confidence by the minor to his parent. A communication is confidential if made out of the presence of persons not members of the child's immediate family living in the same household. This exception may be waived by express consent to disclosure by a parent entitled to claim the privilege or by the child who made the communication, or by failure of the child or parent to object when the contents of a communication are demanded. This exception does not apply to a civil action or proceeding by one spouse against the other or by a parent or child against the other, nor to a proceeding to commit either the child or parent to whom the communication was made or to place the person or property or either under the control of another because of his alleged mental or physical condition, nor to a criminal action or proceeding in which the parent is charged with a crime committed against the person or property of the communicating child, the parent's spouse, or a child of either the parent or the parent's spouse, or in which a child is charged with a crime or act of delinquency committed against the person or property of a parent or a child of a parent, nor to an action or proceeding for termination of parental rights, nor any other action or proceeding on a petition alleging child abuse, child neglect, abandonment or nonsupport by a parent;

*(10) Sexual assault counselors as defined in section 1 may not be compelled to testify about any opinion or information received from or about the victim without the consent of the victim. However, a counselor may be compelled to identify or disclose information in investigations or proceedings related to neglect or termination of parental rights if the court determines good cause exists. In determining whether to compel disclosure, the court shall weigh the public interest and need for disclosure against the effect on the victim, the treatment relationship, and the treatment services if disclosure occurs."*

**Renumber the sections**

Page 2, line 8, after "609.3644," insert "or 617.246, subdivision 1,"

Page 2, delete line 21, and insert "Sections 1, 2, and 4 are effective the day following final enactment. Section 3 is effective August 1, 1982 and applies to court proceedings commenced on and after that date."

**Amend the title as follows :**

Page 1, line 4, after the semi-colon, insert "classifying data ; specifying the competency of witnesses ;"

Page 1, line 6, after the semi-colon, insert "and 595.02 ;"

Page 1, line 7, delete "Chapter" and insert "Chapters 15 and"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2122, A bill for an act relating to the city of Roseville; providing an exception from the Roseville police civil service system for the chief and deputy chief of police.

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

The report was adopted.

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

H. F. No. 2152, A bill for an act relating to metropolitan government; transferring appropriations from the commissioner of transportation to the legislative auditor for an evaluation of the performance of the metropolitan transit commission.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [APPROPRIATION; TRANSIT PERFORMANCE EVALUATION.]**

*The appropriation in Minnesota Laws 1981, Chapter 363, Section 55, Subdivision 1, Clause (a), as amended, is reduced by \$50,000; and this sum is appropriated to a special contingent account for an evaluation of the metropolitan transit commission's performance in delivering regular route transit services, including express service, in the metropolitan area. These funds shall be released to the office of the legislative auditor after submission of a plan to the chairmen of the house local and urban affairs committee and the senate transportation committee. The evaluation shall consider the quality, the efficiency, and the economy of service, in comparison with other metropolitan transit operations and industry standards, and the effectiveness of service in achieving the goals of the legislature, the metropolitan council, and the transit commission. The evaluation shall be based upon, and shall suggest, appropriate performance standards relating at least to: (a) service design and orientation, for example route layout, directness, frequency, stops, and shelters; (b) operating performance, for example operating speed, passenger loading, schedule adherence, dependability, complaints, and labor productivity; and (c) revenue to cost ratios.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective the day following final enactment."*

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

The report was adopted.

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

H. F. No. 2169, A bill for an act relating to public welfare; designating the commissioner of public welfare as the state authority for federal mental health, alcohol and drug abuse block grants; prescribing a formula for distribution of federal funds to counties and defining duties of counties in the use of the funds; amending Minnesota Statutes 1980, Sections 245.70; and



245.71; proposing new law coded in Minnesota Statutes, Chapter 245.

Reported the same back with the following amendments:

Page 2, line 7, delete "*Public Law Number 97-35*" and insert "*United States Code, Title 42, Sections 300X to 300X-9*"

Page 5, lines 1, 13, and 36 delete "*Public Law Number 97-35*" and insert "*United States Code, Title 42, Sections 300X to 300X-9*"

Page 6, line 1, delete "*by the governor*"

Page 6, line 8, delete "*Public Law Number 97-35*" and insert "*United States Code, Title 42, Sections 300X to 300X-9*"

Page 6, line 27, delete "*other*"

Page 8, line 9, after "*funds*" insert "*pursuant to section 9*"

Page 8, after line 15, insert:

"Sec. 11. Minnesota Statutes 1981 Supplement, Section 254A.03, Subdivision 1, is amended to read:

254A.03 [STATE AUTHORITY ON ALCOHOL AND DRUG ABUSE.]

Subdivision 1. There is hereby created an alcohol and other drug abuse section in the department of public welfare. This section shall be headed by a director who shall be in the unclassified service. The section shall:

(a) conduct and foster basic research relating to the cause, prevention and methods of diagnosis, treatment and rehabilitation of alcoholic and other drug dependent persons;

(b) coordinate all activities and programs of all the various state departments as they relate to alcohol and other drug dependency and abuse problems;

(c) develop and demonstrate new methods and techniques for the prevention, treatment and rehabilitation of alcohol and other drug abuse and dependency problems;

(d) gather and disseminate facts and information about alcoholism and other drug dependency and abuse to public and private agencies and the courts so requesting such information for guidance to and assistance in prevention, treatment and rehabilitation;

(e) inform and educate the general public on alcohol and other drug dependency and abuse problems;

(f) serve as the state authority concerning alcohol and other drug dependency and abuse;

(g) establish a state plan which shall set forth goals and priorities within a comprehensive alcohol and other drug dependency and abuse program for Minnesota. All governmental units operating alcohol and other drug abuse or dependency programs or administering state or federal funds for such programs shall annually set their program goals and priorities;

(h) make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals, using federal funds, and state funds as authorized to pay for costs of state administration, including evaluation, statewide programs and services, research and demonstration projects, and American Indian programs;

(i) *receive and administer monies available for alcohol and drug abuse programs under the alcohol, drug abuse, and mental health services block grant, United States Code, Title 42, Section 300X to 300X-9;*

((I)) (j) solicit and accept any gift of money or property for purposes of Laws 1973, Chapter 572, and any grant of money, services, or property from the federal government, the state, any political subdivision thereof, or any private source;

((J)) (k) with respect to alcohol and other drug abuse programs serving the American Indian community, establish guidelines for the employment of personnel with considerable practical experience in alcohol and other drug abuse problems, and understanding of social and cultural problems related to alcohol and other drug abuse, in the American Indian community.

Sec. 12. Minnesota Statutes 1980, Section 254A.16, is amended by adding subdivisions to read:

*Subd. 3. The commissioner shall report to the appropriate legislative committees annually with respect to the alcohol and drug abuse provisions of the proposed plan which the state agency intends to submit to the secretary of health and human services in satisfaction of the requirements of United States Code, Title 42, Section 300X-4.*

*Subd. 4. The commissioner shall provide to the legislature an annual report detailing expenditures made by the state authority for alcohol and drug abuse programs from funds received pursuant to United States Code, Title 42, Sections 300X - 300X-9.*

*The report shall include a specific evaluation of the effectiveness of services provided in achieving the goals and priorities listed in the state plan prepared pursuant to section 254A.03. The first report shall include an assessment of expenditures made during state fiscal year 1983 and shall be presented to the legislature by January 1, 1984. Subsequent reports shall be presented annually."*

Renumber the remaining section

Amend the title as follows:

Page 1, line 8, delete "and" and after "245.71;" insert "and 254A.16, by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 254A.03, Subdivision 1;"

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

The report was adopted.

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

S. F. No. 272, A bill for an act relating to children; prohibiting neglect and abuse of children; amending Minnesota Statutes 1980, Sections 626.556, Subdivision 2, and by adding a subdivision; and 626.557, Subdivision 19.

Reported the same back with the following amendments:

Page 1, line 8, delete "1980" and insert "1981 Supplement"

Page 1, line 16, before the period, insert " , or sections 609.364 to 609.3644"

Page 2, after line 28, insert:

"Sec. 3. Minnesota Statutes 1980, Section 626.557, Subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific context indicates otherwise.

(a) "Facility" means a hospital or other entity required to be licensed pursuant to sections 144.50 to 144.58; a nursing home required to be licensed pursuant to section 144A.02; an agency, day care facility, or residential facility required to be licensed pursuant to sections 245.781 to 245.812; a mental health program receiving funds pursuant to section 245.61; or any entity re-

quired to be certified for participation in Titles XVIII or XIX of the Social Security Act, 42 U.S.C. 1395 et seq.

(b) "Vulnerable adult" means any person 18 years of age or older:

(1) Who is a resident or patient of a facility;

(2) Who receives services at or from a facility required to be licensed pursuant to sections 245.781 to 245.812; or

(3) Who, regardless of residence, is unable or unlikely to report abuse or neglect without assistance because of impairment of mental or physical function or emotional status.

(c) "Caretaker" means an individual or facility who has responsibility for the care of a vulnerable adult as a result of family relationship, or who has assumed responsibility for all or a portion of the care of a vulnerable adult voluntarily, or by contract, or agreement.

(d) "Abuse" means:

(1) Any act which constitutes a violation of sections 609.322, 609.342, 609.343, 609.344, or 609.345; or

(2) The intentional and nontherapeutic infliction of physical pain or injury, or any persistent course of conduct intended to produce mental or emotional distress.

(e) "Neglect" means failure by a caretaker to supply the vulnerable adult with necessary food, clothing, shelter, health care or supervision.

(f) "Report" means any report received by the local welfare agency, police department, county sheriff, or licensing agency pursuant to this section.

(g) "Licensing agency" means:

(1) The commissioner of health, for facilities as defined in clause (a) which are required to be licensed or certified by the department of health;

(2) The commissioner of public welfare, for facilities required by sections 245.781 to 245.813 to be licensed;

(3) Any licensing board which regulates persons pursuant to section 214.01, *subdivision 2*; and

(4) Any agency responsible for credentialing human services occupations."

Renumber the sections

Amend the title as follows:

Page 1, delete line 2 and insert "relating to public welfare; requiring certain facilities to safeguard the well-being of persons in their care; specifying persons mandated to report; providing penalties;"

Page 1, line 3, delete "children;"

Page 1, line 4, delete "Subdivision 2, and"

Page 1, line 5, delete "and" and delete "Subdivision" and insert "Subdivisions 2 and" and before the period insert "; Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 2

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

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

S. F. No. 1015, A bill for an act relating to civil actions; limitations of actions; providing that actions for malpractice against health care professionals and veterinarians be commenced within two years; amending Minnesota Statutes 1980, Sections 145.61, Subdivision 2; and 541.07.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 917, 1246, 1336, 1581, 1743, 1879, 1899, 1997 and 2008 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1878, 1521, 1644, 1695, 272 and 1015 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Sieben, M., and Laidig introduced :

H. F. No. 2251, A bill for an act relating to public welfare; allowing the commissioner of public welfare to designate that certain license fees can be retained by counties; amending Minnesota Statutes 1980, Section 245.811.

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

Searles introduced :

H. F. No. 2252, A bill for an act relating to local government; providing initial conditions for the establishment of charter commissions and charters; amending Minnesota Statutes 1980, Section 410.05, Subdivision 1, and by adding a subdivision.

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

Skoglund, Vanasek, Munger, Begich and Jacobs introduced :

H. F. No. 2253, A bill for an act relating to taxation; real property; granting seasonal residential recreational property classification to unimproved lakeshore and riverfront property; amending Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 4.

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

Piepho introduced :

H. F. No. 2254, A bill for an act relating to local government; authorizing the city of Mankato and the city of North Mankato to impose a tax on the gross receipts from the furnishing of certain lodging.

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

Ellingson introduced :

H. F. No. 2255, A bill for an act relating to nonprofit corporations; providing an internal reference correction; amending Minnesota Statutes 1980, Section 317.16, Subdivision 2.

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

Wenzel, Gruenes, Osthoff, Dempsey and Brinkman introduced:

H. F. No. 2256, A bill for an act relating to health; health maintenance organizations; authorizing health maintenance organizations to exclude from coverage under health maintenance contracts health services objected to by certain parties on the grounds of conscience; amending Minnesota Statutes 1980, Section 62D.05, Subdivision 2.

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

Simoneau introduced:

H. F. No. 2257, A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; and Minnesota Statutes 1981 Supplement, Section 474.03.

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

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Hauge; Tomlinson; Clark, J.; Nelson, K., and Rose introduced:

H. A. No. 56, A proposal to study economic and job impacts on Minnesota from developing domestic energy sources.

The advisory was referred to the Committee on Energy.

#### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 1107.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 1107, A bill for an act relating to public welfare; authorizing the commissioner of public welfare to use money

in the revolving fund for vocational rehabilitation of the blind for certain purposes; removing the preference given to blind operators of vending machines who have resided in the state for a year; amending Minnesota Statutes 1980, Section 248.07, Subdivision 8.

The bill was read for the first time.

Murphy moved that S. F. No. 1107 and H. F. No. 1246, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSENT CALENDAR

H. F. No. 1456, A bill for an act relating to probate; changing certain records-keeping requirements; amending Minnesota Statutes 1980, Section 525.03; Laws 1979, Chapter 303, Article III, Section 43.

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 112 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1547, A bill for an act relating to intoxicating liquor; town board approval of certain county liquor licenses; amending Minnesota Statutes 1980, Section 340.119, by adding a subdivi-



sion; and Minnesota Statutes 1981 Supplement, Section 340.11, Subdivision 10.

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 114 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1646, A bill for an act relating to retirement; Buhl school district; altering the effective date of retirement for the payment of the post-retirement increase; requiring payment of necessary reserves.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Brinkman	Dean	Esau	Halberg
Ainley	Byrne	Dempsey	Evans	Harens
Anderson, B.	Carlson, D.	Den Ouden	Fjoslien	Hauge
Anderson, G.	Carlson, L.	Drew	Forsythe	Haukoos
Anderson, I.	Clark, J.	Eken	Frerichs	Heap
Berkelman	Clark, K.	Elioff	Greenfield	Heinitz
Blatz	Clawson	Ellingson	Gruenes	Himle
Brandl	Dahlvang	Erickson	Gustafson	Hoberg

Hokanson	Luknic	Ogren	Samuelson	Valento
Hokr	Mann	Onnen	Sarna	Vanasek
Jacobs	Marsh	Osthoff	Schafer	Vellenga
Jennings	McCarron	Otis	Schoenfeld	Voss
Johnson, C.	McDonald	Peterson, B.	Schreiber	Weaver
Jude	McEachern	Peterson, D.	Sherman	Welch
Kahn	Mehrkens	Piepho	Sherwood	Welker
Kaley	Minne	Pogemiller	Sieben, M.	Wenzel
Kalis	Munger	Redalen	Simoneau	Wieser
Kelly	Murphy	Reding	Skoglund	Wigley
Kvam	Nelsen, B.	Rees	Staten	Wynia
Laidig	Nelson, K.	Reif	Stowell	Zubay
Lehto	Niehaus	Rice	Stumpf	Spkr. Sieben, H.
Lemen	Norton	Rodriguez, C.	Svigum	
Levi	Novak	Rodriguez, F.	Swanson	
Long	Nysether	Rose	Tomlinson	
Ludeman	O'Connor	Rothenberg	Valan	

The bill was passed and its title agreed to.

H. F. No. 1663 was reported to the House.

Voss moved that H. F. No. 1663 be continued until Tuesday, March 2, 1982. The motion prevailed.

H. F. No. 1685, A bill for an act relating to the military; providing for the administration of oaths and acknowledgments by a member of the armed forces of the United States; amending Minnesota Statutes 1980, Sections 192.205, by adding a subdivision; and 358.32.

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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Jennings	Minne	Rodriguez, C.
Ainley	Elioff	Johnson, C.	Munger	Rodriguez, F.
Anderson, B.	Ellingson	Jude	Murphy	Rose
Anderson, G.	Erickson	Kahn	Nelsen, B.	Rothenberg
Anderson, I.	Esau	Kaley	Nelson, K.	Samuelson
Battaglia	Evans	Kalis	Niehaus	Sarna
Begich	Fjoslien	Kelly	Norton	Schafer
Berkelman	Forsythe	Kostohryz	Novak	Schoenfeld
Blatz	Frerichs	Kvam	Nysether	Schreiber
Brandl	Greenfield	Laidig	O'Connor	Sherman
Brinkman	Gruenes	Lehto	Ogren	Sherwood
Byrne	Gustafson	Lemen	Onnen	Sieben, M.
Carlson, D.	Halberg	Levi	Osthoff	Simoneau
Carlson, L.	Hauge	Long	Otis	Skoglund
Clark, J.	Haukoos	Ludeman	Peterson, B.	Stadum
Clark, K.	Heap	Luknic	Peterson, D.	Staten
Clawson	Helnitz	Mann	Piepho	Stumpf
Dahlvang	Himle	Marsh	Pogemiller	Svigum
Dean	Hoberg	McCarron	Redalen	Swanson
Dempsey	Hokanson	McDonald	Reding	Tomlinson
Den Ouden	Hokr	McEachern	Rees	Valan
Drew	Jacobs	Mehrkens	Reif	

Valento  
Vanasek  
Vellenga

Voss  
Weaver  
Welch

Welker  
Wenzel  
Wieser

Wigley  
Wynia  
Zubay

Spkr. Sieben, H.

The bill was passed and its title agreed to.

H. F. No. 1700, A bill for an act relating to the military; prohibiting entry to Camp Ripley without authorization of the adjutant general; imposing a penalty; amending Minnesota Statutes 1980, Sections 609.60 and 609.605.

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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1725, A bill for an act relating to the military; increasing the minimum pay for enlisted personnel called into active service; amending Minnesota Statutes 1980, Section 192.51, Subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1902, A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

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

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Himle	Luknic	Otis
Ainley	Drew	Hoberg	Mann	Peterson, B.
Anderson, B.	Eken	Hokanson	Marsh	Peterson, D.
Anderson, G.	Elioff	Hokr	McCarron	Piepho
Anderson, I.	Ellingson	Jacobs	McDonald	Pogemiller
Battaglia	Erickson	Jennings	McEachern	Redalen
Begich	Esau	Johnson, C.	Mehrkens	Reding
Berkelman	Evans	Jude	Minne	Rees
Blatz	Fjoslien	Kahn	Munger	Reif
Brandl	Forsythe	Kaley	Murphy	Rice
Brinkman	Frerichs	Kalis	Nelsen, B.	Rodriguez, C.
Byrne	Greenfield	Kelly	Nelson, K.	Rodriguez, F.
Carlson, D.	Gruenes	Kostohryz	Niehaus	Rose
Carlson, L.	Gustafson	Kvam	Norton	Rothenberg
Clark, J.	Halberg	Laidig	Novak	Samuelson
Clark, K.	Harens	Lehto	Nysether	Sarna
Clawson	Hauge	Lemen	O'Connor	Schafer
Dahlvang	Haukoos	Levi	Ogren	Schoenfeld
Dean	Heap	Long	Onnen	Schreiber
Dempsey	Heinitz	Ludeman	Osthoff	Sherman

Sherwood	Staten	Tomlinson	Voss	Wieser
Sieben, M.	Stowell	Valan	Weaver	Wigley
Simoneau	Stumpf	Valento	Welch	Wynia
Skoglund	Sviggum	Vanasek	Welker	Zubay
Stadum	Swanson	Vellenga	Wenzel	Spkr. Sieben, H.

The bill was passed and its title agreed to.

H. F. No. 1920, A bill for an act relating to economic development; excepting motor carriers from the definition of "business license;" amending Minnesota Statutes 1981 Supplement, Section 362.452, Subdivision 2a.

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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1948, A bill for an act relating to retirement; Richfield firefighters relief association; eliminating various obsolete special law provisions; validating certain prior payments or actions; amending Extra Session Laws 1961, Chapter 28, Section 14; repealing Extra Session Laws 1961, Chapter 28, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13; and Laws 1963, Chapter 464.

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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Kostohryz was excused between the hours of 12:30 p.m. and 4:00 p.m.

H. F. No. 2066, A bill for an act relating to local government; providing for city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

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

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, I.	Blatz	Carlson, D.	Clawson
Ainley	Battaglia	Brandl	Carlson, L.	Dahlvang
Anderson, B.	Begich	Brinkman	Clark, J.	Dean
Anderson, G.	Berkelman	Byrne	Clark, K.	Dempsey

Den Ouden	Hokr	McEachern	Redalen	Staten
Drew	Jacobs	Mehrkens	Reding	Stowell
Eken	Johnson, C.	Minne	Rees	Stumpf
Elioff	Jude	Munger	Reif	Swigum
Ellingson	Kahn	Murphy	Rice	Swanson
Erickson	Kaley	Nelsen, B.	Rodriguez, C.	Tomlinson
Esau	Kalis	Nelson, K.	Rodriguez, F.	Valan
Evans	Kelly	Niehaus	Rose	Valento
Fjoslien	Kvam	Norton	Rothenberg	Vanasek
Forsythe	Laidig	Novak	Samuelson	Vellenga
Frerichs	Lehto	Nysether	Sarna	Voss
Greenfield	Lemen	O'Connor	Schafer	Weaver
Gruenes	Levi	Ogren	Schoenfeld	Welch
Hauge	Long	Onnen	Schreiber	Welker
Haukoos	Ludeman	Osthooff	Sherman	Wenzel
Heap	Luknic	Otis	Sherwood	Wieser
Heinitz	Mann	Peterson, B.	Sieben, M.	Wigley
Himle	Marsh	Peterson, D.	Simoneau	Wynia
Hoberg	McCarron	Piepho	Skoglund	Zubay
Hokanson	McDonald	Pogemiller	Stadum	Spkr. Sieben, H.

The bill was passed and its title agreed to.

H. F. No. 2068, A bill for an act relating to intoxicating liquor; authorizing the city of International Falls to issue one short term on-sale liquor license.

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 93 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Ainley	Evans	Long	Peterson, B.	Skoglund
Anderson, B.	Fjoslien	Ludeman	Peterson, D.	Staten
Anderson, G.	Greenfield	Luknic	Piepho	Stowell
Anderson, I.	Gruenes	Mann	Pogemiller	Stumpf
Battaglia	Halberg	Marsh	Redalen	Swigum
Begich	Hauge	McCarron	Reding	Swanson
Berkelman	Heap	McDonald	Rees	Valan
Blatz	Heinitz	McEachern	Rice	Valento
Brandl	Himle	Mehrkens	Rodriguez, C.	Vanasek
Brinkman	Hokanson	Minne	Rodriguez, F.	Vellenga
Carlson, L.	Jacobs	Munger	Rose	Voss
Clark, J.	Johnson, C.	Murphy	Rothenberg	Welch
Clark, K.	Jude	Nelson, K.	Samuelson	Welker
Clawson	Kahn	Niehaus	Sarna	Wieser
Dahlvang	Kaley	Norton	Schoenfeld	Wigley
Dean	Kelly	O'Connor	Schreiber	Zubay
Drew	Laidig	Ogren	Sherman	Spkr. Sieben, H.
Eken	Lehto	Osthooff	Sieben, M.	
Ellingson	Levi	Otis	Simoneau	

Those who voted in the negative were:

Aasness	Den Ouden	Nelsen, B.	Onnen	Sherwood
Carlson, D.	Erickson			

The bill was passed and its title agreed to.

H. F. No. 2077, A bill for an act relating to insurance; increasing the percentage of the state comprehensive health plan premium that may be used to pay certain fees and expenses; amending Minnesota Statutes 1980, Section 62E.11, Subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kalis	O'Connor	Sherwood
Ainley	Esau	Kelly	Ogren	Sieben, M.
Anderson, B.	Evans	Kvam	Onnen	Simoneau
Anderson, G.	Fjoslien	Laidig	Osthoff	Skoglund
Anderson, I.	Forsythe	Lehto	Otis	Staten
Battaglia	Frerichs	Lemen	Peterson, B.	Stowell
Begich	Greenfield	Levi	Peterson, D.	Stumpf
Berkelman	Gruenes	Long	Piepho	Sviggum
Blatz	Halberg	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	Minne	Rose	Welch
Dahlvang	Hokr	Munger	Rothenberg	Welker
Dean	Jacobs	Murphy	Samuelson	Wenzel
Dempsey	Jennings	Nelson, K.	Sarna	Wieser
Den Ouden	Johnson, C.	Niehaus	Schafer	Wigley
Drew	Jude	Norton	Schoenfeld	Wynia
Eken	Kahn	Novak	Schreiber	Zubay
Ellingson	Kaley	Nysether	Sherman	Spkr. Sieben, H.

The bill was passed and its title agreed to.

H. F. No. 2078, A bill for an act relating to state government; authorizing the commissioner of the department of economic security to delegate certain powers; amending Minnesota Statutes 1980, Section 268.011, Subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Battaglia	Brinkman	Clark, K.	Den Ouden
Ainley	Begich	Byrne	Clawson	Drew
Anderson, B.	Berkelman	Carlson, D.	Dahlvang	Eken
Anderson, G.	Blatz	Carlson, L.	Dean	Elioff
Anderson, I.	Brandl	Clark, J.	Dempsey	Ellingson



Erickson	Jennings	Mehrkens	Reding	Stowell
Esau	Johnson, C.	Minne	Rees	Stumpf
Evans	Jude	Munger	Reif	Sviggum
Fjoslien	Kahn	Murphy	Rice	Swanson
Forsythe	Kaley	Nelsen, B.	Rodriguez, C.	Tomlinson
Frerichs	Kalis	Nelson, K.	Rodriguez, F.	Valan
Greenfield	Kelly	Niehaus	Rose	Valento
Gruenes	Kvam	Norton	Rothenberg	Vanasek
Gustafson	Laidig	Novak	Samuelson	Vellenga
Halberg	Lehto	Nysether	Sarna	Voss
Harens	Lemen	O'Connor	Schafer	Weaver
Hauge	Levi	Ogren	Schoenfeld	Welch
Haukoos	Long	Onnen	Schreiber	Welker
Heap	Ludeman	Osthoff	Sherman	Wenzel
Heinitz	Luknic	Otis	Sherwood	Wieser
Himle	Mann	Peterson, B.	Sieben, M.	Wigley
Hoberg	Marsh	Peterson, D.	Simoneau	Wynia
Hokanson	McCarron	Piepho	Skoglund	Zubay
Hokr	McDonald	Pogemiller	Stadum	Spkr. Sieben, H.
Jacobs	McEachern	Redalen	Staten	

The bill was passed and its title agreed to.

H. F. No. 2134, A bill for an act relating to intoxicating liquor; providing that on-sale licenses issued to certain nonprofit corporations shall authorize sales on all days of the week; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11b.

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 94 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Ainley	Elioff	Kaley	Osthoff	Simoneau
Anderson, G.	Ellingson	Kalis	Otis	Skoglund
Anderson, I.	Evans	Kelly	Peterson, B.	Staten
Battaglia	Greenfield	Long	Peterson, D.	Stumpf
Begich	Gruenes	Ludeman	Piepho	Swanson
Berkelman	Gustafson	Luknic	Pogemiller	Tomlinson
Blatz	Halberg	Mann	Redalen	Valan
Brandl	Harens	McCarron	Reding	Valento
Brinkman	Heap	McEachern	Rees	Vanasek
Byrne	Heinitz	Mehrkens	Rice	Vellenga
Carlson, L.	Himle	Minne	Rodriguez, C.	Voss
Clark, J.	Hoberg	Munger	Rodriguez, F.	Welker
Clark, K.	Hokanson	Murphy	Rose	Wenzel
Clawson	Hokr	Nelsen, B.	Samuelson	Wieser
Dahlvang	Jacobs	Nelson, K.	Sarna	Wigley
Dean	Jennings	Norton	Schoenfeld	Wynia
Dempsey	Johnson, C.	Novak	Schreiber	Zubay
Drew	Jude	O'Connor	Sherman	Spkr. Sieben, H.
Eken	Kahn	Ogren	Sieben, M.	

Those who voted in the negative were:

Aasness	Carlson, D.	Erickson	Fjoslien	Haukoos
Anderson, B.	Den Ouden	Esau	Hauge	Kvam

Laidig  
Lehto  
Lemen

McDonald  
Niehaus  
Onnen

Rothenberg  
Schafer  
Sherwood

Stowell

Weaver

The bill was passed and its title agreed to.

H. F. No. 2175, A bill for an act relating to Minnesota Statutes, correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; authorizing the revisor of statutes to make necessary reference changes if the administrative procedure act is recompiled as a separate chapter; amending Minnesota Statutes 1980, Sections 60C.02, Subdivision 1; 62B.04, Subdivision 1; 92.03, Subdivision 4; 106.011, Subdivision 20; 106.021, Subdivision 2; 106.081, Subdivision 1; 106.091, Subdivision 2; 120.17, Subdivisions 4a and 5; 123.21; 123.78, Subdivision 1; 123.932, Subdivision 1a; 125.12, Subdivision 3; 129.121, Subdivision 1; 136.015; 145.833, Subdivisions 9, 10 and 11; 160.05, Subdivision 1; 175.35; 177.23, Subdivisions 4, 7 and 10; 177.27; 177.28; 177.29; 177.30; 177.31; 177.32; 177.33; 177.34; 177.35; 214.14, Subdivision 1; 273.11, Subdivision 5; 282.01, Subdivision 1; 290.41, Subdivision 3; 458.192, Subdivision 15; 462.415, Subdivisions 4 and 6; 462.421, Subdivisions 1, 2 and 20; 462.425, Subdivision 7; 462.426, Subdivision 1; 462.427, Subdivision 2; 462.428, Subdivision 3; 462.445, Subdivisions 1, 4 and 5; 462.451, Subdivision 2; 462.461, Subdivisions 1 and 2; 462.485; 462.511; 462.541, Subdivision 2; 462.545, Subdivisions 1, 2, 3 and 6; 462.555; 462.561; 462.571; 462.581; 462.591, Subdivision 1; 462.621, Subdivisions 1 and 3; 462.631, Subdivision 1; 462.635; 462.645, Subdivisions 1, 5 and 7; 462.665; 462.671; 462.701; 462.705; 462.712; 462.713; 473.195, Subdivision 1; 504.24, Subdivision 2; Chapter 111, by adding a section; Minnesota Statutes 1981 Supplement, Sections 11A.18, Subdivision 9; 43A.08, Subdivision 2; 43A.27, Subdivision 2; 47.20, Subdivisions 4a and 4b; 60A.11, Subdivisions 9 and 10; 69.011, Subdivision 2; 69.031, Subdivision 5; 97.488, by adding a subdivision; 116H.129, Subdivisions 1, 5 and 6; 156A.02, Subdivision 6; 168.013, Subdivision 1c; 169.825, Subdivision 10; 171.36; 176.306, Subdivision 2; 204B.31; 222.63, Subdivision 4; 273.11, Subdivision 1; 290.077, Subdivision 4; 290.09, Subdivision 15; 299F.011, Subdivision 1; 353.01, Subdivisions 2a and 6; 355.11, Subdivision 5; 414.0325, Subdivision 5; 462.601; 462.605; 514.011, Subdivision 4a; 525.551, Subdivision 5; 525.6198; and Laws 1981, Chapter 224, Section 73; repealing Minnesota Statutes 1980, Section 60A.11, Subdivisions 5a and 5b; Minnesota Statutes 1981 Supplement, Section 290.971, Subdivision 7; Laws 1980, Chapter 587, Article I, Sections 31, 32, 33, 34, 35, 36, 37, 38 and 39; Laws 1981, Chapters 31, Section 7; 60, Section 14; 137, Section 3; 158; 178, Section 33; 205, Section 1; 224, Section 92; 255, Sections 1, 3 and 4; 356, Sections 99, 189, 190, 191, 210 and 212; and 357, Section 28.

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

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

The bill was passed and its title agreed to.

#### POINT OF ORDER

Norton raised a point of order pursuant to rule 5.7 that H. F. No. 1939, now on General Orders, be re-referred to the Committee on Appropriations. The Speaker ruled the point of order well taken and H. F. No. 1939 was re-referred to the Committee on Appropriations.

Halberg appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 62 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark, K.	Gruenes	Johnson, C.	Ludeman
Anderson, G.	Clawson	Gustafson	Jude	Mann
Berkelman	Dean	Harens	Kahn	McCarron
Brandt	Eken	Hauge	Kaley	McEachern
Brinkman	Elioff	Heinitz	Kalis	Minne
Carlson, L.	Ellingson	Hokanson	Lehto	Munger
Clark, J.	Greenfield	Jacobs	Long	Nelson, K.

Norton	Peterson, D.	Schoenfeld	Stumpf	Wenzel
Novak	Pogemiller	Sieben, M.	Swanson	Wynia
Nysether	Reding	Simoneau	Vanasek	Spkr. Sieben, H.
Ogren	Rice	Skoglund	Vellenga	
Olsen	Rothenberg	Staten	Voss	
Otis	Samuelson	Stowell	Welch	

Those who voted in the negative were :

Aasness	Forsythe	Lemen	Peterson, B.	Stadum
Ainley	Frerichs	Levi	Piepho	Sviggum
Blatz	Halberg	Luknic	Redalen	Valan
Byrne	Haukoos	Marsh	Rees	Valento
Dempsey	Heap	McDonald	Reif	Weaver
Den Ouden	Himle	Mehrkens	Rodriguez, C.	Welker
Drew	Hoberg	Murphy	Rodriguez, F.	Wieser
Erickson	Jennings	Nelsen, B.	Rose	Wigley
Esau	Kelly	Niehaus	Schafer	Zubay
Evans	Kvam	Onnen	Schreiber	
Fjoslien	Laidig	Osthoff	Sherman	

So it was the judgment of the House that the decision of the Speaker should stand.

### CONSENT CALENDAR, Continued

There being no objection the bills on the Technical Consent Calendar were now considered.

H. F. No. 1697, A bill for an act relating to retirement; validating a certain post retirement adjustment granted by the Virginia firefighters relief association; authorizing increases in benefits payable by the Eveleth police and fire trust fund; defining certain terms, providing for the governance of separate and distinct general and special funds, providing benefit improvements for certain participants and benefit recipients, validating adoption of third class city police law, and validating past payments by the Virginia police relief association; clarifying the authority to approve alternative benefit increases; repealing Laws 1935, Chapters 92 and 259; Laws 1937, Chapter 197; and Laws 1949, Chapter 235.

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 122 yeas and 0 nays as follows :

Those who voted in the affirmative were :

Aasness	Battaglia	Brinkman	Clark, K.	Drew
Ainley	Begich	Byrne	Clawson	Eken
Anderson, B.	Berkelman	Carlson, D.	Dean	Elioff
Anderson, G.	Blatz	Carlson, L.	Dempsey	Ellingson
Anderson, I.	Brandl	Clark, J.	Den Ouden	Erickson

Esau	Jude	Murphy	Reif	Svigum
Evans	Kahn	Nelsen, B.	Rice	Swanson
Fjoslien	Kaley	Nelson, K.	Rodriguez, C.	Tomlinson
Forsythe	Kalis	Niehaus	Rodriguez, F.	Valan
Frerichs	Kelly	Norton	Rose	Valento
Greenfield	Kvam	Novak	Rothenberg	Vanasek
Gruenes	Laidig	Nysether	Samuelson	Vellenga
Gustafson	Lehto	O'Connor	Sarna	Voss
Halberg	Lemen	Ogren	Schafer	Weaver
Hauge	Levi	Olsen	Schoenfeld	Welch
Haukoos	Long	Onnen	Schreiber	Welker
Heap	Ludeman	Osthoff	Sherman	Wenzel
Heinitz	Luknic	Otis	Sherwood	Wieser
Himle	Mann	Peterson, B.	Sieben, M.	Wigley
Hoberg	Marsh	Peterson, D.	Simoneau	Wynia
Hokanson	McCarron	Piepho	Skoglund	Zubay
Hokr	McDonald	Pogemiller	Stadum	Spkr. Sieben, H.
Jacobs	McEachern	Redalen	Staten	
Jennings	Minne	Reding	Stowell	
Johnson, C.	Munger	Rees	Stumpf	

The bill was passed and its title agreed to.

The Speaker called Wynia to the chair.

H. F. No. 1713, A bill for an act relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

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

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1747, A bill for an act relating to the city of Minneapolis; providing for the security for certain rehabilitation loans; amending Laws 1977, Chapter 138, Section 2.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1885, A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, G.	Begich	Brandl	Carlson, D.
Ainley	Anderson, I.	Berkelman	Brinkman	Carlson, L.
Anderson, B.	Battaglia	Blatz	Byrne	Clark, J.

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

The bill was passed and its title agreed to.

H. F. No. 1955, A bill for an act relating to the city of Waconia; authorizing the sale of certain revenue bonds at a price less than par value and authorizing the maturity schedule to be determined by municipal resolution.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2116, A bill for an act relating to Blue Earth County; permitting county board members to serve on the county housing and redevelopment authority.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2177 was reported to the House.

Welker moved that H. F. No. 2177 be returned to its author. The motion prevailed.

There being no objection the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1555, A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of



tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

Reported the same back with the following amendments:

Page 35, line 23, after the comma reinstate the stricken language

Page 35, lines 24 to 30, reinstate the stricken language

Page 35, line 31, strike "Transportation"

Page 35, strike lines 32 to 36

Page 36, strike lines 1 to 8

Page 45, line 32, delete everything after the period

Page 45, delete lines 33 to 36

Page 46, delete lines 1 to 8

Page 46, line 14, delete "*sum of: (1) the*"

Page 46, line 15, delete everything after "transported"

Page 46, line 16, delete "*categories*" and strike the comma

Page 46, line 19, delete "*plus*"

Page 46, delete lines 20 to 23

Page 46, line 24, delete everything before the period

Page 51, line 9, delete everything after the period

Page 51, delete lines 10 to 13

Page 51, line 14, delete everything before "A district"

Page 51, line 36, delete everything after "8g" and insert a period

Page 52, delete lines 1 to 12

Page 52, line 16, delete "*, and*"

Page 52, delete lines 17 to 20

Page 52, line 21, delete everything before the period

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1620, A bill for an act relating to local government; permitting towns to self insure in the same way as other political subdivisions; amending Minnesota Statutes 1980, Sections 471.98, Subdivision 2; and 471.981, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1980, Section 367.10, is amended to read:

**367.10 [TOWN CLERK; BOND; OATH.]**

Every person elected or appointed to the office of town clerk, before he enters upon the duties of his office, shall give bond to the town, with sureties approved by the town treasurer, in such penal sum as the town board directs, conditioned for the faithful discharge of his duties. The bond, with his oath of office, shall be filed with the (CLERK OF THE DISTRICT COURT) *county auditor*, and an action may be maintained thereon by the town or any person aggrieved.

Sec. 2. Minnesota Statutes 1980, Section 367.15, is amended to read:

**367.15 [TOWN TREASURER; BOND.]**

Every town treasurer, before he enters upon the duties of his office, shall give bond to the town in an amount to be determined by the board, conditioned for the faithful discharge of his duties as such treasurer. Within six days thereafter the chairman shall file such bond, with his approval endorsed thereon, for record with the county (RECORDER) *auditor*."

Page 1, delete section 2 and insert:

"Sec. 4. Minnesota Statutes 1981 Supplement, Section 60A.-11, Subdivision 17, is amended to read:

Subd. 17. [CORPORATE AND BUSINESS TRUST OBLIGATIONS.] Obligations issued, assumed or guaranteed by a corporation or business trust organized under the laws of the United States or any state of the United States, or the laws of Canada or any province of Canada, or obligations traded on a national securities exchange on the following conditions:

(a) A company may invest in any obligations traded on a national securities exchange;

(b) A company may also invest in any obligations which are secured by adequate security located in the United States or Canada;

(c) A company may also invest in previously outstanding or newly issued obligations not qualifying for investment under paragraphs (a) or (b) if the corporation or business trust has

qualified net earnings. If the obligations are not newly issued, neither principal nor interest payments on the obligations shall have been in arrears (1) for an aggregate of 90 days during the three year period preceding the date of investment, or (2) where the obligations have been outstanding for less than 90 days, during the period the obligations have been outstanding;

(d) A company may invest in federal farm loan bonds and may invest up to 20 percent of its total admitted assets in the obligations of farm mortgage debenture companies; and

(e) A company may not invest more than five percent of its admitted assets in the obligations of any one corporation or business trust; *provided, however, that a company may invest in the obligations of a corporation without regard to this paragraph if: (1) the company is wholly owned by the issuer and/or affiliates of the issuer of such obligations; (2) the company writes insurance policies solely for the benefit of the issuer of such obligations and its affiliates; (3) such issuer has a net worth, determined on a consolidated basis, which equals or exceeds \$50 million; and (4) each issuer and its affiliates forego any and all claims they may have against the Minnesota insurance guarantee association pursuant to chapter 60C in the event of the insolvency of the company."*

Renumber the section

Delete the title and insert:

"A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political subdivisions; exempting captive insurers from certain investment limitations; amending Minnesota Statutes 1980, Sections 367.10; 367.15; and 471.98, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 60A.11, Subdivision 17."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1894, A bill for an act relating to municipal housing; authorizing the planning, implementation, and financing of rehabilitation and energy improvement loans; amending Minnesota Statutes 1980, Sections 462C.01; 462C.02, Subdivisions 3, 4 and 5, and by adding subdivisions; 462C.03, as amended; 462C.04, Subdivision 2; 462C.05, Subdivisions 2 and 5; 462C.07, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 462C.05, Subdivisions 1 and 3; repealing Minnesota Statutes 1981 Supplement, Section 462C.07, Subdivision 2.

Reported the same back with the following amendments:

Page 3, after line 32, insert:

*"(b) a development district established pursuant to Laws 1971, Chapter 677 as amended,"*

Reletter the clauses

Page 7, line 19, after "sale" insert "or rent"

Page 7, lines 28 to 32, delete the new language

Page 11, line 10, after the period, delete the balance of the line

Page 11, delete lines 11 to 14

Pages 12 and 13, delete section 14

Renumber the sections

Amend the title as follows:

Page 1, line 10, delete "and 462C.09;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2083, A bill for an act relating to state government; establishing a chemical dependency board; transferring powers and duties to the new board from the alcohol and other drug abuse section; abolishing the alcohol and other drug abuse section; proposing new law coded as Minnesota Statutes, Chapter 254B; repealing Minnesota Statutes 1980, Sections 254A.01; 254A.02; 254A.03, Subdivision 2; 254A.031; 254A.04; 254A.07, Subdivision 1; 254A.08, Subdivision 2; 254A.10; 254A.12; 254A.14; 254A.15; 254A.16; Minnesota Statutes 1981 Supplement, Sections 254A.03, Subdivisions 1 and 3; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; and 254A.09.

Reported the same back with the following amendments:

Page 2, line 2, delete "14" and insert "13"

Page 2, delete lines 5 and 6 and insert:

**“Subd. 3. [COMPREHENSIVE PROGRAM.]** *“Comprehensive program” means the range of services which are to be made available for the purpose of prevention, care, and treatment of alcohol and drug abuse.*

**Subd. 4. [DRUG ABUSE.]** *“Drug abuse or abuse of drugs” is the use of any psychoactive or mood altering chemical substance, without compelling medical reason, in such a manner as to induce mental, emotional, or physical impairment and cause socially disfunctional or socially disordering behavior and which results in psychological or physiological dependency as a function of continued use.*

**Subd. 5. [DRUG DEPENDENT PERSON.]** *“Drug dependent person” means any inebriate person or any person incapable of managing himself or his affairs or unable to function physically or mentally in an effective manner because of the abuse of a drug, including alcohol.*

**Subd. 6. [INTOXICATED PERSON.]** *“Intoxicated person” means a person whose mental or physical functioning is substantially impaired as a result of the use of alcohol or other drugs.*

**Subd. 7. [OTHER DRUGS.]** *“Other drugs” means any psychoactive chemical other than alcohol.*

**Subd. 8. [AMERICAN INDIAN.]** *“American Indian” means a person of one-quarter or more Indian blood.*

**Subd. 9. [PURCHASE OF SERVICE AGREEMENT.]** *“Purchase of service agreement” means a contract between a contractor and service provider for the provisions of services. The agreement shall specify the services to be provided, the method of delivery, the type of staff to be employed, and a method of evaluation of the services to be provided.”*

Page 2, line 16, after “district” insert “, one of whom shall represent the Minneapolis or Saint Paul urban Indian community”

Page 2, line 18, after the period, insert “One of the three members appointed at large shall be a representative of the Indian advisory council established in section 8.”

Page 2, line 25, after the period, insert “The chairperson shall be in the unclassified state civil service.”

Page 2, line 26, before “COMPENSATION” insert “TERMS OF OFFICE AND”

Page 2, line 27, delete everything after the period and delete lines 28 to 30 and insert “The term of office and compensation

*of board members, and the manner of removal and filling of vacancies, shall be as provided in section 15.0575, except that the rate of compensation shall be \$50 per day spent on board activities. The chairperson shall serve at the pleasure of the governor for a term coterminous with that of the governor."*

Pages 2 and 3, delete section 5

Page 3, line 4, delete "[254B.06]" and insert "[254B.05]"

Page 3, lines 6 and 11, delete "14" and insert "13"

Page 3, line 16, delete "or"

Page 3, line 17, after "or" insert "the"

Page 3, line 18, after "gifts," insert "grants,"

Page 3, line 19, after "state" insert "and its political subdivisions, or any private source"

Page 3, line 19, delete "or any person"

Page 3, line 23, after the period, insert "*The board shall make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals using federal and state funds as authorized for the provision of comprehensive program services.*"

Pages 3 and 4, delete subdivision 7 and insert:

*"Subd. 7. [RESEARCH.] The board shall conduct and foster basic research relating to the cause, prevention, and methods of diagnosis, treatment, and rehabilitation of drug dependent persons. The board or the chairperson acting on behalf of the board may conduct research studies and programs, collect and analyze data, prepare reports, and order all necessary hearings and investigations in connection with its work. The board shall assure confidentiality to individuals who are the subject of research, and may not be compelled in any proceeding to disclose confidential information about individuals unless the individual gives written consent to disclosure.*

*Subd. 8. [INFORMATION.] The board shall gather and disseminate facts and information about alcoholism and other drug dependency and abuse to public and private agencies and to any court requesting information for guidance and assistance in prevention, treatment and rehabilitation. The board is also responsible for the dissemination of information to educate the general public concerning alcohol and other drug dependency and abuse problems."*

Renumber the subdivisions

Page 4, line 5, delete "engineering,"

Page 4, delete lines 15 to 22 and insert:

"Sec. 6. [254B.06] [TRANSFER OF POWERS.]

*Subdivision 1. [LICENSING.] All powers, duties, and functions relating to chemical dependency programs, heretofore vested in or imposed upon the commissioner of welfare by sections 245.781 to 245.812, including the authority to develop and promulgate rules pursuant to chapter 15, regulating this licensure are transferred to, vested in, and imposed upon the chemical dependency board."*

Page 4, line 30, delete "[254B.08]" and insert "[254B.07]"

Page 4, line 32, delete "board of"

Page 4, line 33, after "dependency" insert "board"

Page 4, line 36, delete "7" and insert "6"

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

Page 5, line 28, delete "department" and insert "chemical dependency board"

Page 5, line 29, delete everything before the period

Page 5, line 36, after "the" insert "staff of the chemical dependency"

Page 6, delete lines 1 to 23 and insert:

"Sec. 8. [254B.08] [OTHER DUTIES.]

*Subdivision 1. [BIENNIAL REPORT.] Before November 15 of each even-numbered year, the board through its chairperson shall prepare and submit to the legislative commission on chemical dependency a report of the board's operations and activities pursuant to the provisions of this law, as well as any recommendations for legislative action. This report shall include a state work plan for the following biennium, which shall set forth goals and priorities for a comprehensive alcohol and other drugs dependency and abuse program for Minnesota. All state agencies operating alcohol and other drug abuse or dependency programs or administering state or federal funds for the programs shall annually set their program goals and priorities in accordance with the comprehensive state work plan. Each state agency shall submit its plans to the board for review. The board shall certify whether proposed agency plans and services comply with the comprehensive state work plan."*

Page 6, delete lines 28 to 36



Page 7, delete lines 1 to 3

Page 7, after line 10, insert:

*"The chairperson of the board shall establish an American Indian advisory council to assist the board in their proposal review, policy formation, and procedures relating to programs for the abuse of alcohol and other drugs in the American Indian community. The membership of the advisory council shall be composed of not more than 17 persons, to be appointed by the chemical dependency board chairperson as follows:*

*(a) One member to be appointed from each federally recognized Indian reservation in Minnesota who is an enrolled member, selected by the tribal chairperson with the advice of the board chairperson; and*

*(b) Six members to be appointed from the following American Indian communities: one member representing International Falls northern range community, one member representing the Duluth American Indian community, two members representing the St. Paul American Indian community, and two members representing the Minneapolis American Indian community. The terms, compensation and removal of American Indian advisory council members shall be as provided for in section 15.059."*

Page 7, line 20, after "programs" insert *" , in conjunction with the American Indian advisory council. The special assistant for American Indian programs shall report to the chemical dependency board annually"*

Page 7, line 21, delete "shall" and insert "may"

Page 7, line 22, delete "The" and insert *"Programs shall be designed to meet the needs identified by the American Indian community and appropriate recognition shall be given to the cultural and social needs of American Indians. The board shall enter into the agreements after consultation with the special assistant for American Indian programs and the American Indian advisory council."*

Page 7, delete lines 23 to 30 and insert:

*"Subd. 4. [PREVENTION.] The board shall maintain a position on its supporting staff for a special assistant for prevention of problems related to the use of drugs and alcohol. The special assistant for prevention shall be responsible to the chairperson of the board. The responsibilities of the special assistant shall be to:*

*(a) Coordinate and review all activities, planning, and programs of all the various state departments and agencies as they*

*relate to the prevention of chemical abuse, and to determine their compliance with the comprehensive state work plan and federal laws and regulations;*

*(b) Provide technical assistance, coordination, and support to governmental and non-governmental agencies, groups, and organizations, to help prevent problems related to use of alcohol and other drugs;*

*(c) Inform and educate the general public on the prevention of chemical use problems;*

*(d) Develop and distribute prevention information, training materials, and resources to state departments and agencies and to other governmental and non-governmental agencies, groups and organizations; and*

*(e) Report annually to the chemical dependency board."*

Renumber the subdivisions

Page 7, line 31, delete "[254B.10]" and insert "[254B.09]"

Page 8, line 11, delete "[254B.11]" and insert "[254B.10]"

Page 8, line 15, after "agencies" insert "*within the framework and guidelines of the comprehensive state work plan*"

Page 8, delete lines 19 to 35 and insert:

*"Subd. 2. [GRANTS.] The county boards may make grants for comprehensive programs for prevention, care, and treatment of alcohol and other drug abuse as developed and defined by the state comprehensive work plan and the biennial plan established in section 256E.09. Grants may be made for the cost of these comprehensive programs and services whether provided directly by county boards or by other public and private agencies and organizations, both profit and nonprofit, and individuals, pursuant to contract. Nothing herein shall prevent the chemical dependency board from entering into contracts with and making grants to other state agencies for the purpose of providing specific services and programs. With the approval of the county board, the chemical dependency board may make grants or contracts for research or demonstration projects specific to needs within that county."*

Page 8, line 36, delete "[254B.12]" and insert "[254B.11]"

Page 8, line 36, delete "CENTER" and insert "SERVICES"

Page 9, lines 1 and 2, after "county" insert "board"

Page 9, line 1, delete "a"

Page 9, line 1, delete "program" and insert "services"

Page 9, line 2, after "and" insert "other"

Page 9, line 34, delete "oversee" and insert "review"

Page 9, line 11, delete "[254B.13]" and insert "[254B.12]"

Page 10, line 7, delete "and subsequent editions" and insert "edition"

Page 10, line 8, delete everything after "shall" and "insert ", in each section referred to in Column A, strike the reference referred to in Column B, and in each section referred to in Column A, insert the reference set forth in Column C.

Column A	Column B	Column C
462A.03, subdivision 18	254A.02	254B.02
462A.07, subdivision 14	254A.02	254B.02
462A.07, subdivision 15	254A.02	254B.02
256E.06, subdivision 2	254A.031	254B.08, subdivision 3
256E.03, subdivision 2	254A.07	254B.10
256E.06, subdivision 2	254A.07	254B.10
256E.03, subdivision 2	254A.08	254B.11
256E.06, subdivision 2	254A.08	254B.11"

Page 10, delete line 9

Page 10, line 18, delete "Sections 3 and 4 are" and insert "This act is"

Page 10, line 18, delete everything after the period

Page 10, delete lines 19 to 22

Renumber the sections

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

S. F. No. 1514, A bill for an act relating to public works; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a public water facility; repealing Third Special Session Laws 1981, Chapter 2, Article I, Section 76.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1555, 1620 and 1894 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 1514 was read for the second time.

## CALENDAR

H. F. No. 1589, A bill for an act relating to motor vehicles; authorizing the operation of motorized golf carts by certain persons on designated roadways of city streets; regulating the operation thereof; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 169.522; and proposing new law coded in Minnesota Statutes, Chapter 169.

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

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Clark, J.	Fjoslien	Hokr	Ludeman
Ainley	Clark, K.	Forsythe	Jacobs	Luknic
Anderson, B.	Clawson	Frerichs	Jennings	Mann
Anderson, G.	Dean	Greenfield	Johnson, C.	Marsh
Anderson, I.	Dempsey	Gruenes	Jude	McCarron
Battaglia	Den Ouden	Halberg	Kaley	McDonald
Berkelman	Drew	Harens	Kalis	McEachern
Blatz	Eken	Hauge	Kelly	Mehrkens
Brandl	Elioff	Haukoos	Kvam	Minne
Brinkman	Ellingson	Heap	Laidig	Munger
Byrne	Erickson	Heinitz	Lemen	Murphy
Carlson, D.	Esau	Himle	Levi	Nelsen, B.
Carlson, L.	Evans	Hokanson	Long	Nelson, K.

Niehaus	Peterson, D.	Rose	Skoglund	Vellenga
Norton	Piepho	Rothenberg	Stadum	Weaver
Novak	Pogemiller	Samuelson	Stowell	Welch
Nysether	Redalen	Sarna	Stumpf	Welker
O'Connor	Reding	Schoenfeld	Sviggum	Wenzel
Ogren	Rees	Schreiber	Swanson	Wieser
Olsen	Reif	Sherman	Tomlinson	Wigley
Onnen	Rice	Sherwood	Valan	Wynia
Otis	Rodriguez, C.	Sieben, M.	Valento	Zubay
Peterson, B.	Rodriguez, F.	Simoneau	Vanasek	Spkr. Sieben, H.

Those who voted in the negative were:

Osthoff      Voss

The bill was passed and its title agreed to.

S. F. No. 709, A bill for an act relating to optometrists; authorizing the use of certain topical ocular drugs; providing for education, training and testing requirements; requiring an emergency treatment plan; requiring advice to patients to seek evaluation by physician under certain conditions; providing a penalty; amending Minnesota Statutes 1980, Section 148.57, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 148.

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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1088, A bill for an act relating to real property; providing for the registration of certain possessory estates in real property without court proceedings; providing for a change-over from a certificate of possessory title to a certificate of title after a certain number of years; proposing new law coded as Minnesota Statutes, Chapter 508A.

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

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1262, A bill for an act relating to workers' compensation; permitting political subdivisions to provide additional benefits; amending Minnesota Statutes 1980, Section 176.021, Subdivision 5.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Battaglia	Brinkman	Clawson	Drew
Ainley	Begich	Byrne	Dahlvang	Elioff
Anderson, B.	Berkelman	Carlson, D.	Dean	Ellingson
Anderson, G.	Blatz	Carlson, L.	Dempsey	Erickson
Anderson, I.	Brandl	Clark, J.	Den Ouden	Esau

Evans	Johnson, C.	Minne	Reding	Swanson
Ewald	Jude	Munger	Rees	Tomlinson
Fjoslien	Kahn	Murphy	Reif	Valan
Forsythe	Kaley	Nelsen, B.	Rice	Valento
Frerichs	Kalis	Nelson, K.	Rodriguez, C.	Vanasek
Greenfield	Kelly	Niehaus	Rodriguez, F.	Vellenga
Gruenes	Kvam	Norton	Rose	Voss
Gustafson	Laidig	Novak	Rothenberg	Weaver
Halberg	Lehto	Nysether	Samuelson	Welch
Harens	Lemen	O'Connor	Sarna	Welker
Hauge	Levi	Ogren	Schafer	Wenzel
Haukoos	Long	Olsen	Schoenfeld	Wieser
Heap	Ludeman	Onnen	Schreiber	Wigley
Heinitz	Luknic	Osthoff	Sherwood	Wynia
Himle	Mann	Otis	Sieben, M.	Zubay
Hoberg	Marsh	Peterson, B.	Skoglund	Spkr. Sieben, H.
Hokanson	McCarron	Peterson, D.	Staten	
Hokr	McDonald	Piepho	Stowell	
Jacobs	McEachern	Pogemiller	Stumpf	
Jennings	Mehrkins	Redalen	Svigum	

The bill was passed and its title agreed to.

The Speaker resumed the chair.

H. F. No. 1442 was reported to the House and given its third reading.

#### UNANIMOUS CONSENT

Clawson requested unanimous consent to offer an amendment. The request was granted.

Clawson moved to amend H. F. No. 1442 as follows:

Page 1, line 10, strike "DEFICIENT" and insert "RETARDED"

Page 1, line 13, strike "deficient" and insert "retarded"

Page 1, line 20, delete "deficiency" and insert "retardation"

Page 1, line 22, delete "deficiency" and insert "retardation"

Further, amend the title as follows:

Page 1, line 3, delete "deficiency" and insert "retardation"

The motion prevailed and the amendment was adopted.

#### UNANIMOUS CONSENT

Ogren requested unanimous consent to offer an amendment. The request was granted.

Ogren moved to amend H. F. No. 1442, as amended, as follows:

Page 2, line 4, delete "1981" insert "1982"

The motion prevailed and the amendment was adopted.

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

Clawson moved that H. F. No. 1442, as amended, be re-referred to the Committee on Criminal Justice.

A roll call was requested and properly seconded.

Jennings moved that the Clawson motion to re-refer be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Jennings motion and the roll was called. There were 80 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Hokr	Nelsen, B.	Schafer
Ainley	Erickson	Jennings	Niehaus	Schreiber
Anderson, B.	Esau	Kaley	Nysether	Sherman
Anderson, I.	Evans	Kalis	O'Connor	Sherwood
Battaglia	Ewald	Kelly	Olsen	Stadum
Begich	Fjoslien	Kvam	Onnen	Staten
Berkelman	Forsythe	Laidig	Osthoff	Stowell
Blatz	Frerichs	Lemen	Peterson, B.	Sviggum
Brinkman	Gruenes	Levi	Piepho	Valan
Carlson, D.	Halberg	Ludeman	Redalen	Valento
Carlson, L.	Harens	Mann	Rees	Weaver
Dahlvang	Haukoos	Marsh	Reif	Welker
Dean	Heap	McDonald	Rodriguez, F.	Wenzel
Dempsey	Heinitz	McEachern	Rose	Wieser
Den Ouden	Himle	Mehrkens	Rothenberg	Wigley
Drew	Hoberg	Murphy	Sarna	Zubay

Those who voted in the negative were:

Anderson, G.	Hauge	Minne	Reding	Vanasek
Brandl	Hokanson	Munger	Rice	Vellenga
Byrne	Jacobs	Nelson, K.	Samuelson	Voss
Clark, J.	Johnson, C.	Novak	Schoenfeld	Welch
Clawson	Kahn	Ogren	Simoneau	Wynia
Eken	Lehto	Otis	Skoglund	Spkr. Sieben, H.
Ellingson	Long	Peterson, D.	Stumpf	
Greenfield	McCarron	Pogemiller	Tomlinson	

The motion prevailed and the Clawson motion was laid on the table.

H. F. No. 1442, A bill for an act relating to crimes; eliminating the defenses of mental illness and mental deficiency; amending Minnesota Statutes 1980, Section 611.026.



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 92 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kalis	Ogren	Sherwood
Ainley	Ewald	Kelly	Olsen	Stadum
Anderson, B.	Fjoslien	Kvam	Onnen	Staten
Anderson, G.	Forsythe	Laidig	Osthoff	Stowell
Anderson, I.	Frerichs	Lemen	Peterson, B.	Stumpf
Battaglia	Gruenes	Levi	Piepho	Sviggum
Begich	Gustafson	Ludeman	Redalen	Swanson
Berkelman	Halberg	Luknic	Rees	Valan
Blatz	Harens	Mann	Reif	Valento
Brinkman	Haukoos	Marsh	Rodriguez, F.	Weaver
Carlson, D.	Heap	McDonald	Rose	Welch
Carlson, L.	Heinitz	McEachern	Rothenberg	Welker
Dahlvang	Himle	Mehrkens	Samuelson	Wenzel
Dean	Hoberg	Minne	Sarna	Wieser
Dempsey	Hokanson	Nelsen, B.	Schafer	Wigley
Den Ouden	Hokr	Niehaus	Schoenfeld	Zubay
Eken	Jennings	Novak	Schreiber	
Erickson	Johnson, C.	Nysether	Shea	
Esau	Kaley	O'Connor	Sherman	

Those who voted in the negative were:

Brandl	Ellingson	Long	Otis	Vanasek
Byrne	Greenfield	McCarron	Peterson, D.	Vellenga
Clark, J.	Hauge	Munger	Pogemiller	Voss
Clawson	Jacobs	Murphy	Rice	Wynia
Drew	Kahn	Nelson, K.	Simoneau	Spkr. Sieben, H.
Elioff	Lehto	Norton	Tomlinson	

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

H. F. No. 1712, A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, Subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Vellenga

The bill was passed and its title agreed to.

H. F. No. 685, A bill for an act relating to crimes; providing photographic records of evidence shall be admissible as evidence; providing for the return of stolen property; proposing new law coded in Minnesota Statutes, Chapter 609.

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 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, L.	Ewald	Hokanson	Long
Ainley	Clark, J.	Fjoslien	Hokr	Ludeman
Anderson, B.	Clawson	Forsythe	Jacobs	Luknic
Anderson, G.	Dahlvang	Frerichs	Jennings	Mann
Anderson, I.	Dempsey	Greenfield	Johnson, C.	Marsh
Battaglia	Den Ouden	Gruenes	Kahn	McCarron
Begich	Drew	Gustafson	Kaley	McDonald
Berkelman	Eken	Hauge	Kalis	McEachern
Blatz	Elioff	Haukoos	Kelly	Mehrkens
Brandl	Ellingson	Heap	Kvam	Minne
Brinkman	Erickson	Heinitz	Laidig	Munger
Byrne	Esau	Himle	Lehto	Murphy
Carlson, D.	Evans	Hoberg	Levi	Nelsen, B.

Nelson, K.	Peterson, D.	Samuelson	Staten	Weaver
Niehaus	Piepho	Sarna	Stowell	Welch
Norton	Pogemiller	Schafer	Stumpf	Welker
Novak	Redalen	Schoenfeld	Swiggum	Wenzel
Nysether	Reding	Schreiber	Swanson	Wieser
Ogren	Rees	Shea	Tomlinson	Wigley
Olsen	Reif	Sherman	Valan	Wynia
Onnen	Rice	Sherwood	Valento	Zubay
Osthoff	Rodriguez, C.	Sieben, M.	Vanasek	Spkr. Sieben, H.
Otis	Rodriguez, F.	Simoneau	Vellenga	
Peterson, B.	Rose	Stadum	Voss	

The bill was passed and its title agreed to.

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

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

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1366, A bill for an act relating to liens for improvements made to real property; prescribing notice requirements to owners by subcontractors; defining owner; amending Minnesota Statutes 1980, Section 514.011, Subdivisions 2 and 5.

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

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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 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 100 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Aasness	Brinkman	Erickson	Heap	Kvam
Ainley	Carlson, D.	Esau	Hoberg	Laidig
Anderson, B.	Dahlvang	Ewald	Hokanson	Lehto
Anderson, G.	Dean	Fjoslien	Hokr	Lemen
Anderson, I.	Dempsey	Forsythe	Jacobs	Levi
Battaglia	Den Ouden	Frerichs	Jennings	Ludeman
Begich	Drew	Gruenes	Johnson, C.	Luknic
Berkelman	Eken	Halberg	Jude	Mann
Blatz	Elioff	Harens	Kalis	Marsh
Brandl	Ellingson	Haukoos	Kelly	McDonald

McEachern	Olsen	Rice	Sherman	Vanasek
Mehrkens	Onnen	Rodriguez, F.	Sherwood	Voss
Murphy	Osthoff	Rose	Sieben, M.	Weaver
Nelsen, B.	Otis	Rothenberg	Stadum	Welch
Nelson, K.	Peterson, B.	Samuelson	Stowell	Welker
Niehaus	Piepho	Sarna	Stumpf	Wenzel
Novak	Redalen	Schafer	Swiggum	Wieser
Nysether	Reding	Schoenfeld	Swanson	Wigley
O'Connor	Rees	Schreiber	Valan	Zubay
Ogren	Reif	Shea	Valento	Spkr. Sieben, H.

Those who voted in the negative were:

Byrne	Greenfield	Himle	Munger	Simoneau
Carlson, L.	Gustafson	Kaley	Norton	Staten
Clark, K.	Hauge	Long	Peterson, D.	Tomlinson
Clawson	Heinitz	Minne	Pogemiller	Wynia

The bill was passed and its title agreed to.

H. F. No. 1611, A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

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

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1719, A bill for an act relating to courts; authorizing the chief judge of the judicial district to fill vacancies in the office of judicial officer in St. Louis, Steele, Goodhue and Carlton counties; amending Minnesota Statutes 1981 Supplement, Section 487.08, Subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 108 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Laidig	Osthoff	Schreiber	Voss	Zubay
McDonald				

The bill was passed and its title agreed to.

H. F. No. 1734, A bill for an act relating to courts; authorizing the continuance of the office of court referee in the second and fourth judicial districts; amending Minnesota Statutes 1981 Supplement, Section 484.70, 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 115 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Ainley	Anderson, B.	Anderson, G.	Anderson, I.
---------	--------	--------------	--------------	--------------

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

Those who voted in the negative were:

Laidig      Voss

The bill was passed and its title agreed to.

Anderson, G., was excused at 2:30 p.m. Voss was excused at 3:30 p.m. Novak was excused at 3:50 p.m.

### GENERAL ORDERS

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

### REPORT OF COMMITTEE OF THE WHOLE

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

H. F. Nos. 1831, 1498 and 1622 which it recommended to pass.

S. F. No. 233 which it recommended to pass.

H. F. Nos. 1365 and 1817 which it recommended progress.

S. F. No. 16 which it recommended progress.

H. F. No. 1278 which it recommended be re-referred to the Committee on Governmental Operations.

S. F. No. 378 which it recommended to pass with the following amendments:

Offered by Forsythe:

Page 2, after line 32, insert:

"Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment."*

Offered by Halberg:

Page 2, line 1, delete "including" insert "either temporarily or"

Offered by McCarron:

Page 2, line 2, strike "without regard to marital misconduct,"

H. F. No. 1455 which it recommended to pass with the following amendment offered by Voss:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 82.20, Subdivision 9, is amended to read:

Subd. 9. [TERMINATIONS; TRANSFERS.] (a) *Except as provided in paragraph (b), when a salesperson terminates his activity on behalf of a broker, the salesperson's license shall be ineffective. Within ten days of (SUCH) the termination the broker shall notify the commissioner in writing (THEREOF), and shall return to the commissioner the license of the salesperson. The salesperson may (MAKE APPLICATION) apply for transfer of the license to another broker at any time during the remainder of the license period, on forms provided by the commissioner (ALONG WITH THE FEE PRESCRIBED BY THIS CHAPTER). If the application for transfer qualifies, the commissioner shall grant the application. Upon receipt of a transfer application and payment of the transfer fee, the commissioner may issue a 45 day (PERMIT PROVISIONALLY GRANTING SUCH TRANSFER) temporary license. If an application for transfer is not made within the license period, the commissioner shall require that an application for a new license be filed.*

(b) *When a salesperson terminates his activity on behalf of a broker in order to begin association immediately with another broker, the commissioner shall permit the automatic transfer*



*of the salesperson's license. The transfer shall be effective either upon the mailing of the required fee and the executed documents by certified mail or upon personal delivery of the fee and documents to the commissioner's office. The commissioner may adopt rules and prescribe forms as necessary to implement this paragraph."*

Amend the title as follows:

Page 1, delete lines 3 to 5 and insert "providing for the automatic transfer of a salesperson's license under certain"

H. F. No. 1576 which it recommended to pass with the following amendment offered by Berkelman:

Page 2, line 17, delete "other than a"

Page 2, delete lines 18 to 21 and insert "unless:

*(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or*

*(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, 1984, shall not exceed the rate provided in"*

Page 2, line 22, after "4a." begin a new paragraph

Page 3, line 30, strike "other than a mobile home." and delete "This"

Page 3, delete lines 31 to 33

Page 3, line 34, delete everything before "section" and insert "unless:

*(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or*

*(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, 1984, shall not exceed the rate provided in"*

Page 3, line 35, begin a new paragraph

Simoneau moved that the report of the Committee of the Whole be adopted.

Anderson, I., requested that the report on H. F. No. 1278 be excepted from the report of the Committee of the Whole. The request was granted.

The question recurred on the adoption of the report of the Committee of the Whole with the exception of the report on H. F. No. 1278. The report of the Committee of the Whole with the exception of the report on H. F. No. 1278 was adopted.

#### NOTICE OF INTENTION TO MOVE RECONSIDERATION

Ogren gave notice of intention to move reconsideration of the report on H. F. No. 1278.

Jennings moved to reconsider the report on H. F. No. 1278.

#### POINT OF ORDER

Anderson, I., raised a point of order pursuant to rule 3.4 that the Jennings motion was not in order.

Pursuant to Section 244 of "Mason's Manual of Legislative Procedure" the Speaker deferred his decision on the point of order.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

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

Jennings moved that H. F. No. 1278 be re-referred to the Committee on Governmental Operations.

A roll call was requested and properly seconded.

The question was taken on the motion and the roll was called. There were 64 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Kvam	Olsen	Sherwood
Ainley	Frerichs	Laidig	Onnen	Stadum
Blatz	Gruenes	Lemen	Peterson, B.	Stowell
Carlson, D.	Halberg	Levi	Piepho	Stumpf
Dean	Haukoos	Ludeman	Redalen	Sviggum
Dempsey	Heap	Luknic	Rees	Valan
Den Ouden	Heinitz	Marsh	Reif	Valento
Drew	Himle	McDonald	Rose	Weaver
Erickson	Hoberg	Mehrkens	Rothenberg	Welker
Esau	Hokr	Nelsen, B.	Schafer	Wieser
Evans	Jennings	Niehaus	Schreiber	Wigley
Ewald	Kaley	Nysether	Shea	Zubay
Fjoslien	Kalis	Ogren	Sherman	

Those who voted in the negative were:

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

The motion prevailed.

McCarron moved to amend S. F. No. 378, the unofficial engrossment, as amended, as follows:

Page 2, line 1, after "time" delete "*, including permanently,*"

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

Those who voted in the affirmative were:

Aasness	Fjoslien	McDonald	Sarna	Welker
Ainley	Frerichs	McEachern	Schafer	Wieser
Anderson, B.	Gruenes	Mehrken	Schoenfeld	Wigley
Anderson, I.	Harens	Nelsen, B.	Schreiber	Zubay
Battaglia	Heap	O'Connor	Sherwood	
Begich	Himle	Osthoff	Stadum	
Berkelman	Hoberg	Peterson, B.	Stowell	
Dahlvang	Jacobs	Piepho	Svigum	
Dempsey	Jennings	Redalen	Valan	
Den Ouden	Laidig	Rees	Valento	
Drew	Lemen	Rose	Voss	
Esau	Ludeman	Rothenberg	Weaver	
Ewald	McCarron	Samuelson	Welch	

Those who voted in the negative were:

Blatz	Gustafson	Levi	Otis	Staten
Brandl	Halberg	Long	Peterson, D.	Stumpf
Byrne	Hauge	Luknic	Pogemiller	Swanson
Carlson, L.	Haukoos	Marsh	Reding	Tomlinson
Clark, J.	Heinitz	Minne	Reif	Vellenga
Clark, K.	Hokanson	Murphy	Rice	Wenzel
Eken	Hokr	Niehaus	Rodriguez, C.	Wynia
Elioff	Kahn	Norton	Rodriguez, F.	Spkr. Sieben, H.
Erickson	Kaley	Novak	Shea	
Evans	Kalis	Ogren	Sherman	
Forsythe	Kvam	Olsen	Sieben, M.	
Greenfield	Lehto	Onnen	Simoneau	

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

McCarron moved to amend S. F. No. 378, the unofficial engrossment, as amended, as follows:

Page 2, line 2, strike "without regard to marital misconduct,"

The question was taken on the amendment and the roll was called. There were 70 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Ludeman	Onnen	Sherman
Ainley	Forsythe	Luknic	Osthoff	Sherwood
Anderson, B.	Frerichs	Mann	Piepho	Simoneau
Anderson, I.	Gruenes	Marsh	Redalen	Stadum
Blatz	Gustafson	McCarron	Rees	Stowell
Carlson, D.	Halberg	McDonald	Reif	Sviggum
Dahlvang	Haukoos	McEachern	Rose	Swanson
Dempsey	Heap	Mehrkens	Rothenberg	Valan
Den Ouden	Himle	Nelsen, B.	Samuelson	Valento
Drew	Hoberg	Niehaus	Sarna	Weaver
Erickson	Jennings	Nysether	Schafer	Welker
Esau	Kaley	O'Connor	Schoenfeld	Wieser
Evans	Laidig	Ogren	Schreiber	Wigley
Ewald	Lemen	Olsen	Shea	Zubay

Those who voted in the negative were:

Battaglia	Elioff	Lehto	Peterson, B.	Vellenga
Begich	Greenfield	Levi	Peterson, D.	Voss
Brandl	Hauge	Long	Pogemiller	Welch
Carlson, L.	Heinitz	Minne	Reding	Wenzel
Clark, J.	Hokanson	Murphy	Rodriguez, C.	Wynia
Clark, K.	Jacobs	Norton	Rodriguez, F.	Spkr. Sieben, H.
Clawson	Kahn	Novak	Sieben, M.	
Eken	Kvam	Otis	Staten	

The motion prevailed and the amendment was adopted.

Rice moved to amend H. F. No. 1576, the first engrossment, as amended, as follows:

Page 8, delete section 8

Amend the title as follows:

Page 1, line 15, after "1" delete the comma and insert "and"

Page 1, line 15, delete ", and 5"

The question was taken on the amendment and the roll was called. There were 46 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Begich	Byrne	Carlson, L.	Clark, K.
Battaglia	Brandl	Carlson, D.	Clark, J.	Dahlvang

Eken	Jude	Nelson, K.	Reding	Vanasek
Elioff	Kelly	Norton	Rice	Vellenga
Ellingson	Lehto	Novak	Rodriguez, F.	Wenzel
Greenfield	Luknic	Ogren	Rose	Wynia
Gustafson	Mann	Osthoff	Samuelson	
Halberg	McEachern	Otis	Sarna	
Hauge	Minne	Peterson, D.	Simoneau	
Hokanson	Murphy	Pogemiller	Staten	

Those who voted in the negative were:

Aasness	Forsythe	Kaley	Peterson, B.	Svigum
Ainley	Frerichs	Kalis	Piepho	Valan
Berkelman	Gruenes	Laidig	Rees	Valento
Blatz	Haukoos	Lemen	Reif	Weaver
Dempsey	Heap	Ludeman	Schafer	Welker
Den Ouden	Heinitz	Marsh	Schreiber	Wieser
Drew	Himle	McDonald	Sherman	Wigley
Erickson	Hoberg	Nelsen, B.	Sherwood	
Esau	Hokr	Niehaus	Stadum	
Fjoslien	Jennings	Onnen	Stowell	

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

There being no objection the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Wenzel from the Committee on Agriculture to which was referred:

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

Reported the same back with the following amendments:

Page 1, after line 14, insert *"The tax shall not be imposed if a penalty tax is imposed on the sale or exchange pursuant to section 41.59, subdivision 2."*

Page 1, line 24, delete *"shall apply to"* and insert *"applied without regard to this section shall"*

Page 2, line 13, delete *"5"* and insert *"4"*, delete *"6"* and insert *"5"*

Page 2, line 14, after *"land"* insert *", including any class 3B acreage as defined in section 273.13, subdivision 6,"* and delete *"has been"* and insert *"is"*

Page 2, line 16, delete "*for at least a*" and insert "*, or qualifies as a family farm corporation pursuant to section 500.24, subdivision 2, clause (c), or qualifies as an authorized farm corporation pursuant to section 500.24, subdivision 2, clause (d),*"

Page 2, line 17, delete "*period of two years immediately prior to the year*" and insert "*at the time*"

Page 2, line 22, after the comma, insert "*or if the sale is the result of an eminent domain action*"

Pages 2 to 12, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2, 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 "home-owners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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 nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

The provisions of section 4 of P.L. 95-458, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34 shall be effective at the same time that they become effective for federal income tax purposes.

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;

(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 40 percent of the portion of the gain. *If the property is subject to an additional tax pursuant to section 1, the modification shall be limited to that percentage of the portion of the gain which is included in gross income pursuant to this subdivision.* 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;

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

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);

(21) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association; (AND)

(22) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under section 179 of the Internal Revenue Code; and

(23) *An amount equal to the percentage of the gain from the sale or exchange of agricultural land on which an additional tax is imposed pursuant to section 1.*

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

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

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 60 per centum of the portion of the gain. *If the property is subject to an additional tax pursuant to section 1, the modification shall be limited to that percentage of the portion of the gain which is excluded from gross income pursuant to this subdivision.* 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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(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 section 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 \$17,000;

(7) 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 a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(10) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 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;

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

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(21);

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

(23) Interest earned on a contract for deed entered into for the purchase of property for agricultural use if the rate of interest set in the contract is no more than eight percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property purchased under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(24) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before

January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December 31, 1981. Adoption of this provision shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; and

(25) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981.

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person 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. 3. Minnesota Statutes 1981 Supplement, Section 290.091, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 9, is amended to read:

**290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]**

In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1980 except that for purposes of the tax imposed by this section, capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain proceedings were received in prior years. *The portion of capital gain on which an additional tax is imposed pursuant to section 1 shall not be a tax preference item.* In the case of a resident individual, having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes."

Renumber the section

Page 12, after line 20, insert:

*"This act shall not apply to sales or exchanges of agricultural land which was acquired prior to the day of final enactment."*

Amend the title as follows:

Page 1, line 4, delete everything after "amending"

Page 1, line 5, delete everything before "proposing" and insert "Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20, as amended; and 290.091, as amended;"

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 2003, A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; providing increases in statutory salaries for certain officers; clarifying meet and confer status for professional employees; providing final offer arbitration for all arbitrated public employee impasses under PELRA; cancelling an appropriation reduction; amending Minnesota Statutes 1980, Sections 15A.081, Subdivision 7; 15A.083, Subdivisions 1, 2, and 4; 179.66, Subdivision 7; 179.72, Subdivision 7; 299D.03, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 15A.081, Subdivision 1; 15A.083, Subdivision 7; Laws 1979, Chapter 332, Article I, Section 116, as amended; repealing Minnesota Statutes 1980, Sections 179.72, Subdivisions 7a and 7b; 299C.041; and 299D.03, Subdivision 3.

Reported the same back with the following amendments:

Page 2, line 22, delete "\$39,900" and insert "\$39,000"

Page 3, after line 6, insert:

*"Employee relations,  
department of commissioner . . . . . \$50,200 \$53,600*

Page 3, strike lines 17 to 19

Page 3, delete line 20

Page 4, strike lines 4 to 7

Page 4, delete line 8

Page 4, strike lines 17 to 19

Page 4, delete line 20



Page 5, line 18, reinstate the stricken language

Page 5, delete line 19

Page 5, after line 23, insert:

"Waste management board,  
chairman .....\$45,000 \$48,100

**Sec. 2. [486.055] [COURT REPORTER TRANSCRIPT  
FEE CHARGES; REPORTING REQUIREMENTS.]**

*Subdivision 1. [REPORTING REQUIREMENTS.] Each court reporter who charges a fee for the preparation of transcripts shall by April 15 of each year file with the district administrator of his judicial district and the county commissioners of the district an accounting of gross receipts for the prior calendar year. The accounting report shall specify the amount received in payment for the sale of transcripts."*

Page 9, line 18, after "restricted" insert ", if the parties agree in writing to so limit the panel's jurisdiction, except as provided by subdivision 7b"

Page 9, line 19, after "panel" insert ", or the final offer of one or the other party in its entirety"

Page 10, after line 13, insert a new section to read:

"Sec. 10. Minnesota Statutes 1980, Section 179.72, Subdivision 7b, is amended to read:

Subd. 7b. Notwithstanding the provisions of subdivision 7, for (ESSENTIAL EMPLOYEES,) supervisory employees, confidential employees, and principals and assistant principals who are not employees of the executive branch of the state of Minnesota, the panel shall be restricted to selecting between the final offers on each impasse item submitted by the parties to the panel."

Page 13, line 9, reinstate "1981" and delete "1982"

Page 13, line 12, delete "1982" and insert "1983"

Page 15, after line 29, insert:

**"Sec. 15. [INTERIM APPROVAL.]**

*After adjournment of the 1982 session of the legislature, the legislative commission on employee relations may give interim approval to a negotiated agreement, arbitration award, salary supplement, or compensation plan submitted to it in accordance*

*with other law. The legislative commission on employee relations shall submit the agreement, award, salary supplement, or plan to the entire legislature for ratification in the same manner and with the same effect as provided in section 179.74, subdivision 5."*

Page 15, after line 33, insert:

**"Sec. 17. [SALARY OF EXECUTIVE SECRETARY; HIGHER EDUCATION COORDINATING BOARD.]**

*Notwithstanding any other law to the contrary, the higher education coordinating board may establish the salary of its executive director.*

**Sec. 18. [COURT REPORTERS.]**

*The departmental and classification seniority of an individual who was employed as a court reporter in state service prior to his appointment as a court reporter in the office of administrative hearings pursuant to Laws 1975, Chapter 380, Section 16, shall carry forward and be credited to his employment with the office of administrative hearings.*

**Sec. 19. [REVIEW OF EXECUTIVE POSITIONS.]**

*The legislative commission on employee relations is directed to review the executive positions contained in section 15A.081, those that have been removed through legislative action, and those that have never been included. This review shall consider managerial and programmatic responsibilities and authority, the skill and effort required by each position, and compensation accorded. The commission may utilize the findings of the 1980 governor's task force on executive and judicial compensation. The commission shall report back to the legislature by February 15, 1983, its recommendations relative to appropriate inclusion in section 15A.081 and equitable compensation for comparable executive positions."*

Page 16, line 2, delete "Subdivisions" and insert "Subdivision"

Page 16, line 3, delete "and 7b"

Page 16, after line 3, insert:

**"Sec. 24. [APPROPRIATION; GENERAL FUND.]**

*Subdivision 1. The sums contained in this section are appropriated from the general fund to be available for the fiscal year ending June 30 of the years indicated.*

*Subd. 2. There is appropriated to the commissioner of finance for the purpose of paying compensation increases as authorized by sections 1 to 6.*

1982 1983

\$985,300 \$1,996,400

*Subd. 3. There is appropriated to the bureau of mediation services pursuant to section 13.*

1983

\$121,000

## Sec. 25. [APPROPRIATIONS; OTHER FUNDS.]

*The amounts necessary to pay compensation and economic benefit increases authorized by this act are appropriated to the commissioner of finance for the fiscal years ending June 30, 1982, and June 30, 1983, from the funds in the state treasury, other than the general fund, from which salaries are paid."*

Renumber the sections

Correct the cross references

Amend the title as follows:

Page 1, line 6, delete "providing" and insert "extending"

Page 1, line 7, delete "for all arbitrated" and insert "to certain"

Page 1, line 8, after "PELRA;" insert "removing it for others except on a voluntary basis; appropriating money;"

Page 1, line 12, after "7" insert "and 7b"

Page 1, line 15, after the semicolon insert; "proposing new law coded in Minnesota Statutes, Chapter 486;"

Page 1, line 17, delete "Subdivisions" and insert "Subdivision"

Page 1, line 17, delete "and 7b"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 2249, A bill for an act relating to appropriations; appropriating money to the housing development fund for certain purposes.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [HOUSING CONSTRUCTION REAPPROPRIATION.]

*The appropriation of \$200,000 from the general fund by Laws 1981, Chapter 306, Section 21, clause (c) is cancelled and reappropriated to the housing development fund created in Minnesota Statutes, Section 462A.20, to be used in connection with the financing of developments, all or a portion of the units of which are eligible for subsidy pursuant to Section 8 of the United States Housing Act of 1937, as amended to March 1, 1982. The appropriation may be used either (a) to make loans, with or without interest, pursuant to Minnesota Statutes, Section 462A.05, Subdivisions 1 and 3; or (b) to be paid into accounts of the agency for the purpose of making payments required by a resolution for the issuance of its notes or bonds, as permitted by Minnesota Statutes, Section 462A.10, Subdivision 4. The agency shall establish an account in the fund to record the receipt and disbursement of the amounts appropriated and any other amounts transferred to this account pursuant to Minnesota Statutes, Section 462A.20, Subdivision 3.*

Sec. 2. [EFFECTIVE DATE.]

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

Amend the title as follows:

Page 1, line 2, delete “appropriating” and insert “canceling and reappropriating”

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2003 and 2249 were read for the second time.

## MOTIONS AND RESOLUTIONS

Jacobs moved that his name be stricken as an author on H. F. No. 2228. The motion prevailed.

Battaglia moved that his name be stricken as an author on H. F. No. 1477. The motion prevailed.

Stumpf moved that the name of Anderson, G., be shown as chief author and the name of Stumpf be shown as third author on H. F. No. 2243. The motion prevailed.

Reding moved that S. F. No. 1567 be recalled from the Committee on Judiciary and together with H. F. No. 1581, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Olsen moved that her name be stricken as an author on H. F. No. 2087. The motion prevailed.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 1, 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, March 1, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

