

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1983

TWENTY-NINTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 30, 1983

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

Prayer was offered by Pastor Tomas E. Meeks, House Chaplain, Ramsey, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Ellingson	Kostohryz	Peterson	Solberg
Anderson, G.	Erickson	Kvam	Piepho	Sparby
Anderson, R.	Evans	Larsen	Piper	Stadum
Battaglia	Findlay	Levi	Price	Staten
Beard	Fjoslien	Ludeman	Quinn	Sviggum
Begich	Frerichs	Mann	Quist	Swanson
Bennett	Graba	Marsh	Redalen	Thiede
Bergstrom	Greenfield	McDonald	Reif	Tomlinson
Berkelman	Gruenes	McEachern	Rice	Tunheim
Bishop	Gustafson	McKasy	Riveness	Uphus
Blatz	Gutknecht	Metzen	Rodosovich	Valan
Brandl	Halberg	Minne	Rodriguez, F.	Valento
Brinkman	Haukoos	Munger	Rose	Vanasek
Burger	Heap	Murphy	St. Onge	Vellenga
Carlson, D.	Heinitz	Nelson, D.	Sarna	Voss
Carlson, L.	Himle	Nelson, K.	Schafer	Waltman
Clark, J.	Hoffman	Neuenschwander	Scheid	Welch
Clark, K.	Hokr	Norton	Schoenfeld	Welker
Clawson	Jacobs	O'Connor	Schreiber	Welle
Cohen	Jennings	Ogren	Seaberg	Wenzel
Coleman	Jensen	Olsen	Segal	Wigley
Dempsey	Johnson	Omänn	Shaver	Wynia
DenOuden	Kahn	Onnen	Shea	Zaffke
Dimler	Kalis	Osthoff	Sherman	Speaker Sieben
Eken	Kelly	Otis	Simoneau	
Eloff	Knuth	Pauly	Skoglund	

A quorum was present.

Forsythe, Hoberg, Knickerbocker and Long were excused.

Krueger was excused until 2:30 p.m. Rodriguez, C., was excused until 3:15 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kvam 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. 74, 88, 277, 282, 396, 552, 597, 601, 609, 624, 638, 673, 132, 189, 213, 318, 482, 511, 459, 564, 581, 608, 231, 553, 653 and 667 and S. F. Nos. 81, 101, 164, 201, 552, 589, 50, 107 and 96 have been placed in the members' files.

S. F. No. 81 and H. F. No. 88, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Rodosovich moved that S. F. No. 81 be substituted for H. F. No. 88 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 207 and H. F. No. 282, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Onnen moved that S. F. No. 207 be substituted for H. F. No. 282 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 164 and H. F. No. 359, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Norton moved that the rules be so far suspended that S. F. No. 164 be substituted for H. F. No. 359 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 589 and H. F. No. 460, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Rodriguez, F., moved that the rules be so far suspended that S. F. No. 589 be substituted for H. F. No. 460 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 101 and H. F. No. 213, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

O'Connor moved that the rules be so far suspended that S. F. No. 101 be substituted for H. F. No. 213 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

March 29, 1983

The Honorable Harry A. Sieben, Jr.
Speaker of the House
276 State Office Building
St. Paul, Minnesota 55155

Dear Speaker Sieben:

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

H. F. No. 215, relating to local government; authorizing flood control projects by the city of Rochester, Olmsted County and the Olmsted county soil and water conservation district.

The Governor also signed this day House File No. 46 relating to a resolution memorializing the President and Congress to repeal the Secretary of Agriculture's authority to deduct 50 cents per hundredweight from milk producer payments.

Sincerely,

RUDY PERPICH
Governor

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

March 29, 1983

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

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1983 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1983	Date Filed 1983
	215	14	March 29	March 29
	46	Resolution 2	March 29	March 29

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

McEachern from the Committee on Education to which was referred:

H. F. No. 159, A bill for an act relating to education; providing for removing a pupil from class; establishing grounds for removal; establishing procedures for removal and return; amending Minnesota Statutes 1982, sections 127.27, subdivision 2, and by adding subdivisions; 127.28; 127.29, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 127.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 127.27, subdivision 2, is amended to read:

Subd. 2. "Dismissal" means the denial of the appropriate educational program to any pupil, including exclusion, expulsion, and suspension. *It does not include removal from class.*

Sec. 2. [127.40] [DEFINITIONS.]

Subdivision 1. [REMOVAL FROM CLASS.] "Removal from class" and "removal" mean any actions taken by a teacher, principal, or other school district employee to prohibit a pupil from attending class for a period of time not to exceed three class or activity periods, pursuant to procedures established in the school district discipline policy adopted by the local school board pursuant to section 3 of this act.

Subd. 2. [CLASS PERIOD.] "Class period" or "activity period" means, in secondary grades, instruction for a given course of study. A class period or activity period means, in elementary grades, a period of time not to exceed one hour, regardless of the subject of instruction.

Sec. 3. [127.41] [ADOPTION OF POLICY ON DISCIPLINE AND REMOVAL OF STUDENTS FROM CLASS.]

Subdivision 1. [REQUIRED POLICY.] Prior to the beginning of the 1984-1985 school year each school board shall adopt a written district-wide school discipline policy which shall include rules of conduct for pupils and grounds and procedures for removal of pupils from class. The policy shall be developed with the participation of administrators, teachers, employees, pupils, parents, community members, and such other individuals or organizations as the board determines appropriate.

Subd. 2. [GROUNDS FOR REMOVAL FROM CLASS.] The policy shall establish the various grounds for which a pupil may be removed from a class in the district for a period of time pursuant to the procedures specified therein. The grounds in the policy shall include at least the following provisions as well as other grounds determined appropriate by the board:

(a) Willful conduct which materially and substantially disrupts the rights of others to an education;

(b) Willful conduct which endangers school district employees, the pupil or other pupils, or the property of the school;

(c) Willful violation of any rule of conduct specified in the discipline policy adopted by the board.

Subd. 3. [POLICY COMPONENTS.] The policy shall include at least the following components:

(a) Rules governing pupil conduct and procedures for informing pupils of those rules;

(b) The grounds for removal of a pupil from a class;

(c) The authority of the classroom teacher to remove pupils from the classroom pursuant to procedures and rules established in the district's policy;

(d) The procedures for removal of a pupil from a class by a teacher, school administrator, or other school district employee;

(e) The period of time for which a pupil may be removed from a class, provided that a pupil may not be removed from a

class for a violation of a rule of conduct for more than three class periods;

(f) Provisions relating to the responsibility for and custody of a pupil removed from a class;

(g) The procedures for return of a pupil to the specified class from which the pupil has been removed;

(h) The procedures for notifying pupils and parents or guardians of violations of the rules of conduct and of resulting disciplinary actions;

(i) Any procedures determined appropriate for encouraging early involvement of parents or guardians in attempts to improve a pupil's behavior;

(j) Any procedures determined appropriate for encouraging early detection of behavioral problems; and

(k) Any procedures determined appropriate for referring pupils in need of special education services to those services.

Sec. 4. [127.42] [REVIEW OF POLICY.]

The principal and the licensed employees in a school building shall confer at least annually to review the discipline policy and to assess whether the policy has been enforced."

Delete the title and insert:

"A bill for an act relating to education; requiring school boards to adopt and review discipline policies including rules of conduct for pupils, and grounds and procedures for removal of pupils from class; amending Minnesota Statutes 1982, section 127.27, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 127."

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 210, A bill for an act relating to historical societies; fixing the maximum city or town tax for a county historical society; amending Minnesota Statutes 1982, section 138.053.

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. 233, A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees.

Reported the same back with the following amendments:

Page 2, line 33, delete "*December 1, 1983, and*"

Page 2, line 34, delete "*adjustments*" and insert "*adjustment*"

Page 3, line 7, after the dollar sign, insert "*10,750,000*"

Page 3, delete lines 11 to 17, and insert:

	<i>"FY 1984</i>	<i>FY 1985</i>
<i>public employees retirement fund</i>	<i>\$1,904,736</i>	<i>\$1,963,075</i>
<i>public employees police and fire fund</i>	<i>76,016</i>	<i>80,767</i>
<i>teachers retirement fund</i>	<i>1,545,520</i>	<i>1,633,904</i>
<i>state patrol retirement fund</i>	<i>59,008</i>	<i>62,067</i>
<i>state employees retirement fund</i>	<i>1,352,128</i>	<i>1,393,541</i>
<i>Minneapolis employees retirement fund</i>	<i>308,688</i>	<i>323,068"</i>

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

The report was adopted.

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

H. F. No. 250, A bill for an act relating to insurance; regulating interest rates on life insurance policy loans; establishing written pricing and dividend policies in certain circumstances; prescribing penalties; amending Minnesota Statutes 1982, section 61A.03; proposing new law coded in Minnesota Statutes, chapter 72A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 61A.03, is amended to read:

61A.03 [(NECESSARY) REQUIRED PROVISIONS; LIFE INSURANCE POLICIES.]

Subdivision 1. [GENERALLY.] No policy of life insurance shall be issued in this state or be issued by a life insurance company organized under the laws of this state unless the same contains the following provisions:

((1)) (a) [PREMIUM.] A provision that all premiums shall be payable in advance either at the home office of the company, or to an agent of the company, upon delivery of a receipt signed by one or more officers named in the policy and counter-signed by the agent, but any policy may contain a provision that the policy itself shall be a receipt for the first premium;

((2)) (b) [GRACE PERIOD.] A provision for a grace of one month for the payment of every premium after the first, which may be subject to an interest charge, during which month the insurance shall continue in force, which provision may contain a stipulation that if the insured dies during the month of grace the overdue premium will be deducted in any settlement under the policy;

((3)) (c) [ENTIRE CONTRACT.] A provision that the policy constitutes the entire contract between the parties and is incontestable after it is in force during the lifetime of the insured for two years from its date, except for non-payment of premiums and except for violations of the conditions of the policy relating to naval and military services in time of war and, at the option of the company, provisions relative to benefits in the event of total and permanent disability and provisions which grant additional insurance specifically against death by accident, may be excepted, a special form of policy may be issued on the life of a person employed in an occupation classed by the company as extra hazardous or as leading to hazardous employment, which provides that service in certain designated occupations may reduce the company's liability under the policy to a certain designated amount not less than the full policy reserve;

((4)) (d) [REPRESENTATIONS AND WARRANTIES.] A provision that, in the absence of fraud, all statements made by the insured shall be deemed representations and not warranties, and that no such statement shall avoid the policy unless it is contained in a written application, and a copy of the application is endorsed upon or attached to the policy when issued;

((5)) (e) [MISSTATEMENT OF AGE.] A provision that if the age of the insured is understated, the amount payable under the policy shall be such as the premium would have purchased at the correct age;

((6)) (f) [DIVIDENDS ON PARTICIPATING POLICIES.] A provision that the policy shall participate in the surplus of the company and that, beginning not later than the end of the third policy year, the company will, annually, determine and account for the portion of the divisible surplus accruing on the policy, and that the owner of the policy shall have the right, each year after the fifth to have the current dividend arising from such participation paid in cash, and if the policy shall provide other dividend options, it shall specify which option shall be effective if the owner of the policy shall not elect any option, which provision may stipulate that any dividends payable during the first five years of such policy shall be conditioned upon the payment of the next ensuing annual premium; this provision shall not be required in non-participating policies, nor in policies issued on under-average lives, nor in insurance in exchange for lapsed or surrendered policies;

((7)) (g) [POLICY LOANS.] A provision that after three full years premiums have been paid, the company at any time while the policy is in force, will advance, on proper assignment of the policy, and on the sole security thereof, at a specified rate of interest, *not to exceed eight percent per annum, or at an adjustable rate of interest as otherwise provided for in this section*, a sum equal to, or, at the option of the owner of the policy, less than the loan value thereof. Such loan value shall be the cash surrender value thereof at the end of the current policy year, and the policy shall provide that such loan, except when made to pay premiums, may be deferred for not exceeding six months after the application therefor is made; it shall be further stipulated in the policy that the company will deduct from such loan value any existing indebtedness on the policy and any unpaid balance of the premium for current policy year, and may collect interest in advance on the loan to the end of the current policy year, and that the failure to repay any such advance or to pay interest shall not void the policy unless the total indebtedness thereon to the company shall equal or exceed such loan value at the time of such failure, nor until one month after notice shall have been mailed by the company to the last known address of the insured and of the assignee of record at the home office of the company; no condition other than as herein provided shall be exacted as a prerequisite to any such advance; but this provision shall not be required in term insurance.

((8)) (h) [REINSTATEMENT.] A provision that if, in event of default in premium payments, the nonforfeiture value of the policy shall be applied to the purchase of other insurance, and if such insurance shall be in force and the original policy shall not have been surrendered to the company and canceled,

the policy may be reinstated within three years from such default, upon evidence of insurability satisfactory to the company, and payment of arrears of premiums, with interest;

((9)) (i) [PAYMENT OF CLAIMS.] A provision that, when a policy becomes a claim by the death of the insured, settlement shall be made upon receipt of due proof of death, or not later than two months after receipt of such proof;

((10)) (j) [SETTLEMENT OPTION.] A table showing the amount of installments in which the policy may provide its proceeds may be payable;

((11)) (k) [DESCRIPTION OF POLICY.] A title on the face and on the back of the policy briefly and correctly describing in bold letters the same, and so specifying its general character, dividend periods, and other particulars, that the holder will not be able to mistake the nature and scope of the contract.

Any of the foregoing provisions or portions thereof relating to premiums not applicable to single premium policies shall not be incorporated therein.

Subd. 2. [INTEREST RATES ON POLICY LOANS.] (a) A life insurance policy which provides for policy loans shall contain a provision concerning maximum policy loan interest rates as follows:

(1) a provision permitting a maximum interest rate of not more than eight percent per annum; or

(2) a provision permitting an adjustable maximum interest rate established from time to time by the life insurer as permitted by this subdivision.

(b) No life insurer may issue policies with a policy loan provision providing for an adjustable maximum interest rate under clause (a)(2) unless the insurer also makes available policies with a policy loan provision providing for a fixed rate of interest under clause (a)(1).

(c) The rate of interest charged on a policy loan made under clause (a)(2) shall not exceed the higher of the following:

(1) the rate used to compute the cash surrender values under the policy during the applicable period plus one percent per annum; or

(2) the monthly average of the composite yield on seasoned corporate bonds as published by Moody's Investors Service, In-

incorporated, or any successor thereto, for the calendar month ending two months before the date on which the rate is determined. If the monthly average is no longer published, a substantially similar average shall be substituted by the commissioner by rule.

(d) If the maximum rate of interest is determined pursuant to clause (a)(2), the policy shall contain a provision setting forth the frequency at which the rate is to be determined for that policy.

(e) The maximum rate referred to in clause (d) must be determined at regular intervals at least once every 12 months, but not more frequently than once in any three-month period. At the intervals specified in the policy:

(1) The rate being charged may be increased whenever such increase as determined under clause (c) would increase that rate by one-half percent or more per annum; and

(2) The rate being charged must be reduced whenever such reduction as determined under clause (c) would decrease that rate by one-half percent or more per annum.

(f) The life insurer shall:

(1) notify the policyholder at the time a policy loan, other than a premium loan, is made, of the initial rate of interest on the loan, that the interest rate on the loan is adjustable and that the policyholder will be notified of any increase in the interest rate;

(2) notify the policyholder with respect to premium loans of the initial rate of interest on the loan as soon as it is reasonably practical to do so after making the initial loan. Notice need not be given to the policyholder when a further premium loan is added, except as provided in clause (3);

(3) send reasonable advance notice of any increase in the rate to the policyholder with loans; and

(4) include in the notices required by this clause the substance of the pertinent provisions of clauses (a) and (d), a summary of the plan required by clause (h), and the effect of the policy loan on the policyholder's net cost of insurance per \$1,000 of coverage based on that plan.

(g) The loan value of the policy shall be determined in a manner consistent with section 61A.24 or 61A.245, but no policy shall terminate as the sole result of a change in the interest rate during that policy year, and the life insurer shall maintain coverage during that policy year until the time at which it would otherwise

have terminated if there had been no change during that policy year.

(h) Prior to offering insurance policies with an adjustable policy loan interest rate the insurer shall file a written plan setting forth the manner in which policyholders will receive a reasonable benefit in the form of price reductions or increased dividends from the increased earnings of the insurer resulting from the use of the adjustable rate and, if applicable, the effect of a policy loan on dividends and dividend rates. A summary of this plan must be made available upon request to each policyholder and must be provided to each applicant for a policy before the initial premium is received.

(i) The pertinent provisions of clauses (a) and (e) shall be set forth in substance in the policies to which they apply.

(j) For the purposes of this subdivision:

(1) The rate of interest on policy loans permitted under this subdivision includes the interest rate charged on reinstatement of policy loans for the period during and after any lapse of a policy.

(2) The term "policy loan" includes any premium loan made under a policy to pay one or more premiums that were not paid to the life insurer as they fell due.

(3) The term "policyholder" includes the owner of the policy or the person designated to pay premiums as shown on the records of the life insurer.

(4) The term "policy" includes certificates issued by a fraternal benefit society and annuity contracts which provide for policy loans.

Subd. 3. [APPLICABILITY TO EXISTING POLICIES.] The provisions of subdivision 2 shall not apply to any insurance policy issued before the effective date of this act unless the insurer provides the policyholder with a summary of the plan required by subdivision 2, clause (h), and thereafter the policyholder agrees in writing to the applicability of those provisions.

Subd. 4. [NONAPPLICATION OF USURY.] Neither section 334.01 nor any other law of this state which regulates rates of interest shall apply to policy loans which are governed by this section.

Subd. 5. [RULES.] The commissioner may adopt rules pursuant to chapter 14 to further implement and administer the provisions of this chapter.

Sec. 2. [72A.135] [FAILURE TO FOLLOW DIVIDEND AND PRICING POLICY; PENALTIES.]

An insurer failing to file and adhere to the plan required by section 61A.03, subdivision 2, clause (h), shall be subject to a civil penalty of not more than \$5,000 for each violation.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective January 1, 1984."

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. 251, A bill for an act relating to retirement; police and salaried firefighters relief associations; modifying the governance of the trust funds after the local relief association ceases to exist; amending Minnesota Statutes 1982, section 423A.01, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 16, after the period insert "*Recipient beneficiaries who are competent to act on their own behalf shall be entitled to select the prescribed number of trustees of the trust fund as provided in this clause, subject to the approval of the governing body of the municipality.*"

Page 4, after line 16, insert:

"Sec. 2. Minnesota Statutes 1982, section 423A.01, subdivision 4, is amended to read:

Subd. 4. [AUTOMATIC POST RETIREMENT ADJUSTMENTS FOR CERTAIN NEWLY EMPLOYED, ACTIVE AND RETIRED MEMBERS.] (1) Notwithstanding any provision of law, municipal charter, municipal ordinance or resolution, or relief association articles of incorporation or bylaws to the contrary, any person who meets one of the following requirements for entitlement shall be entitled to an annual automatic post retirement adjustment in the amount of the service pension calculated pursuant to clause (2). A person meets the requirements for entitlement if:

(a) the person is a member of a covered local police or salaried firefighters' relief association enumerated in clause (3) (UNLESS THE MUNICIPALITY HAS ADOPTED A

MUNICIPAL RESOLUTION RETAINING THE LOCAL RELIEF ASSOCIATION PURSUANT TO SUBDIVISION 1, IF APPLICABLE), commences receiving a service pension at an age no earlier than attaining the age of 55 years, and has met all applicable requirements for entitlement to a service pension specified in the applicable laws and relief association articles of incorporation or bylaws governing the local relief association;

(b) the person is a retired member of a covered local police or salaried firefighters' relief association enumerated in clause (3) (UNLESS THE MUNICIPALITY HAS ADOPTED A MUNICIPAL RESOLUTION RETAINING THE LOCAL RELIEF ASSOCIATION PURSUANT TO SUBDIVISION 1, IF APPLICABLE), retired on a service pension after June 15, 1980 (AND) after attaining the age of at least 50 years but prior to attaining the age of 55 years, and attains the age of 55 years subsequent to retirement; or

(c) the person was a retired member on June 15, 1980 of a covered local police or salaried firefighters' relief association or retirement trust fund enumerated in clause (3), (UNLESS THE MUNICIPALITY HAS ADOPTED A MUNICIPAL RESOLUTION RETAINING THE LOCAL RELIEF ASSOCIATION PURSUANT TO SUBDIVISION 1, IF APPLICABLE, ON JUNE 15, 1980,) is receiving a service pension, and has attained the age of at least 55 years.

(2) Any person who meets the requirements specified in clause (1)(a) or (1)(b) shall be entitled to receive the annual automatic post retirement adjustment on the January 1 next following the date upon which the requirements for entitlement are met but in no event prior to the date upon which the person attains the age of 55 years. Any person who meets the requirements specified in clause (1)(c) shall be entitled to receive the (ANNUAL AUTOMATIC POST RETIREMENT) adjustment on the January 1 next following (THE EFFECTIVE DATE OF THE APPROVAL OF THE BENEFIT MODIFICATION BY THE MUNICIPALITY AS PROVIDED FOR IN CLAUSE (3) OR) the date upon which the person attains the age of 55 years (; WHICHEVER OCCURS LATER). The amount of the (ANNUAL AUTOMATIC POST RETIREMENT) adjustment shall be determined by the board of trustees of the local relief association on or before December 1 annually and the (ANNUAL AUTOMATIC POST RETIREMENT) adjustment shall accrue each year as of January 1 next following the determination date. The (ANNUAL AUTOMATIC POST RETIREMENT) adjustment shall be first payable with the service pension payment made for January. Each (ANNUAL AUTOMATIC POST RETIREMENT) adjustment in the amount of the service pension shall be (EQUAL TO THE DOLLAR AMOUNT DETERMINED BY APPLYING) *based on* the percentage (BY WHICH THE SALARY PAYABLE BY THE MUNICIPALITY TO A TOP GRADE PATROL OFFICER OR A TOP GRADE FIREFIGHTER, WHICHEVER IS APPLICABLE,

HAS INCREASED) *increase in the salary upon which retirement coverage is credited during the prior year subject to the limitation provided for in this clause.*

The percentage increase in the salary shall be applied to the amount of service pension payable to the person for the month immediately prior to the month in which the determination is made. The maximum percentage increase shall not exceed 3-1/2 percent in any year and any increase in the salary level of the applicable position used to govern the determination of (ANNUAL AUTOMATIC POST RETIREMENT) adjustments in excess of 3-1/2 percent in any year shall not carry over to or be used to calculate the rate of salary increase for any succeeding year in which the increase in the salary of the applicable position does not exceed 3-1/2 percent.

(3) The provisions of this subdivision shall apply to the active members and retired members of a local police or salaried firefighters' relief association or to the retired members of a retirement trust fund contained in the following enumeration of covered relief associations (IF THE GOVERNING BODY OF THE APPLICABLE MUNICIPALITY APPROVES THE MODIFICATION IN THE BENEFIT PLAN OF THE RELIEF ASSOCIATION SPECIFIED IN THIS SUBDIVISION FOLLOWING CONSIDERATION OF AN ACTUARIAL VALUATION WHICH IS, OR ACTUARIAL ESTIMATE BASED ON THE MOST RECENT ACTUARIAL VALUATION WHICH WAS, PREPARED IN ACCORDANCE WITH SECTIONS 356.215 AND 356.216, BASED ON THE BENEFIT PLAN OF THE APPLICABLE LOCAL RELIEF ASSOCIATION OR RETIREMENT TRUST FUND INCLUDING THE MODIFICATION PROVIDED FOR IN THIS SUBDIVISION, DOES NOT ADOPT A MUNICIPAL RESOLUTION RETAINING THE LOCAL RELIEF ASSOCIATION PURSUANT TO SUBDIVISION 1, AND FILES A RESOLUTION INDICATING APPROVAL OF THE MODIFICATION IN THE BENEFIT PLAN WITH THE SECRETARY OF STATE, THE COMMISSIONER OF INSURANCE AND THE EXECUTIVE SECRETARY OF THE LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT ON OR BEFORE THE FIRST DAY OF THE TENTH MONTH FOLLOWING JUNE 15, 1980):

- (a) Buhl police relief association;
- ((B) CROOKSTON FIREFIGHTERS RELIEF ASSOCIATION;)
- ((C) CROOKSTON POLICE RELIEF ASSOCIATION;)
- ((D)) (b) Eveleth joint retired police and firefighters retirement trust fund;
- ((E)) (c) Moorhead firefighters relief association;

- ((F)) (d) Moorhead police relief association;
- ((G)) (e) Thief River Falls police retirement trust fund;
- ((H)) (f) Virginia firefighters relief association;
- ((I)) (g) West St. Paul police relief association.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "updating obsolete language; clarifying ambiguous language;"

Page 1, line 6, delete "subdivision 2" and insert "subdivisions 2 and 4"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 287, A bill for an act relating to domestic abuse; protecting persons from abuse by former spouses and others; authorizing an arrest for violations of certain orders; amending Minnesota Statutes 1982, section 518B.01, subdivisions 2, 13, and 14.

Reported the same back with the following amendments:

Page 1, line 19, after "member;" insert "*or (iii) intrafamilial sexual abuse, within the meaning of sections 609.364 to 609.3644, committed against a child or minor family or household member by an adult family or household member;*"

Page 2, line 28, delete "notice" and insert "*the filing of an affidavit*"

Page 2, line 28, delete everything after "*petitioner*"

Page 2, line 29, delete "*the petitioner*"

Page 2, line 31, delete "*shall*" and insert "*may*"

Page 2, line 31, delete "*a summons*" and insert "*an order*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 300, A bill for an act relating to energy; creating the Minnesota conservation partnership; establishing a program of loans and financial assistance for households and municipalities; authorizing the issuance of bonds; appropriating money; proposing new law coded in Minnesota Statutes, chapter 4; repealing Minnesota Statutes 1982, section 3.351.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [TRANSFER OF CERTAIN POWERS RELATING TO ENERGY FROM THE DEPARTMENT OF ENERGY, PLANNING AND DEVELOPMENT TO THE MINNESOTA DEPARTMENT OF ENERGY.]

Subdivision 1. [AUTHORIZATION.] The Minnesota department of energy is the successor to the department of energy, planning and development in the administration of certain laws related to energy. The department is a continuation of the former authority and not a new authority for the purpose of succession to the rights, powers, duties, and obligations of the department of energy, planning and development relating to energy as they were constituted immediately prior to the effective date of this act.

Subd. 2. [EFFECT OF RULES TRANSFERRED.] All rules previously adopted under the authority of a power, duty, or responsibility transferred by this act to the department of energy remain in force until modified or repealed in accordance with law by the department of energy.

Subd. 3. [EFFECT OF PENDING PROCEEDINGS.] Any proceeding, court action, prosecution, or other business or matter pending on the effective date of this act and undertaken or commenced by the department of energy, planning and development under the authority of any power, duty, or responsibility transferred by this act to the department of energy may be conducted and completed by the department of energy in the same manner, under the same terms and conditions, and with the same effect as though no transfer were made.

Subd. 4. [TRANSFER OF CUSTODY OF DOCUMENTS.] Every individual responsible under law for administration of any function transferred by this act to the department of energy shall, upon request by the department of energy or by any of

its designated employees, transfer custody of all books, maps, plans, papers, records, contracts, and other documents relating to the transferred function and necessary or convenient for the proper discharge of the agency's new duties. The transfer shall be made in accordance with the directions of the department of energy or its designated representative.

Subd. 5. [APPROPRIATIONS.] *All unexpended and unencumbered funds appropriated to the department of energy, planning and development for the purpose of performing any of the functions, powers, or duties which are transferred by this act are transferred to the department receiving those functions, powers, or duties.*

Subd. 6. [PERSONNEL.] *The positions associated with the responsibilities being transferred are abolished in the department of energy, planning and development. The approved staff complement for that agency is decreased accordingly. The employees who filled the positions abolished in the department of energy, planning and development become employees of the agencies to which the duties are transferred. Personnel changes are effective on the date of transfer of responsibilities.*

Sec. 2. [116H.41] [CREATION OF DEPARTMENT.]

There is created in the executive branch the Minnesota department of energy. The department shall be under the supervision of a commissioner who shall organize the department. The commissioner shall be appointed by the governor under section 15.06. The commissioner may appoint a deputy commissioner and a personal secretary to serve at his pleasure. The commissioner and his deputy and his personal secretary shall serve in the unclassified service and shall be members of the Minnesota state retirement system. The department shall be responsible for the administration of the laws contained in chapter 116H and for the performance of other duties assigned to it.

Sec. 3. [116H.42] [ENERGY COORDINATION BOARD.]

Subdivision 1. [CREATION.] *There is created an energy coordination board. The board shall be composed of the commissioner of the department of energy as chairperson and the heads of the following agencies:*

(1) economic development function of the department of energy, planning and development or the successor agency which assumes those functions;

(2) housing finance agency;

(3) administration department;

- (4) *public service department;*
- (5) *agriculture department;*
- (6) *natural resources department;*
- (7) *statewide planning function of the department of energy, planning and development or the successor agency which assumes those functions;*
- (8) *public utilities commission;*
- (9) *education department.*

Subd. 2. [POWERS AND DUTIES.] The energy coordination board shall serve as the chief advisory board to the governor on coordinating energy activities within state government. It shall assist in the development of policies, plans, and programs for improving the coordination, administration, and effectiveness of energy activities.

The energy coordination board shall oversee and direct the activities of the intervention office created in section 4.

Sec. 4. [116H.425] [INTERVENTION OFFICE.]

There is created under the energy coordination board created by section 3 an intervention office to carry out intervention activities before federal and other energy regulatory agencies outside of the state. The office shall be staffed as the need arises by appropriate employees of the departments and agencies represented on the energy coordination board. Policies and functions of the intervention office shall be carried out under the direction of the commissioner of energy.

Sec. 5. [116H.50] [COORDINATION OF FEDERAL AND STATE RESIDENTIAL WEATHERIZATION PROGRAMS.]

Subdivision 1. [TRANSFER OF RESIDENTIAL WEATHERIZATION AUTHORIZATION.] Effective July 1, 1984, all powers, responsibilities and authorities for weatherizing the residences of low-income persons with money made available to the state by federal law and any other federal or state money made available for employment in weatherization programs is transferred from the department of economic security to the department of energy as provided in section 15.039.

Between the effective date of this act and July 1, 1984, the commissioner of economic security and the commissioner of energy shall prepare for an orderly transition of powers and authorities relating to the low-income weatherization program.

Sec. 6. [DEFINITIONS.]

Subdivision 1. For purposes of this act the terms defined in this section have the meanings ascribed to them unless the context in which they are used clearly indicates otherwise.

Subd. 2. "Board" means the Minnesota energy coordination board established in section 3.

Subd. 3. "Commissioner" means the commissioner of the department of energy.

Subd. 4. "Department" means the department of energy established by this act.

Subd. 5. "Partnership" means the energy partnership created in section 7.

Subd. 6. "Person" includes an individual, firm, partnership, corporation, or association.

Subd. 7. "Conservation" means a product or system designed to reduce the amount of energy needed for an energy-consuming activity or process. Conservation includes but is not limited to thermal insulation and air infiltration control in buildings, products or methods that reduce energy consumption for transportation or soil tillage practices, improvements in combustion efficiency or heat transfer efficiency in boilers, furnaces or direct-fired process heaters, and changes to industrial production equipment that result in lower energy use per unit of output.

Subd. 8. "Municipality" means a city, town, county, school district, special taxing district, or a municipal power agency governed by chapter 453, or a group or combination of those units operating under an agreement to jointly undertake projects authorized by this act.

Subd. 9. "Alternative energy source" means a source of energy available from indigenous Minnesota resources including but not limited to peat, biomass, solar energy, wind, municipal wastes, agricultural or forestry wastes, hydro-power, and agricultural crops suitable for conversion to an energy fuel.

Subd. 10. "Renewable energy source" means a source of energy occurring in Minnesota which, when consumed for energy purposes, is replaced within a matter of days, months, or years by new or additional supplies of the energy source. Renewable energy sources include, but are not limited to, forestry products and forest harvest residues, solar energy, wind energy, water-power, and agricultural wastes.

Subd. 11. "Energy recovery" means the extraction of energy from materials, components or processes which would normally represent wasted energy resources. Municipal solid wastes, volatile sewer gases, and power plant waste heat, among others, offer the potential for energy recovery.

Sec. 7. [116H.76] [ENERGY PARTNERSHIP.]

Subdivision 1. [CREATION.] There is created a Minnesota energy partnership which shall perform the functions and duties authorized in sections 8 to 12. Principal responsibilities of the partnership shall include evaluation of energy related projects proposed by persons and municipalities of the state and assistance to proposers for accomplishing those projects deemed technically worthy and fiscally sound.

Subd. 2. [MEMBERSHIP.] The partnership shall be composed of the commissioner of energy, the commissioner of finance, the director of the housing finance agency, and 12 public members appointed by the governor with advice and consent of the senate. At least four of the public members shall be experienced in the extension of credit to borrowers or possess other financial expertise useful to programs operated by the partnership. Other members shall have demonstrated interest and expertise in energy conservation or resource development and may be selected from groups representing small business, labor, education, farming or agribusiness, and residential renters. The governor shall designate a chairperson of the partnership from among its members.

Membership terms, compensation, and removal of members and filling of vacancies shall be as provided in section 15.0575.

Subd. 3. [CONFLICT OF INTEREST.] No member or employee of the partnership shall participate in any manner in any decision or action of the partnership where he has a direct or indirect conflict. Each member of the partnership shall file a statement of economic interest with the board of ethical practices as provided in section 10A.09.

Subd. 4. [STAFFING.] The commissioner of energy shall appoint an executive director and shall hire other employees as needed to carry out the duties of the partnership. The partnership may contract, through the commissioner, with the housing finance agency or other public or private providers of finance expertise for professional services that relate to financial management. Authority for interagency service contracts for financial management expertise shall expire June 30, 1985.

Subd. 5. The management and control of the partnership shall be vested solely in the members in accordance with provisions of this act.

Subd. 6. All powers and duties of the partnership shall be vested in the members in office from time to time and a majority of the members of the partnership constitutes a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, notwithstanding the existence of any vacancies. Action may be taken by the partnership upon a vote of a majority of the members present.

Subd. 7. The members and officers of the partnership shall not be liable personally, either jointly or severally, for any debt or obligation created or incurred by the partnership.

Sec. 8. [SPECIFIC POWERS AND DUTIES OF THE PARTNERSHIP.]

Subdivision 1. The partnership shall perform, direct, or closely oversee the functions and programs delegated to it by sections 7 to 12. In order to accomplish these activities the partnership may request that staff be loaned by existing state agencies, or contract for services from public or private sources.

The powers and authorities granted to the partnership shall be broadly interpreted to facilitate innovative leadership in all areas of energy including policy setting, goal definition, strategic planning, conservation, development of renewable and alternative energy sources, energy recovery, and monitoring.

Subd. 2. The partnership shall assume an active role in a campaign for energy efficiency. The partnership shall actively promote public awareness of the potentials and benefits of energy efficiency.

Subd. 3. The partnership shall perform market analysis studies relating to conservation, alternative and renewable energy sources, and energy recovery.

Subd. 4. The partnership shall assure that programs under its control and direction make accommodation wherever possible for job creation and the needs of low income families and persons.

Subd. 5. The partnership shall be responsible for establishing energy efficiency goals for the state. These goals shall include all sectors of the state's economy including public, residential, business, and transportation. The partnership shall monitor progress toward accomplishing energy efficiency goals set for the state.

Subd. 6. The partnership shall maintain oversight of energy legislation and programs authorized by the legislature. The partnership shall annually, not later than February 1, report to the

governor and the legislature on the effectiveness and efficiency of these programs.

Subd. 7. The partnership shall operate a program of loan guarantees for commercial projects as specified in section 9.

Subd. 8. The partnership shall operate a revenue bonding program for commercial projects as specified in section 10.

Subd. 9. The partnership shall issue revenue bonds in its own name for purposes of the program authorized in subdivision 8 and section 10.

Subd. 10. The partnership shall operate a program of loans to municipalities for capital expenses relating to energy conservation, recovery, or development as specified in section 11.

Subd. 11. The partnership shall issue loans to municipalities from funds generated by the sale of general obligation bonds issued by the commissioner of finance.

Subd. 12. The partnership shall administer the district heating loan program established in section 116J.36 on behalf of the commissioner.

Subd. 13. The partnership shall promulgate rules and temporary rules to operate the loan programs and loan guarantee program authorized in subdivisions 7 to 11.

Subd. 14. The partnership shall provide direct assistance to businesses that plan to begin or expand their operations into the area of energy. The assistance shall include:

(a) providing data currently collected by the state that relates to resources, markets, economics, demographics, loans, and business planning;

(b) performing a limited technical review of prototypes or processes;

(c) conducting a limited number of feasibility studies to assist business development;

(d) conducting workshops, seminars, and other educational opportunities that relate to starting energy businesses or specific technical subjects, when appropriate, working in cooperation with the department of education and appropriate educational institutions in the state; and

(e) sharing information or networking among energy developers by use of newsletters, conferences, or the like.

Subd. 15. The partnership shall operate, on behalf of the commissioner, the program of energy improvement loans to schools created by the concepts embedded in an act styled as H. F. No. 549 on March 28, 1983. Any appropriation made in furtherance of that program, and any specific authorities or responsibilities attendant to the program, are appropriated to and shall be exercised by the partnership.

Subd. 16. The partnership may provide general technical assistance to project applicants to assure the preparation of complete, fully descriptive proposals for projects.

Subd. 17. The partnership may seek out and assist with the preparation of proposals for innovative conservation, renewable, alternative, or energy recovery projects.

Subd. 18. The partnership may engage or assist in the development and operation of conservation or alternative or renewable energy system equipment including development and operation of projects which the federal government or another funding source provides assistance in connection with the development and operation.

Subd. 19. The partnership may manage and dispense funds made available to it for the purpose of research studies or demonstration projects related to energy conservation or other activities deemed appropriate by the partnership.

Subd. 20. The partnership may accept appropriations, gifts, grants, bequests, and devises and utilize or dispose of the same to carry out any provisions of this act. All gifts, grants, bequests, and revenues from other such sources are hereby appropriated to the partnership for purposes of this act.

Sec. 9. [ENERGY LOAN GUARANTY PROGRAM.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given:

(a) "Fund" means the energy loan guaranty fund created by subdivision 2.

(b) "Lender" means any state or federally chartered bank, credit union, savings bank, savings and loan association, savings association, trust company or a lender certified by the secretary of housing and urban development or the administrator of veterans affairs or approved or certified by the administrator of the farmers home administration.

(c) "Loan" means a loan or advance of credit, secured by a mortgage, to a borrower for purposes specified by partnership rule.

(d) "Mortgage" means (1) a second mortgage on the real property on which the capital improvements are to be made or a first mortgage on the property, if there is no outstanding mortgage on the property at the time the loan is made, and (2) any security interest, under sections 336.9-101 to 336.9-508, in personal property or fixtures acquired with the proceeds of an insured loan, which the partnership may require by rule.

(e) "Qualified energy project" means acquiring, installing or constructing any conservation, renewable energy, alternative energy or other capital improvements for use in a trade or business and as provided by partnership rule.

Subd. 2. [ENERGY LOAN GUARANTY FUND.] An energy loan guaranty fund is created. The fund shall be used by the partnership as a revolving fund for carrying out the provisions of this section with respect to loans insured under subdivision 3.

Subd. 3. [INSURANCE OF LOANS.] (a) [AUTHORIZATION.] The partnership is authorized, upon application by a lender, to insure any eligible loan as provided in this section; and under terms as the partnership may prescribe by rule, to make commitments for the insuring of loans prior to the date of their execution or disbursement.

(b) [ELIGIBILITY REQUIREMENTS.] To be eligible for insurance under this section:

(1) A loan shall be in an original principal amount not to exceed \$

(2) The proceeds of the loan shall be used solely for the purpose of financing a qualified energy project.

(3) The loan agreement shall have a maturity satisfactory to the partnership, but not to exceed . . . years unless the loan is made in connection with financing for the purchase or construction of the building, in which case the maturity shall not exceed the maturity of the loan financing or 20 years, whichever is less.

(4) The loan agreement shall contain complete amortization provisions satisfactory to the partnership requiring periodic payments by the borrower not in excess of his reasonable ability to pay as determined by the partnership.

(5) The loan agreement shall contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, foreclosure proceedings, acceleration of maturity, delinquency charges and any other matters as the partnership may prescribe.

(6) *The loan shall be secured by a mortgage which has priority over any other liens against the property, except a contract for deed or first mortgage securing a loan, the proceeds of which were used to acquire or construct the property.*

(c) [CONCLUSIVE EVIDENCE OF INSURABILITY.] *Any contract of insurance executed by the partnership under this section shall be conclusive evidence of the eligibility of the loan for insurance, and the validity of any contract of insurance properly executed and in the hands of any approved lender shall not be contestable, except for fraud or misrepresentation on the part of the lender.*

(d) [PREMIUMS.] *The partnership is authorized to fix premium charges not to exceed of one percent of the original principal amount of the loan for the insurance of the loan under this section.*

(e) [PROCEDURES UPON DEFAULT.] *The failure of the borrower to make any payment as provided by any loan agreement insured under this section shall be considered a default under the loan. If the default continues for a period of 30 days, the lender shall be entitled to receive the benefits of the insurance upon assignment, transfer, and delivery to the partnership, within 120 days of the default, of the following:*

(1) *all rights and interests arising under the loan, mortgage, and any other security interests securing the loan;*

(2) *all claims of the lender against the borrower or others, arising out of the mortgage transactions;*

(3) *all policies of insurance, surety bonds or other guarantees and any claims thereunder;*

(4) *any balance of the loan not advanced to the borrower;*

(5) *any cash or property held by the lender, or to which it is entitled, including deposits made to the account of the borrower which have not been applied in reduction of the principal of the loan indebtedness; and*

(6) *all records, documents, books, papers, and accounts relating to the loan transaction.*

Alternatively, the lender may in the event of default under the loan, in accordance with rules of and within a period to be determined by the partnership, obtain possession of the property, through foreclosure or otherwise, and receive the benefits of the insurance as provided in paragraph (f) upon:

(1) prompt conveyance to the partnership of title to the property, as provided in rules promulgated by the partnership, and

(2) assignment to the partnership of all claims of the lender against the borrower or others, arising out of the loan transaction or foreclosure, except claims which have been released with the consent of the partnership.

(f) [PAYMENT OF INSURANCE.] Upon the lender's compliance with the requirements provided in or established under paragraph (e) the partnership shall pay to the lender an amount equal to the outstanding unpaid principal indebtedness at the time of default less percent, plus interest from the date of default.

Subd. 4. [INVESTMENT INTEREST.] All interest and profits accruing from investment of the fund's money shall be credited to and be a part of the fund, and any loss incurred in the principal of the investments of the fund shall be borne by the fund.

Subd. 5. [MAXIMUM AUTHORIZED INSURANCE.] The partnership may not at any time issue insurance under this section aggregating in excess of an amount equal to the current balance contained in the fund multiplied by ten.

Sec. 10. [REVENUE BOND PROGRAM.]

Subdivision 1. [AUTHORITY TO MAKE LOANS.] The partnership may make loans to individuals, partnerships, corporations, or other entities for the financing of capital improvements to be used in connection with a trade or business if the principal purpose of improvement is energy conservation or to reduce the usage of conventional fuels as a source of energy, as provided by the partnership's rules. A loan made pursuant to this section shall be signed by the governor after his review to assure that the loan is in the public interest.

Subd. 2. [BONDING AUTHORITY.] The partnership may borrow money and may issue bonds, notes, or other obligations as evidence of the borrowing in accordance with sections 462A.08 to 462A.13, 462A.16 and 462A.17, all with the force and effect stated and the incidental powers granted and duties imposed in those sections. The partnership may sell any of its obligations at public or private sale, at the price or prices as the partnership determines are appropriate, notwithstanding the limitations on sale price in section 462A.09.

Subd. 3. [LIMITATIONS ON OBLIGATIONS.] Neither the state nor any agency or political subdivision of the state shall be liable on bonds, notes, or other obligations issued by the partnership. No bond, note, or other obligation of the agency

shall constitute a debt or loan of the credit of the state or any political subdivision or any individual member of the partnership. Notwithstanding the provisions of section 462A.08, subdivision 8, the bonds, notes, and other obligations issued by the partnership shall be payable solely from the revenues and other moneys derived from the operation of the program authorized by this section.

Subd. 4. [RESERVE FUND.] A general reserve fund is created and is eligible to receive appropriations. The partnership may irrevocably pledge and appropriate all or a segregated portion of the reserve fund to make principal and interest payments when due on all or one or more series of its obligations for which other funds are not available, pursuant to the terms and conditions the partnership shall prescribe. Unless the reserve fund has been pledged and appropriated to secure the obligations, the reserve fund shall not be available to make principal or interest payments on the obligations. The partnership may not issue obligations secured by the reserve fund if the sum of the obligations to be issued and the outstanding obligations secured by the reserve fund or the segregated portion of the fund exceed the amount on deposit in the fund or segregated portion multiplied by ten.

Subd. 5. [LOAN PAYMENTS; FEES.] The partnership may impose and collect interest and amortization payments on loans, may authorize the collection of fees and charges, and may require funds to be placed in escrow. The payments, fees, charges and amounts placed in escrow shall be sufficient to provide for the payment and security of the obligations issued and for their servicing, to provide for insurance against losses, and to cover the cost of issuance of the obligations and technical, consultative and other assistance services.

Subd. 6. [INVESTMENT INCOME.] All interest and profits accruing from investment of the reserve fund's moneys shall be credited to and be part of the reserve fund, and any loss incurred in the investment of the reserve fund shall be borne by the fund. The assets of the reserve fund shall be invested only in direct obligations of the United States or in insured depository accounts up to the amount of the insurance, in any institution insured by an agency of the United States government.

Subd. 7. [ADDITIONAL POWERS.] In addition to the powers specifically enumerated, the partnership shall have any corporate powers necessary to effectuate or appropriate to the efficient implementation and operation of the revenue bond loan program authorized by this section, except to the extent explicitly limited by this section.

Sec. 11. [LOANS TO MUNICIPALITIES.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given:

(a) *"Municipality" means a statutory or home rule charter city, county, township, school district or other political subdivision with ad valorem taxing authority.*

(b) *"Qualified improvements" means improvements to public land, buildings or other capital improvements undertaken by a municipality for the principal purpose of energy conservation or to reduce usage of conventional energy sources, as provided by rules adopted by the partnership.*

Subd. 2. [AUTHORITY TO MAKE LOANS.] The partnership may make loans to municipalities to finance the acquisition or construction of qualified improvements, including interest costs incurred during the first three years after the loan is made. A loan made pursuant to this section shall be signed by the governor after his review to assure that the loan is in the public interest.

Subd. 3. [APPLICATIONS.] Application for a loan pursuant to this section shall be made by the municipality to the partnership. The partnership shall establish the procedures, form, and required contents of the applications.

Subd. 4. [MUNICIPAL OBLIGATION.] The partnership shall not make a loan until it has entered into an irrevocable agreement with the municipality providing that the municipality shall make payments equal to the principal and interest payments on the state bonds at the times transfers are required to be made pursuant to sections 16A.64 and 16A.65. The agreement shall obligate the municipality to levy an ad valorem property tax equal to the amounts necessary to make the payments. The amount required to be levied may be reduced by any other available amounts contained in a special fund dedicated to payment of the loan obligation.

Subd. 5. [RECEIPTS.] The principal and interest payments received by the partnership in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner of finance for the purpose of that fund.

Sec. 12. [.] [GENERAL POWERS OF THE PARTNERSHIP.]

Subdivision 1. For the purpose of exercising the specific powers granted in sections 8 to 11 and effectuating the other purposes of this act, the partnership shall have the general powers granted in this section.

Subd. 2. It may sue and be sued.

Subd. 3. It may have a seal and alter the same at will.

Subd. 4. It may make, and from time to time, amend and repeal rules and temporary rules not inconsistent with the provisions of this act.

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

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

Subd. 7. It may acquire real property, or an interest therein, in its own name, by purchase or foreclosure, where such acquisition is necessary or appropriate to protect any loan in which the partnership has an interest and may sell, transfer and convey any such property to a buyer and, in the event such sale, transfer or conveyance cannot be effected with reasonable promptness or at a reasonable price, may lease such property to a tenant.

Subd. 8. It may procure insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable.

Subd. 9. It may consent, whenever it deems it necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment or any installment of principal or interest, or any other term, of any loan, loan commitment, contract or agreement of any kind to which the partnership is a party.

Sec. 13. [———] [FINANCIAL INFORMATION.]

Financial information, including but not limited to credit reports, financial statements and net worth calculations, received or prepared by the agency regarding any partnership loan or loan guarantee is private data on individuals, pursuant to section 13.02, subdivision 12.

Sec. 14. Minnesota Statutes 1982, section 116C.03, subdivision 2, is amended to read:

Subd. 2. The board shall include as permanent members the commissioner of the department of energy, planning and development, the director of the pollution control agency, the commissioner of natural resources, the commissioner of agriculture, the commissioner of energy, the commissioner of health, the commissioner of transportation, and a representative of the governor's office designated by the governor. The governor shall ap-

point five members from the general public to the board, subject to the advice and consent of the senate.

Sec. 15. Minnesota Statutes 1982, section 116J.09, is amended to read:

116J.09 [DUTIES.]

The commissioner shall:

(a) Manage the department as the central repository within the state government for the collection of data on energy;

(b) Prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) Undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) Carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116J.05 to 116J.30;

(e) Collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) (REQUIRE CERTIFICATE OF NEED FOR CONSTRUCTION OF LARGE ENERGY FACILITIES) *Effective July 1, 1984, administer federal and state residential weatherization programs, except programs specifically delegated to and operated by the housing finance agency under chapter 462A. Between the effective date of this act and July 1, 1984, the commissioner of economic security and the commissioner of energy shall prepare for an orderly transition of powers and authorities relating to the low-income weatherization program;*

(g) Evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116J.05 to 116J.30, and make recommendations for changes in energy pricing policies and rate schedules;

(h) Study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(i) Design and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(j) Inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

(k) Dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation or the development of alternative energy technologies which conserve non-renewable energy resources while creating minimum environmental impact;

(l) Charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met;

(m) Effective July 1, 1984, administer for the state, energy programs pursuant to federal law, regulations, or guidelines, including the crisis fuel assistance program, and coordinate the programs and activities with other state agencies, units of local government, and educational institutions. Between the effective date of this act and July 1, 1984, the commissioner of economic security and the commissioner of energy shall prepare for an orderly transition of powers and authorities relating to the crisis fuel assistance program and related programs;

(n) Serve as a member of the environmental quality board;

(o) Serve as chairperson of the energy coordination board;

(p) Serve as executive director and member of the energy partnership.

Sec. 16. Minnesota Statutes 1982, section 116J.10, is amended to read:

116J.10 [POWERS.]

The commissioner may:

(a) Adopt rules pursuant to chapter 14 as necessary to carry out the purposes of sections 116J.05 to 116J.30 and, when necessary for the purposes of section 116J.15, adopt temporary rules pursuant to sections 14.29 to 14.36;

(b) Make all contracts pursuant to sections 116J.05 to 116J.30 and do all things necessary to cooperate with the United States government, and to qualify for, accept and disburse any grant intended for the administration of sections 116J.05 to 116J.30. Notwithstanding (ANY) other law the commissioner is designated the state agent to apply for, receive and accept federal or other funds made available to the state for the purposes of sections 116J.05 to 116J.30.

(c) Contract for professional services if such work or services cannot be satisfactorily performed by employees of the department or by any other state agency;

(d) Enter into interstate compacts to jointly carry out such research and planning with other states or the federal government where appropriate;

(e) Distribute informational material at no cost to the public upon reasonable request;

(f) Provide on-site technical assistance to units of local government (IN ORDER) to enhance local capabilities for dealing with energy problems;

(g) (ADMINISTER FOR THE STATE, ENERGY PROGRAMS PURSUANT TO FEDERAL LAW, REGULATIONS OR GUIDELINES, EXCEPT FOR THE CRISIS FUEL ASSISTANCE AND LOW INCOME WEATHERIZATION PROGRAMS ADMINISTERED BY THE DEPARTMENT OF ECONOMIC SECURITY, AND COORDINATE THE PROGRAMS AND ACTIVITIES WITH OTHER STATE AGENCIES, UNITS OF LOCAL GOVERNMENT AND EDUCATIONAL INSTITUTIONS) *Intervene in certificate of need proceedings.*

Sec. 17. [216B.242] [CERTIFICATE OF NEED.]

Subdivision 1. [ASSESSMENT OF NEED CRITERIA.] The commission shall, pursuant to chapter 14 and sections 116J.05 to 116J.30, adopt assessment of need criteria to be used in the determination of need for large energy facilities pursuant to this section.

Subd. 2. [TRANSFER OF CERTIFICATE OF NEED PROGRAM.] All powers, responsibilities and authorities for the issuance of certificates of need for large energy facilities is transferred from the department of energy, planning and development or its successor agency to the public utilities commission as provided in section 15.039.

Sec. 18. Minnesota Statutes 1982, section 462A.02, subdivision 10, is amended to read:

Subd. 10. It is further declared that supplies of conventional energy resources are rapidly depleting in quantity and rising in price and that the burden of these occurrences falls heavily upon *the citizens of Minnesota generally and persons of low and moderate income in particular*. These conditions are adverse to the health, welfare, and safety of *all of the citizens of this state*. It is further declared that it is a public purpose to ensure the availability of financing to be used by (LOW AND MODERATE INCOME PEOPLE) *all citizens of the state* to install in their dwellings reasonably priced energy conserving systems *including those using alternative energy resources and equipment or other directly related repairs, improvements, and installations essential for energy conservation, so that by the improvement of the energy efficiency of all housing, the adequacy of the total energy supply may be preserved for the benefit of all citizens.*

Sec. 19. Minnesota Statutes 1982, section 462A.05, is amended by adding a subdivision to read:

Subd. 14b. It may agree to purchase, make, or otherwise participate in the making, and may enter into commitments for the purchase, making, or participating in the making, of loans to persons and families, without limitations relating to the maximum incomes of the borrowers, to assist in energy conservation rehabilitation measures for existing housing owned by those persons or families including, but not limited to: weatherstripping and caulking, chimney construction or improvement, furnace or space heater repair, cleaning or replacement, insulation, storm windows and doors, and structural or other directly related repairs essential for energy conservation. Loans shall be made only when the agency determines that financing is not otherwise available, in whole or in part, from private lenders upon equivalent terms and conditions.

Sec. 20. Minnesota Statutes 1982, section 462A.05, is amended by adding a subdivision to read:

Subd. 23. The agency may participate in loans or establish a fund to insure loans, or portions of loans, which are made by any banking institution, savings and loan association, or other lender approved by the agency, organized under the laws of this or any other state or of the United States having an office in this state, to owners of renter occupied homes or apartments which do not comply with standards set forth in section 116J.27, subdivision 3, without limitations relating to the maximum incomes of the owners or tenants. The proceeds of the insured portion of the loan must be used to pay the costs of improvements, including all related structural and other improvements, which will reduce energy consumption.

Sec. 21. Minnesota Statutes 1982, section 462A.21, is amended by adding a subdivision to read:

Subd. 4j. It may expend money for the purposes of section 462A.04, subdivision 23, and may pay the costs and expenses for the development and operation of the program.

Sec. 22. [462A.27] [RULES.]

The agency may adopt temporary and permanent rules necessary for the efficient administration of sections 15 to 18. The rules authorized under this section may be adopted without complying with the administrative procedures act contained in chapter 14.

Sec. 23. [462A.072] [PROVISION OF FINANCIAL EXPERTISE TO OTHER AGENCIES.]

Upon request of the commissioner of energy, the director shall provide financial management assistance to the energy partnership. Reimbursement for these services shall be at a reasonable rate established by negotiation between the director and the commissioner of energy.

Sec. 24. [APPROPRIATION.]

\$ is appropriated from the general fund to the partnership to be deposited in the energy loan guaranty fund.

\$ is appropriated from the general fund to the energy coordination board for purposes of operating the intervention office. Money from this appropriation may be used for state employees involved in intervention activities or for contracts with outside consultants.

\$ is appropriated from the general fund to the partnership to be deposited in the general reserve fund pursuant to section 10.

\$ is appropriated to the partnership from the state building fund for the purpose of making loans to municipalities pursuant to section 11.

The sum of \$90,500 is appropriated from the general fund to the department of energy for purposes of the energy business development assistance program in section 8, subdivision 14.

Sec. 25. [BOND SALE.]

To provide the funds appropriated by section . . . , the commissioner of finance shall issue and sell the bonds authorized by and as provided in Laws 1981, chapter 334, section 12.

Sec. 26. [EFFECTIVE DATE.]

This act is effective"

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

The report was adopted.

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

H. F. No. 384, A bill for an act relating to retirement; local police and salaried firefighters relief associations; requiring annual valuations; deleting requirement of quadrennial experience studies; removing obsolete language; amending Minnesota Statutes 1982, sections 69.77, subdivision 2; and 356.216.

Reported the same back with the following amendments:

Page 2, line 7, after "(REACHED)" reinstate the stricken language

Page 2, reinstate line 8

Page 2, line 9, reinstate "(FIREFIGHTERS)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 403, A bill for an act relating to taxation; providing a special levy for operating costs of a county jail; amending Minnesota Statutes 1982, section 275.50, subdivision 5.

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 406, A bill for an act relating to civil actions; allowing prevailing parties to recover disbursements for process served by private process servers; amending Minnesota Statutes 1982, section 549.04.

Reported the same back with the following amendments:

Page 1, line 16, delete "*of the county where the defendant is*"

Page 1, line 17, delete "*found*"

Page 1, line 17, strike everything after the period

Page 1, lines 18 to 20, strike the old language and delete the new language, and insert:

"Sec. 2. Minnesota Statutes 1982, section 580.17, is amended to read:

580.17 [AFFIDAVIT OF COSTS.]

Within ten days after the filing for record of the certificate of sale, the party foreclosing, or his attorney, shall make and file for record with the county recorder an affidavit containing a detailed bill of the costs and disbursements of the foreclosure, including attorney's fees, and setting forth that the same have been absolutely and unconditionally paid or incurred. *Costs and disbursements shall be allowed as provided in section 1.*"

Page 1, line 22, delete "*Section 1*" and insert "*This act*"

Page 1, line 23, delete "*actions which are tried*" and insert "*disbursements paid or incurred*"

Renumber the section

Amend the title:

Page 1, line 5, delete "section" and insert "sections" and before the period insert "; and 580.17"

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 412, A bill for an act relating to education; requiring the development of proposals for new admission requirements in all public systems of higher education.

Reported the same back with the following amendments:

Page 1, line 13, before "*The*" insert "*By November 15, 1983*"

Page 2, line 6, delete *"Each proposal shall be submitted"* and insert *"The higher education coordinating board shall report"*

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. 430, A bill for an act relating to retirement; authorizing the purchase of annuity contracts for retiring Tracy fire-fighters.

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. 474, A bill for an act relating to state government; prohibiting expenditures for certain civil defense purposes; prescribing the contents of certain civil defense plans; requiring the posting of certain notices; amending Minnesota Statutes 1982, sections 12.21, subdivision 3; 12.22; and 12.25, subdivision 1; proposing new law coded in chapter 12.

Reported the same back with the following amendments:

Page 1, delete lines 12 to 20 and insert:

"The function of civil defense in the state of Minnesota is for state and local government to plan for the protection of lives and property against any potential or actual disaster, or emergency. The legislature finds that this planning involves a federal, state and local partnership. Funding is provided by all these sources to carry out the planning process."

Page 2, line 19, delete *"and"* and insert *"The plan"*

Page 2, line 21, after *"war"* insert *", except to the extent that these plans are required for the receipt of federal funds"*

Page 4, line 23, delete *"from the federal government or"*

Page 4, line 24, after *"corporation"* insert *", except the federal government,"*

Page 4, line 27, after *"12.22,"* insert *"subdivision 2,"*

Page 4, delete lines 29 to 36

Page 5, delete lines 1 to 14

Page 5, after line 34, insert:

"Sec. 5. Minnesota Statutes 1982, section 12.22, subdivision 3, is amended to read:"

Page 7, line 7, delete ", and" and insert ". *The plan*"

Page 7, line 8, after "to" insert "*plans for*"

Page 7, line 9, after "war" insert "*, except to the extent that these plans are required for receipt of federal funds*"

Page 7, lines 10 to 17, delete section 6

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "requiring the"

Page 1, line 5, delete "posting of certain notices;"

Page 1, line 6, after "12.22" insert "*, subdivisions 2 and 3*"

Page 1, line 7, after "in" insert "*Minnesota Statutes,*"

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. 491, A bill for an act relating to administrative rule-making; providing for consideration of and participation by small business; proposing new law coded in Minnesota Statutes, chapter 14.

Reported the same back with the following amendments:

Page 1, line 20, delete "*may*" and insert "*will*"

Page 1, line 20, after "*businesses*" insert "*as defined by this section*"

Page 2, after line 9, insert:

"In its statement of need and reasonableness, the agency shall document how it has considered these methods and the results."

Page 2, line 18, delete "one or more of"

Page 2, line 21, delete "may" and insert "will"

Page 2, line 22, delete the semicolon, and insert *"which shall include a description of the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons; or"*

Page 2, line 25, after the semicolon insert "or"

Page 2, line 27, after the semicolon insert "or"

Page 2, line 29, delete "; and" and insert a period

Page 2, delete lines 30 to 32

Page 2, after line 32, insert:

"Subd. 5. [COMPLIANCE.] If a hearing examiner or the attorney general finds that an agency has failed to comply with subdivisions 1 to 4 of this section the rules shall not be adopted."

Renumber subsequent subdivisions

Page 3, line 4, after the period insert: *"This subdivision shall not apply to rules governing licensure of occupations listed in section 116J.70, subdivision 2a, clause (3)(a) through (pp)."*

Page 3, line 7, delete "and"

Page 3, line 10, delete the period and insert "; and"

Page 3, after line 10, insert:

"(c) service businesses regulated by government bodies, for standards and costs, such as nursing homes, long-term care facilities, day care centers, group homes, and residential care facilities."

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. 521, A bill for an act relating to financial institutions; providing for the payment of hearing costs on contested applications; including credit union share insurance corporations and industrial loan and thrift guarantee issuers in the group of organizations permitted to receive examination reports; removing the requirement that a financial institution's board of directors hold qualifying shares; clarifying limitations on junior mortgage loans by banks; establishing application fees; removing a certain filing requirement; reducing the number of savings association incorporators; clarifying the notice requirements for savings association conversions; clarifying the industrial loan and thrift company lending limit and increasing the capital to deposit limitation; providing first installment requirements for regulated lenders and motor vehicle sales finance companies; providing credit insurance disclosure requirements for regulated lenders; clarifying financial corporation organizational requirements; amending Minnesota Statutes 1982, sections 45.04, subdivision 1; 46.07, subdivision 2; 47.54, subdivision 1; 48.06; 48.19, subdivision 1; 48.68; 49.36, subdivision 1; 49.37; 51A.03, subdivisions 1 and 4; 51A.065, subdivision 4; 51A.13, subdivisions 2 and 2a; 52.203; 53.01; 53.03, subdivisions 1, 5, and 6; 53.04, subdivision 3a; 53.05; 53.06; 56.131, subdivision 1; 56.155, subdivision 1; 168.72, subdivision 1; 300.025; and 300.20.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 45.04, subdivision 1, is amended to read:

Subdivision 1. [FILING; FEE; HEARING.] The incorporators of any bank proposed to be organized under the laws of this state shall execute and acknowledge an application, in writing, in the form prescribed by the department of commerce, and shall file the same in its office, which application shall be signed by two or more of the incorporators, requesting a certificate authorizing the proposed bank to transact business at the place and in the name stated in the application. At the time of filing the application the applicant shall pay a filing fee of \$1,000, which shall be paid into the state treasury and credited to the general fund and shall pay to the commissioner of banks the sum of \$500 as a fee for investigating the application which shall be turned over by him to the state treasurer and credited by the treasurer to the general fund of the state. Thereupon the commission shall fix a time, within 60 days after the filing of the application, for a hearing at its office at the state capitol, at which hearing it shall decide whether or not the application shall be granted. A notice of the hearing shall be published in the form prescribed by the commission in some newspaper published in the municipality in which the proposed bank is to be located, and if there be no such newspaper, then at the county-seat of the county in which the bank is proposed to be located.

The notice shall be published once, at the expense of the applicants, not less than 30 days prior to the date of the hearing. At the hearing the commission shall consider the application and hear the applicants and (SUCH) witnesses (AS) *that may appear in favor of or against the granting of the application of the proposed bank. If an application is contested, an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited by the treasurer to the general fund, shall be paid by applicant and intervening parties equally.*

Sec. 2. Minnesota Statutes 1982, section 46.07, subdivision 2, is amended to read:

Subd. 2. [CONFIDENTIAL RECORDS.] The commissioner shall divulge facts and information obtained in the course of examining financial institutions under his supervision only when and to the extent that he is required or permitted by law to report upon or take special action regarding the affairs of an institution, or to testify in a criminal proceeding or in a court of justice, except that he may, in his discretion, furnish information as to matters of mutual interest to an official or examiner of the federal reserve system, the federal deposit insurance corporation, (OR) the national credit union administration, *a legally constituted state credit union share insurance corporation approved under section 52.24, or the issuer of a commitment for insurance or guarantee of the certificates of an industrial loan and thrift company approved under section 53.10, or for insurance of deposits in a savings association or savings and loan association incorporated pursuant to or operating under sections 51A.01 to 51A.57.* The commissioner shall not be required to disclose the name of a debtor of a financial institution under his supervision, or anything relative to the private accounts, ownership, or transactions of an institution, or any fact obtained in the course of an examination thereof, except as herein provided. These records are classified confidential for purposes of the Minnesota government data practices act and their destruction, as prescribed in section 46.21, (SHALL BE) *is exempt from the provisions of chapter 138 and Laws 1971, Chapter 529, so far as their deposit with the state archives.*

Sec. 3. Minnesota Statutes 1982, section 47.54, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] Any bank desiring to establish a detached facility shall execute and acknowledge an application, in writing, in the form prescribed by the commissioner, and shall file the application in the commissioner's office, together with a fee of \$500 (, AND). If an application is contested, an additional fee equal to the actual costs incurred by the commissioner in approving or disapproving the application, payable to the state treasurer and credited by the treasurer to the general fund, *shall be paid by the applicant and intervening par-*

ties equally. Thereupon the applicant shall publish a notice of the filing of the application in a newspaper published in the municipality in which the proposed detached facility is to be located, and if there is no such newspaper, then at the county seat of the county in which the facility is proposed to be located. The notice (SHALL) *must* be in the form prescribed by the commissioner and, in addition to the publication, the applicant shall mail a copy of the notice by certified mail to every bank located within three miles of the proposed location of the detached facility, measured in the manner as provided above.

Sec. 4. [47.80] [SERVICE CHARGES ON DISHONORED CHECKS.]

A holder of a dishonored check may impose a service charge not exceeding \$15 on the drawer of the check if written notice of the service charge (1) was conspicuously displayed on the premises when the check was issued; or (2) was contained in any document obligating the drawer to make any payment to the payee.

This section prevails over any provision of law limiting, prohibiting, or otherwise regulating service charges authorized by this section.

Sec. 5. Minnesota Statutes 1982, section 48.06, is amended to read:

48.06 [DIRECTORS; QUALIFICATIONS.]

If the number of directors exceeds nine, they may designate, semi-annually, by resolution, nine of their number, a majority of whom (SHALL CONSTITUTE) constitutes a quorum for the transaction of business. Every director of a bank (SHALL ACTUALLY OWN AT LEAST \$1,000 PAR VALUE OF THE BANK'S COMMON, FULLY PAID STOCK, OR AN EQUIVALENT INTEREST, AS DETERMINED BY THE COMMISSIONER, IN A COMPANY WHICH HAS CONTROL OVER A BANK WITHIN THE MEANING OF SECTION 2 OF THE BANK HOLDING COMPANY ACT OF 1956, 12 U.S.C. 1841, AND) shall take and subscribe an oath that he (IS THE OWNER IN GOOD FAITH OF THAT AMOUNT OF STOCK, THAT THE STOCK IS NOT IN ANY WAY PLEDGED FOR ANY LOAN OR DEBT, AND THAT HE) will faithfully perform his official duties, and not knowingly violate, or permit to be violated, any provision of law. The taking of this oath (SHALL) must be duly certified in the minutes of the records of the bank.

Sec. 6. Minnesota Statutes 1982, section 48.19, subdivision 1, is amended to read:

Subdivision 1. [RESTRICTIONS; EXCEPTION.] No bank or trust company shall make any loan upon the security of real estate unless it is a first lien thereon, except that a bank or trust company may take a junior lien: (a) upon real estate to secure a loan previously contracted; (b) upon farm real estate to secure a loan made to a farmer who resides in a county which due to weather conditions is a declared federal disaster area at the time the loan contract is signed; or (c) upon real estate to secure a loan if the total unpaid aggregate of all outstanding liens against the same real estate does not exceed 80 percent of its appraised value. *This limitation applies notwithstanding the provisions of sections 47.20, subdivision 1 and 47.21 as to loans, advances of credit, or participations in loans eligible for purchase in whole or in part by the federal national mortgage association or the federal home loan mortgage corporation or which are authorized by the federal home loan bank board or office of the comptroller of the currency.* Before any such loans are made the value of the real estate (SHALL) *must* be determined by an appraisal made by a committee appointed by the board of directors, (WHICH APPRAISAL SHALL BE MADE A MATTER OF RECORD, EXCEPT THAT) *but* the board may accept an appraisal made by or for an agency of the United States government when such agency is guaranteeing or insuring the loan or any part thereof. *The appraisal must be made a matter of record.*

A bank may take additional liens on the same security (AND). These (SHALL BE) *liens are* considered to be part of the same mortgage lien thereon providing it has been established that there are no intervening liens.

Loans in which the small business administration cooperates through agreements to participate on an immediate or deferred basis under the federal small business act or loans or obligations secured or guaranteed by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States, (SHALL) *are not* (BE) subject to the restrictions or limitations of this section imposed upon loans secured by real estate.

Sec. 7. Minnesota Statutes 1982, section 48.68, is amended to read:

48.68 [DIRECTORS; QUALIFICATIONS; VACANCIES, HOW FILLED.]

(EACH DIRECTOR OF A TRUST COMPANY SHALL OWN AT LEAST \$1,000 PAR VALUE OF ITS CAPITAL STOCK OR EQUIVALENT INTEREST AS PRESCRIBED IN SECTION 48.06, AND) A majority of (THEM SHALL) *the directors of a trust company must* be residents of this state. Each shall take and subscribe an oath that he will diligently and honestly perform his official duties and will not knowingly violate, or permit to be vio-

lated, any provision of law relating to trust companies (AND THAT HE IS THE OWNER IN GOOD FAITH OF THE STOCK ABOVE SPECIFIED STANDING IN HIS NAME;). The taking of this oath (TO) *must* be noted on the minutes of the records of the corporation and filed with the commissioner. Failure of any person selected as director to qualify (SHALL CREATE) *creates* a vacancy in the board, and all vacancies in the board (SHALL) *must* be filled by the qualified members; provided, that not more than one-third of the membership of the board may be so filled in any one year.

Sec. 8. Minnesota Statutes 1982, section 49.36, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] This consolidation agreement and certified copy of the proceedings of the meetings of the respective boards of directors, at which the making of the agreement was authorized, (SHALL) *must* be submitted to the commissioner of banks for approval, (AND IT SHALL) *together with a fee of \$250 payable to the commissioner of banks. The fee must be paid in equal parts by the parties to the agreement. The consolidation is not* (BE) effective until (SO) approved by the commissioner. The commissioner shall take action after the documents are submitted, and shall be entitled to further information from the consolidated corporation as may be requested, or as may be obtained upon a hearing directed by the commissioner.

Sec. 9. Minnesota Statutes 1982, section 49.37, is amended to read:

49.37 [STOCKHOLDERS TO APPROVE; CERTIFICATE OF CONSOLIDATION.]

Either before or after the consolidation agreement has been approved by the commissioner of banks, it (SHALL) *must* be submitted to the stockholders of each corporation at a meeting thereof called for that purpose, and it (SHALL) *does not become binding upon the corporation until it* (SHALL HAVE) *has been approved at each of the meetings by the vote or ballot of the stockholders, holding at least a majority of the amount of stock of the respective corporations. Proof of the holding of these meetings and the results thereof* (SHALL) *must* be submitted to the commissioner of banks. After the consolidation agreement (SHALL HAVE) *has been* (SO) approved by the stockholders of the respective corporations and by the commissioner of banks, the latter shall issue a certificate reciting that these corporations have complied with the provisions of sections 49.34 to 49.41, and declaring the consolidation of these corporations; the name of the consolidated corporation, the amount of capital stock thereof, and the names of the first board of directors, and the place of business of the consolidated corporation, which (SHALL) *must* be within the city where any one of the constituent corporations (SHALL HAVE) *has been previously authorized to have its*

place of business. Upon the issuing of this certificate and the filing thereof for record in the office of the secretary of state, (AND ALSO IN THE OFFICE OF THE COUNTY RECORDER WITHIN AND FOR THE COUNTY IN WHICH THE CONSOLIDATED CORPORATION IS AUTHORIZED TO HAVE ITS PRINCIPAL PLACE OF BUSINESS,) this incorporation (SHALL BE) *is* deemed to be complete, and the consolidated corporation shall, from the date of this certificate, have (SUCH) *the* term of corporate existence as may be therein specified, not exceeding the longest unexpired term of any constituent corporation. The certificate of the commissioner of banks (SHALL BE) *is* prima facie evidence that all of the provisions of sections 49.34 to 49.41 have been complied with, and (SHALL BE) *is* conclusive evidence of the existence of the consolidated corporation.

Sec. 10. Minnesota Statutes 1982, section 51A.03, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION FOR CERTIFICATE OF INCORPORATION.] At any time hereafter any (FIVE) *three* or more individuals, citizens of this state, may apply to form a mutual association or capital stock association to promote thrift and home financing subject to approval as (HEREINAFTER) provided in sections 51A.01 to 51A.57. (FIVE) *Three* of the individual applicants shall be incorporators and sign and acknowledge before an officer competent to take acknowledgments of deeds, two copies of an application for a certificate of incorporation in the form prescribed by the commerce commission, and of the bylaws in the form set out in this section or in a form approved by the commissioner, which shall be filed with the commissioner, accompanied by the incorporation fee. The applicants shall submit with their application statements, exhibits, map, and other data which the commissioner may require (*WHICH*). *The* data (SHALL) *must* be sufficiently detailed and comprehensive to enable the commerce commission to pass upon the application as to the criteria set out in subdivision 3.

Sec. 11. Minnesota Statutes 1982, section 51A.03, subdivision 4, is amended to read:

Subd. 4. [PROCEDURE; FILING OF ARTICLES.] The procedure for processing the application, conducting the hearing, and other matters pertinent thereto, (SHALL) *must* be established by rules (PROMULGATED) *adopted* by the commissioner. After approval, if approved, the commissioner shall issue a certificate of approval and the articles of incorporation (SHALL) *must* then be filed with the secretary of state, who shall record same and certify the fact, thereon. (THE CERTIFICATE AND ARTICLES SHALL BE FILED WITH THE COUNTY RECORDER OF THE COUNTY OF THE PRINCIPAL PLACE OF BUSINESS, AS SPECIFIED IN THE CERTIFICATE.)

Sec. 12. Minnesota Statutes 1982, section 51A.065, subdivision 4, is amended to read:

Subd. 4. [SUBMISSION TO MEMBERS OR STOCKHOLDERS.] If the commissioner or other appropriate supervisory authority (SHALL APPROVE) *approves* a plan of conversion in accordance with subdivision 3, the plan (SHALL) *must* be submitted for adoption to the members or stockholders of the converting applicant by vote at a meeting called to consider the action. *Except in the case of a conversion of a state association to a federally chartered association of like corporate form, or vice versa pursuant to subdivision 7 and in addition to any notice of annual or special meeting required by Laws 1981, Chapter 276 and at least three weeks prior to the meeting, a copy of the plan, together with an accurate summary plan description explaining the operation of the plan and the rights, duties, obligations, liabilities, conditions, and requirements which may be imposed upon the members or stockholders and the converted applicant as a result of the adoption of the plan, (SHALL) must be mailed to each member or stockholder eligible to vote at the meeting. The plan of conversion may be approved by not less than a majority of the total number of votes eligible to be cast at the meeting. If the plan is so approved, action (SHALL) must be taken to obtain a charter, articles of incorporation, articles of association or similar instrument, adopt bylaws, elect directors and officers and take other action prescribed or appropriate for the type of corporation into which the converting applicant will be converted. A certified report of the proceedings at the meeting (SHALL) must be filed promptly with the commissioner or other appropriate supervisory authority.*

Sec. 13. Minnesota Statutes 1982, section 51A.13, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATIONS REQUIRED OF DIRECTORS OF MUTUAL ASSOCIATIONS.] (IN ORDER TO QUALIFY AS A DIRECTOR, A MEMBER OF A MUTUAL ASSOCIATION MUST HOLD INDIVIDUALLY, OR JOINTLY WITH HIS SPOUSE, A SAVINGS ACCOUNT, THE WITHDRAWAL VALUE OF WHICH IS AT LEAST \$500; PROVIDED THAT, IF THE ASSETS OF THE ASSOCIATION EXCEED \$5 MILLION, THE WITHDRAWAL VALUE OF THE ACCOUNT MUST BE AT LEAST \$1,000.) Except with the written consent of the commissioner, no member shall be eligible for election or shall serve as a director or officer of an association who has been adjudicated a bankrupt or convicted of a criminal offense involving dishonesty or a breach of trust. A director shall automatically cease to be a director when he ceases to be a member, or when he is adjudicated a bankrupt or is convicted of a criminal offense as herein provided, (OR WHEN THE NET EQUITY ABOVE LOANS OF ALL SAVINGS ACCOUNTS IN THE ASSOCIATION HELD BY HIM AGGREGATES LESS THAN THE MINIMUM REQUIRED TO BE ELIGIBLE FOR ELECTION AS A DIRECTOR,) but no action

of the board of directors shall be invalidated through the participation of the director in the action; provided, that if a director becomes ineligible under the terms of this subdivision by reason of the exercise by the association of the right of redemption of savings accounts provided for in section 51A.34, he shall remain validly in office until the expiration of his term or until he otherwise becomes ineligible, resigns, or is removed, whichever may occur first.

Sec. 14. Minnesota Statutes 1982, section 51A.13, subdivision 2a, is amended to read:

Subd. 2a. [QUALIFICATIONS REQUIRED OF DIRECTORS OF STOCK ASSOCIATIONS.] (IN ORDER TO QUALIFY AS A DIRECTOR OF A CAPITAL STOCK ASSOCIATION EACH DIRECTOR SHALL OWN AND HOLD SHARES OF VOTING CAPITAL STOCK OF THE ASSOCIATION UNENCUMBERED WITH A PAR OR STATED VALUE OF NOT LESS THAN \$500, PROVIDED THAT, IF THE TOTAL ASSETS OF THE ASSOCIATION EXCEED \$5,000,000, A DIRECTOR MUST OWN AND HOLD SHARES OF NOT LESS THAN \$1,000.) Except with the written consent of the commissioner, no person shall be eligible for election or shall serve as director or officer of an association who has been adjudicated a bankrupt or convicted of a criminal offense involving dishonesty or a breach of trust. A director shall automatically cease to be a director when he is adjudicated a bankrupt or is convicted of a criminal offense as herein provided (OR WHEN THE PAR OR STATED VALUE OF THE SHARES OF VOTING CAPITAL STOCK OF THE ASSOCIATION HELD BY HIM AGGREGATES LESS THAN THE MINIMUM REQUIRED TO BE ELIGIBLE FOR ELECTION AS A DIRECTOR).

Sec. 15. Minnesota Statutes 1982, section 51A.23, subdivision 6, is amended to read:

Subd. 6. [INSURANCE OF ACCOUNTS.] Every association incorporated pursuant to or operating under the provisions of sections 51A.01 to 51A.57 shall at all times maintain in effect insurance of its savings accounts by the federal savings and loan insurance corporation, an agency of this state or other federal agency established for the purpose of insuring savings accounts in associations, *or an insurance company authorized to do business in the state and approved by the commissioner of banks for said purpose, or guarantee fund acceptable to the commissioner of banks.* An association which fails to meet this requirement for insurance of its savings accounts shall either dissolve, merge or consolidate with another association which is insured by the federal savings and loan insurance corporation, an agency of this state or a federal agency established for the purpose of insuring savings accounts in associations, *or an insurance company authorized to do business in the state and approved by the commis-*

sioner of banks for said purpose, or guarantee fund acceptable to the commissioner of banks.

Sec. 16. Minnesota Statutes 1982, section 51A.23, subdivision 7, is amended to read:

Subd. 7. [INSURANCE OF ACCOUNTS IN NEW ASSOCIATIONS.] No association shall be issued a certificate of approval by the commissioner of banks after the effective date of this act unless such association has obtained a commitment for insurance of its deposits by the federal savings and loan insurance corporation or any agency of this state or any federal agency established for the purpose of insuring savings accounts in associations, *or an insurance company authorized to do business in the state and approved by the commissioner of banks for said purpose, or guarantee fund acceptable to the commissioner of banks.*

Sec. 17. Minnesota Statutes 1982, section 51A.51, subdivision 2, is amended to read:

Subd. 2. [INCORPORATION FEE.] At the time of filing the application for a certificate of incorporation, the incorporators shall pay a filing fee of \$1,000 which shall be paid into the state treasury and credited to the general fund, and shall pay to the banking department the sum of \$500 as a fee for investigating the application. *If an application is contested, an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited by the treasurer to the general fund, shall be paid by applicant and intervening parties equally.*

Sec. 18. Minnesota Statutes 1982, section 51A.51, subdivision 3a, is amended to read:

Subd. 3a, [FEE FOR ESTABLISHMENT OF OTHER THAN PRINCIPAL OFFICE.] There shall accompany each application to the commissioner for establishment of other than the principal office a filing fee of \$1,000 payable to the state treasury and \$500 payable to the banking department. *If an application is contested, an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited by the treasurer to the general fund, shall be paid by applicant and intervening parties equally.*

Sec. 19. Minnesota Statutes 1982, section 52.203, is amended to read:

52.203 [MERGER.]

Any credit union chartered by this state may merge with and be absorbed by any other state or federal credit union, and any credit union chartered by this or any other state or any federal credit union may be merged into a successor credit union chartered by this state, upon approval of all regulatory agencies concerned, and upon compliance with this section as regards the credit union chartered by this state. *At the time of filing with the commissioner of any proposed merger or consolidation plan, the credit unions proposing to merge or consolidate shall submit a fee of \$100 payable to the commissioner of banks. The fee shall be paid in equal parts by the credit unions' party to the proposal.*

A credit union may be absorbed after two-thirds of its members present and entitled to vote (SHALL) have voted in favor of the merger at a special meeting called by a majority of the board of directors for that purpose, upon (FOURTEEN) 14-days mailed written notice to each member at his last known address clearly stating the purpose of the special meeting, or at any regular meeting after like notice of the purpose has been given. Thereafter, the board of directors (SHALL HAVE AUTHORITY TO) *may* execute an agreement of merger with the successor credit union, subject to approval of (SUCH) *the* agreement by the commissioner of banks. The commissioner shall approve or disapprove of (SAID) *the* agreement within 60 days of the date the agreement is submitted to him. (SUCH) *The* approved agreement (SHALL) *must* be filed with the county recorder in the county where (SUCH) *the* credit union is located.

If the successor credit union which absorbs one or more credit unions is chartered by this state it (SHALL HAVE AUTHORITY TO) *may* execute an agreement of merger upon approval of (SUCH) *the* agreement by the commissioner of banks and by the board of directors of the credit union. The commissioner of banks shall approve the merger agreement if it is in the best interest of the credit unions involved. In any event, the commissioner of banks shall approve or disapprove of the merger agreement within 60 days of the date the agreement is submitted to him. Members of, and persons eligible for membership in, the credit union being absorbed (SHALL) have all rights of membership in the successor credit union.

The charter and license and all other rights and property of the credit union being absorbed (SHALL BE) *is* deemed to be transferred to and invested in the successor credit union upon such execution and approval of the merger agreement without further action. Any pending action or other judicial proceeding to which the credit union being absorbed is a party at the date of merger (SHALL) *does* not abate by reason of the merger. If the credit union being absorbed is chartered by this state, its corporate existence (SHALL CEASE) *ceases* upon (SUCH) *the* execution and approval of the merger agreement without further action.

Sec. 20. Minnesota Statutes 1982, section 53.01, is amended to read:

53.01 [ORGANIZATION.]

It is lawful for three or more persons, who desire to form a corporation for the purpose of carrying on primarily the business of loaning money to persons within the conditions set forth in this chapter, to organize, under this chapter, an industrial loan and thrift company, by filing with the secretary of state (AND THE COUNTY RECORDER IN THE COUNTY IN WHICH THE PLACE OF BUSINESS OF THE CORPORATION IS LOCATED,) a certificate of incorporation, and upon paying the fees prescribed by sections 301.07 and 301.071 or chapter 302A and upon compliance with the procedure provided for the organization and government of ordinary corporations under the laws of this state, and upon compliance with the additional requirements of this chapter prior to receiving authorization to do business.

Sec. 21. Minnesota Statutes 1982, section 53.03, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION, FEE, NOTICE.] Any corporation hereafter organized as an industrial loan and thrift company, shall, after compliance with the requirements set forth in sections 53.01 and 53.02, cause an application, in writing, to be made to the department of commerce for a certificate of authorization. The application, in triplicate, (SHALL) *must* be in the form prescribed by the department of commerce and filed in its office. The application (SHALL) *must* be made in the name of the corporation, executed and acknowledged by two of its officers designated by the board of directors of the corporation for that purpose, requesting a certificate authorizing the corporation to transact business as an industrial loan and thrift company, at the place and in the name stated in the application. At the time of filing the application the applicant shall pay a filing fee of (\$500) \$1,000, to be paid into the state treasury and credited to the general fund and also shall pay to the commissioner of banks the sum of (\$250) \$500 as a fee for investigating the application, which fee shall be turned over by the commissioner to the state treasurer and credited to the general fund of the state, and submit a copy of the bylaws of the corporation, its articles of incorporation and all amendments thereto. If the application is contested, (THE APPLICANT SHALL PAY) an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited to the general fund of the state *shall be paid by the applicant and intervening parties equally*. A notice of the filing of the application (SHALL) *must* be published once within 30 days of the receipt of the form prescribed by the department of commerce, at the expense of the applicant, in a newspaper published in the municipality in which the proposed industrial loan and thrift company is to be located,

or, if there be none, in a newspaper published at the county seat of the county in which the company is proposed to be located. If the department of commerce receives a written objection to the application from any person within 20 days of the notice having been fully published a contested case hearing (SHALL) *must* be conducted on the application. The department of commerce may without cause order a contested case hearing on the application. Notice of a hearing in connection with this section (SHALL) *must* be published once in the form prescribed by the department of commerce, at the expense of the applicant, in the same manner as a notice of application.

Sec. 22. Minnesota Statutes 1982, section 53.03, subdivision 5, is amended to read:

Subd. 5. [PLACE OF BUSINESS.] Not more than one place of business (SHALL) *may* be maintained under any certificate of authorization issued subsequent to the enactment of Laws 1943, Chapter 67, pursuant to the provisions of this chapter, but the department of commerce may issue more than one certificate of authorization to the same corporation upon compliance with all the provisions of this chapter governing an original issuance of a certificate of authorization. *The filing fee for a branch application shall be \$500 and the investigation fee \$250.* Where a corporation has been issued more than one certificate of authorization, (SUCH) *the* corporation shall allocate a portion of contributed capital to each office for which (SUCH) *the* certificate has been issued, in order to comply with the capital requirements of section 53.02 and section 53.05, clauses (2) and (3) which sections (SHALL BE) *are* applicable to each (SUCH) office and the capital allocated thereto in the same manner as if each certificate had been issued to a separate corporation. Each additional certificate of authorization issued pursuant to the provisions of this subdivision (SHALL) *must* be filed with the secretary of state and the county recorder of the county in which the corporation is authorized to do business thereunder. (ANY SUCH) *The* corporation may change one or more of its locations upon the written approval of the commissioner of banks. *A fee of \$100 must accompany each application to the commissioner for approval to change the location of an established office.*

Sec. 23. Minnesota Statutes 1982, section 53.03, subdivision 6, is amended to read:

Subd. 6. [AMENDED CERTIFICATES, THRIFT CERTIFICATES FOR INVESTMENT, APPLICATION, FEE, NOTICE.] Upon approval by the commissioner of banks of a commitment for insurance or guarantee of certificates to be held for investment as required in section 53.10, subdivision 3, an industrial loan and thrift company may apply to the department of commerce for an amended certificate of authorization and consent to sell and issue thrift certificates for investment.

The application, in triplicate, (SHALL) *must* be in the form prescribed by the department of commerce and filed in its office. At the time of filing the application, the applicant shall pay a filing fee of \$500 and if an application is contested, an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited by the treasurer to the general fund shall be paid by applicant *and intervening parties equally*. A notice of the filing of the application (SHALL) *must* be published once within 30 days of the receipt of the form prescribed by the department of commerce, at the expense of the applicant, in a newspaper published in the municipality in which the place of business under the application is located, or if there is none, in a newspaper published at the county seat of the county in which the place of business is located. Not more than one place of business maintained under a certificate of authorization shall be the subject of an application.

Sec. 24. Minnesota Statutes 1982, section 53.04, subdivision 3a, is amended to read:

Subd. 3a. (a) The right to make loans, secured or unsecured, at the rates and on the terms and other conditions permitted licensees under chapter 56 *in amounts in compliance with section 53.05, clause (3) or 56.131, subdivision 1, paragraph (a), whichever is less*. The right to extend credit or lend money and to collect and receive charges therefor as provided by chapter 334, or in lieu thereof to charge, collect, and receive interest at the rate of 21.75 percent per annum. The provisions of sections 47.20 and 47.21 do not apply to loans made under this section, except as specifically provided in this subdivision. Nothing in this subdivision (SHALL BE) is deemed to supersede, repeal, or amend any provision of section 53.05. A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

(b) Loans made under this section at a rate of interest not in excess of that provided for in paragraph (a) may be secured by real or personal property, or both. If the proceeds of a loan made after August 1, 1984 are used in whole or in part to satisfy the balance owed on a contract for deed, the rate of interest charged on the loan (SHALL) *must* not exceed the rate provided in section 47.20, subdivision 4a. If the proceeds of a loan secured by a first lien on the borrower's primary residence are used to finance the purchase of the borrower's primary residence, the loan must comply with the provisions of section 47.20.

Sec. 25. Minnesota Statutes 1982, section 53.05, is amended to read:

53.05 [POWERS, LIMITATION.]

No industrial loan and thrift company (SHALL HAVE POWER TO) *may* do any of the following:

(1) (TO) carry commercial or demand banking accounts; (TO) use the word "bank" or "banking" in its corporate name; (TO) receive savings accounts or deposits or operate as a savings bank;

(2) (TO) have outstanding at any one time certificates of indebtedness, exclusive of those held by the company, as security for loans made by it of more than seven times the sum of the contributed capital and appropriated reserves of the company *until July 1, 1985, or the date an industrial loan and thrift company obtains a commitment for insurance or guarantee of accounts acceptable to the commissioner as required by section 53.10, whichever is earlier, and thereafter 15 times the sum of contributed capital and appropriated reserves of the company;*

(3) (TO) lend money in excess of ten percent of its contributed capital and appropriated reserves to any person primarily liable; provided, however, if a loan has been made to any one person primarily liable and payments have been made on the certificate of indebtedness securing it, the amount of (SUCH) *the* payments may be added to the limitation stated in this clause for the purpose of determining whether additional loans may be made to that person;

(4) (TO) accept trusts or act as guardian, administrator, or judicial trustee in any form; (OR)

(5) (TO) deposit any of its funds in any banking corporation, unless that corporation has been designated by vote of a majority of directors or of the executive committee present at a meeting duly called, at which a quorum was in attendance (.) ;

(6) (TO) change any allocation of capital made pursuant to section 53.03 or to reduce or withdraw in any way any portion of the contributed capital and appropriated reserves without prior written approval of the commissioner of banks (.) ; *or*

(7) (TO) take any instrument in which blanks are left to be filled in after execution.

Sec. 26: Minnesota Statutes 1982, section 53.06, is amended to read:

53.06 [DIRECTORS, RESIDENCE.]

At least three-fourths of the directors of any industrial loan and thrift company (SHALL) *must* be residents of the county in which the industrial loan and thrift company maintains its

principal place of business, an adjacent county or any county in which the industrial loan and thrift company maintains a place of business pursuant to this chapter. (EACH DIRECTOR SHALL OWN AND HOLD SHARES OF COMMON STOCK OF THE INDUSTRIAL LOAN AND THRIFT COMPANY, UNENCUMBERED, WITH A PAR VALUE OF NOT LESS THAN \$500.)

Sec. 27. Minnesota Statutes 1982, section 56.001, subdivision 3, is amended to read:

Subd. 3. [APPLICABLE CHARGE.] "Applicable charge" means the amount of interest attributable to each monthly installment period of the loan contract. The applicable charge is computed as if each installment period were one month and any charge for extending the first installment period beyond one month, or *reduction in charge for a first installment less than one month*, is ignored. The applicable charge for any installment period is that which would have been made for the period had the loan been made on an interest-bearing basis at the single annual percentage rate permitted by section 56.131, subdivision 1, based upon the assumption that all payments were made according to schedule. For convenience in computation, the licensee may round the single annual rate to the nearest one quarter of one percent.

Sec. 28. Minnesota Statutes 1982, section 56.131, subdivision 1, is amended to read:

Subdivision 1. [INTEREST RATES AND CHARGES.]

(a) On any loan in the principal amount of \$35,000 or less, a licensee may contract for and receive interest, calculated according to the actuarial method, not exceeding the equivalent of the greater of any of the following:

(1) the total of: (i) 33 percent per year on that part of the unpaid balance of the principal amount not exceeding \$350; and (ii) 19 percent per year on that part of the unpaid balance of the principal amount exceeding \$350; or

(2) 21.75 percent per year on the unpaid balance of the principal amount.

(b) On any loan where interest has been calculated according to the method provided for in paragraph (a), clause (1), interest (SHALL) *must* be contracted for and earned as provided in that provision or at the single annual percentage rate computed to the nearest one hundredth of one percent that would earn the same total interest at maturity of the contract as would be earned by the application of the graduated rates provided in paragraph (a), clause (1), when the debt is paid according to the agreed terms and the calculations are made according to the actuarial method.

(c) Loans may be interest-bearing or precomputed.

(d) To compute time on interest-bearing and precomputed loans, including, but not limited to the calculation of interest, a day (SHALL BE) is considered 1/30 of a month when calculation is made for a fraction of a calendar month. A year (SHALL BE) is 12 calendar months. A calendar month (SHALL BE) is that period from a given date in one month to the same numbered date in the following month, and if there is no same numbered date, to the last day of the following month.

(e) With respect to interest-bearing loans:

(1) Interest (SHALL) *must* be computed on unpaid principal balances outstanding from time to time, for the time outstanding. Each payment (SHALL) *must* be applied first to the accumulated interest and the remainder of the payment applied to the unpaid principal balance; provided however, that if the amount of the payment is insufficient to pay the accumulated interest, the unpaid interest continues to accumulate to be paid from the proceeds of subsequent payments and is not added to the principal balance.

(2) Interest (SHALL) *must* not be payable in advance or compounded. However, if part or all of the consideration for a new loan contract is the unpaid principal balance of a prior loan, then the principal amount payable under the new loan contract may include any unpaid interest which has accrued. The unpaid principal balance of a precomputed loan is the balance due after refund or credit of unearned interest as provided in paragraph (f), clause (3). The resulting loan contract (SHALL BE) is deemed a new and separate loan transaction for all purposes.

(f) With respect to precomputed loans:

(1) Loans (SHALL) *must* be repayable in substantially equal and consecutive monthly installments of principal and interest combined, except that the first installment period may be (LONGER) *more or less* than one month by not more than 15 days, and the first installment payment amount may be larger than the remaining payments by the amount of interest charged for the extra days *and must be reduced by the amount of interest for the number of days less than one month to the first installment payment*; and provided further that monthly installment payment dates may be omitted to accommodate borrowers with seasonal income.

(2) Payments may be applied to the combined total of principal and precomputed interest until the loan is fully paid. Payments (SHALL) *must* be applied in the order in which they become due.

(3) When any loan contract is paid in full by cash, renewal or refinancing, or a new loan, one month or more before the final installment due date, a licensee shall refund or credit the borrower with the total of the applicable charges for all fully unexpired installment periods, as originally scheduled or as deferred, which follow the day of prepayment; if the prepayment is made other than on a scheduled payment date, the nearest scheduled installment payment date (SHALL) *must* be used in the computation; provided further, if the prepayment occurs prior to the first installment due date, the licensee may retain 1/30 of the applicable charge for a first installment period of one month for each day from the date of the loan to the date of prepayment, and shall refund or credit the borrower with the balance of the total interest contracted for. If the maturity of the loan is accelerated for any reason and judgment is entered, the licensee shall credit the borrower with the same refund as if prepayment in full had been made on the date the judgment is entered.

(4) If an installment, other than the final installment, is not paid in full within ten days of its scheduled due date, a licensee may contract for and receive a default charge not exceeding five percent of the amount of the installment, but not less than \$2.

(5) If the parties agree in writing, either in the loan contract or in a subsequent agreement, to a deferment of wholly unpaid installments, a licensee may grant a deferment and may collect a deferment charge as provided in this section. A deferment postpones the scheduled due date of the earliest unpaid installment and all subsequent installments as originally scheduled, or as previously deferred, for a period equal to the deferment period. The deferment period is that period during which no installment is scheduled to be paid by reason of the deferment. The deferment charge for a one-month period may not exceed the applicable charge for the installment period immediately following the due date of the last undeferred payment. A proportionate charge may be made for deferment for periods of more or less than one month. A deferment charge is earned pro rata during the deferment period and is fully earned on the last day of the deferment period. Should a loan be prepaid in full during a deferment period, the licensee shall make or credit to the borrower a refund of the unearned deferment charge in addition to any other refund or credit made for prepayment of the loan in full.

(6) If two or more installments are delinquent one full month or more on any due date, and if the contract so provides, the licensee may reduce the unpaid balance by the refund credit which would be required for prepayment in full on the due date of the most recent maturing installment in default. Thereafter, and in lieu of any other default or deferment charges, the single annual percentage rate permitted by this subdivision may be charged on the unpaid balance until fully paid.

(7) Following the final installment as originally scheduled or deferred, the licensee, for any loan contract which has not previously been converted to interest-bearing under paragraph (f), clause (6), may charge interest on any balance remaining unpaid, including unpaid default or deferment charges, at the single annual percentage rate permitted by this subdivision until fully paid.

Sec. 29. Minnesota Statutes 1982, section 56.155, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] No licensee shall, directly or indirectly, sell or offer for sale any insurance in connection with any loan made under this chapter except as and to the extent authorized by this section. The sale of credit life and credit accident and health insurance (SHALL BE) *is* subject to the provisions of chapter 62B, except that the term of the insurance may exceed 60 months if the term of the loan exceeds 60 months. Life, accident, and health insurance, or any of them, may be written upon or in connection with any loan but (SHALL) *must* not be required as additional security for the indebtedness. If the debtor chooses to procure credit life insurance or credit accident and health insurance as security for the indebtedness, he shall have the option of furnishing this security through existing policies of insurance owned or controlled by him or of furnishing the coverage through any insurer authorized to transact business in this state. A statement in substantially the following form in bold face type of a minimum size of 12 points (SHALL) *must* be provided to the borrower (BEFORE THE TRANSACTION IS COMPLETED) *before the transaction is completed for each credit life and accident and health insurance coverage sold:*

CREDIT LIFE INSURANCE AND CREDIT DISABILITY INSURANCE ARE NOT REQUIRED TO OBTAIN CREDIT. YOU MAY BUY ANY INSURANCE FROM ANYONE YOU CHOOSE OR YOU MAY USE EXISTING INSURANCE. (THE CREDIT LIFE INSURANCE AND CREDIT DISABILITY INSURANCE AVAILABLE THROUGH THIS LENDER HAD AN ACTUAL LOSS RATIO DURING THE CALENDAR YEAR LAST REPORTED TO THE DEPARTMENT OF COMMERCE OF _____ PERCENT. THIS MEANS THAT, ON THE AVERAGE, \$ _____ OF EVERY \$100 IN PREMIUMS PAID TO THE INSURANCE COMPANY WERE RETURNED AS BENEFITS TO POLICY HOLDERS DURING THAT YEAR.)

(THE LICENSEE SHALL HAVE 30 DAYS AFTER THE INSURANCE COMPANY SUBMITS ITS REPORT OF LOSSES TO THE DEPARTMENT OF COMMERCE FOR THE PREVIOUS CALENDAR YEAR TO CHANGE ITS DISCLOSURE TO REFLECT THE CURRENT LOSS RATIO.)

The licensee shall disclose whether or not the benefits (SHALL) commence as of the first day of disability and shall further disclose the number of days that an insured obligor must be disabled, as defined in the policy, before benefits, whether retroactive or nonretroactive, (SHALL) commence. In case there are multiple obligors under a transaction subject to this chapter, no policy or certificate of insurance providing credit accident and health benefits, (SHALL) *may* be procured by or through a licensee upon more than one of the obligors. In case there are multiple obligors under a transaction subject to this chapter, no policy or certificate of insurance providing credit life insurance (SHALL) *may* be procured by or through a licensee upon more than two of the obligors in which case they shall be insured jointly. The premium or identifiable charge for the insurance (SHALL) *must* not exceed that filed by the insurer with the insurance division of the department of commerce. The charge, computed at the time the loan is made for a period not to exceed the full term of the loan contract on an amount not to exceed the total amount required to pay principal and charges, may be deducted from the proceeds or may be included as part of the principal of any loan. If a borrower procures insurance by or through a licensee, the statement required by section 56.14 (SHALL) *must* disclose the cost to the borrower and the type of insurance, and the licensee shall cause to be delivered to the borrower a copy of the policy, certificate, or other evidence thereof, within a reasonable time. No licensee shall decline new or existing insurance which meets the standards set out in this section nor prevent any obligor from obtaining (SUCH) *this* insurance coverage from other sources. Notwithstanding any other provision of this chapter, any gain or advantage to the licensee or to any employee, affiliate, or associate of the licensee from (SUCH) *this* insurance or the sale or provision thereof (SHALL NOT BE DEEMED TO BE) *is not an* additional or further (CHARGES) *charge* in connection with the loan; nor (SHALL) *are* any of the provisions pertaining to insurance contained in this section (BE DEEMED) prohibited by any other provision of this chapter.

Sec. 30. Minnesota Statutes 1982, section 168.72, subdivision 1, is amended to read:

Subdivision 1. (a) The time price differential authorized by sections 168.66 to 168.77 in a retail installment sale (SHALL) *may* not exceed the following rates:

Class 1. Any motor vehicle designated by the manufacturer by a year model of the same or not more than one year prior to the year in which the sale is made—\$8 per \$100 per year.

Class 2. Any motor vehicle designated by the manufacturer by a year model of two or three years prior to the year in which the sale is made—\$11 per \$100 per year.

Class 3. Any motor vehicle not in Class 1 or Class 2—\$13 per \$100 per year plus a flat charge of \$3 for each retail installment sale.

(b) The time price differential (SHALL) *must* be computed on the principal balance as determined under section 168.71, clause (b) and (SHALL) *must* be computed at the rate indicated on contracts payable in successive monthly installment payments substantially equal in amount extending for a period of one year. *For purposes of this subdivision and section 168.73, contracts payable in successive monthly installment payments include those where the first installment is scheduled for not less than 15 days nor more than one month and 15 days from the date of the contract.* On contracts providing for installment payments extending for a period less than or greater than one year, the time price differential (SHALL) *must* be computed proportionately.

(c) When a retail installment contract provides for unequal or irregular installment payments, the time price differential is at the effective rate provided in clause (a) hereof, having due regard for the irregular schedule of payment.

(d) The time price differential is inclusive of all charges incident to investigating and making the contract, and for the extension of the credit provided for in the contract and no fee, commission, expense or other charge whatsoever (SHALL) *may* be taken, received, reserved or contracted for except as provided in sections 168.66 to 168.77.

Sec. 31. Minnesota Statutes 1982, section 300.025, is amended to read:

300.025 [ORGANIZATION, CERTIFICATE.]

Any three or more persons may form a corporation for any of the purposes specified in section 47.12 by *making application to the department of commerce and complying with (THE) all applicable organizational requirements and the conditions herein-* after prescribed; provided, no corporation (SHALL) *may* be formed under this section which might be formed under the Minnesota business corporation act. (THEY SHALL) *The incorporators must subscribe and acknowledge a certificate specifying:*

(1) The name, the general nature of its business, and the principal place of transacting the same. The name (SHALL) *must* distinguish it from all other corporations, domestic or foreign, authorized to do business in this state, and shall contain the word "company," "corporation," "bank," "association," or "incorporated."

(2) The period of its duration, if limited.

(3) The names and places of residence of the incorporators.

(4) In what board its management (SHALL) *will* be vested, the date of the annual meeting at which it (SHALL) *will* be elected, and the names and addresses of those composing the board until the first election, a majority of whom shall always be residents of this state.

(5) The amount of capital stock, if any, how the same is to be paid in, the number of shares into which it is to be divided, and the par value of each share; and, if there is to be more than one class, a description and the terms of issue of each, and the method of voting thereon.

(6) The highest amount of indebtedness or liability to which the corporation (SHALL) *will* at any time be subject.

It may contain any other lawful provision defining and regulating the powers and business of the corporation, its officers, directors, trustees, members, and stockholders provided that corporations subject to provisions of (SECTION) *sections 48.27 and 51A.22, subdivision 2*, may show their highest amount of indebtedness to be 30 times the amount of its capital and actual surplus.

Sec. 32. Minnesota Statutes 1982, section 300.20, is amended to read:

300.20 [BOARD OF DIRECTORS, ELECTION; VACANCY, HOW FILLED.]

The business of (EVERY SUCH) *the* corporation (, EXCEPT SAVINGS BANKS, SHALL) *must* be managed by a board of at least three directors, *unless a greater number is otherwise required by law*, elected by ballot by (AND FROM) the stockholders or members. Any board of directors of a financial institution referred to in section 47.12 which has less than five members may be increased to not more than five members by order of the commissioner of banks. When the certificate of incorporation or the bylaws so provides a vacancy in the board of directors may be filled by the remaining directors. Not more than one-third of the members of the board may be so filled in any one year. The business of savings banks (SHALL) *must* be managed by a board of at least seven trustees, residents of this state, each of whom, before being authorized to act, shall file a written acceptance of the trust. A majority of the directors or trustees (SHALL) constitute a quorum for the transaction of business. Any action which might be taken at a meeting of the board of directors, trustees, or managers may be taken without a meeting if done in writing signed by all of the directors, trustees, or managers.

Sec. 33. [EFFECTIVE DATE.]

Sections 1 to 28 and 30 to 32 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to financial institutions; providing for the payment of hearing costs on contested applications; including credit union share insurance corporations and industrial loan and thrift guarantee issuers in the group of organizations permitted to receive examination reports; removing the requirement that a financial institution's board of directors hold qualifying shares; clarifying limitations on junior mortgage loans by banks; establishing application fees; removing a certain filing requirement; reducing the number of savings association incorporators; clarifying the notice requirements for savings association conversions; clarifying the industrial loan and thrift company lending limit and increasing the capital to deposit limitation; providing first installment requirements for regulated lenders and motor vehicle sales finance companies; providing credit insurance disclosure requirements for regulated lenders; clarifying financial corporation organizational requirements; amending Minnesota Statutes 1982, sections 45.04, subdivision 1; 46.07, subdivision 2; 47.54, subdivision 1; 48.06; 48.19, subdivision 1; 48.68; 49.36, subdivision 1; 49.37; 51A.03, subdivisions 1 and 4; 51A.065, subdivision 4; 51A.13, subdivisions 2 and 2a; 51A.23, subdivisions 6 and 7; 51A.51, subdivisions 2 and 3a; 52.203; 53.01; 53.03, subdivisions 1, 5, and 6; 53.04, subdivision 3a; 53.05; 53.06; 56.001, subdivision 3; 56.131, subdivision 1; 56.155, subdivision 1; 168.72, subdivision 1; 300.025; and 300.20; proposing new law coded in Minnesota Statutes, chapter 47."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 524, A bill for an act relating to low-level radioactive waste; entering the Midwest Interstate Low-Level Radioactive Waste Compact; assessing certain low-level radioactive waste generators; providing for enforcement of the compact; providing for civil and criminal penalties; creating an advisory committee; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116C.

Reported the same back with the following amendments:

Page 18, line 33, after "be" insert "reasonably"

Page 18, line 34, delete "degree of hazard" and insert "classification (pursuant to 10 Code of Federal Regulations Part 61.55 and amendments thereto)"

Page 18, line 35, after "generator" delete "or on any other reasonable basis"

Page 19, line 17, after "compact" insert "upon conviction"

Page 19, line 20, after "second" delete "violation" and insert "conviction"

Page 21, after line 33, insert:

"The advisory committee may appoint a technical task force on low-level radioactive waste, including but not limited to any members of the public with special expertise in low-level radioactive waste, state agency personnel, and generators representing the medical, industrial, and commercial organizations in the state which ship wastes to regional facilities."

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 540, A bill for an act relating to crimes; creating the crimes of unlawfully obtaining services from the metropolitan transit commission and unlawfully interfering with a transit operator while the operator is performing his or her duties; providing penalties; proposing new law coded in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [609.855] [CRIMES AGAINST TRANSIT PROVIDERS AND OPERATORS.]

Subdivision 1. [UNLAWFULLY OBTAINING SERVICES.] Whoever intentionally obtains service from a provider of regular route transit as defined in section 174.22, subdivision 8, without making the required fare deposit or otherwise obtaining the consent of the transit operator or other authorized transit representative is guilty of unlawfully obtaining services and may be sentenced as provided in subdivision 4.

Subd. 2. [UNLAWFUL INTERFERENCE WITH TRANSIT OPERATOR.] *Whoever intentionally interferes with the transit operator or representative while the operator or representative is engaged in the performance of his or her official duties is guilty of unlawful interference and may be sentenced as provided in subdivision 4.*

Subd. 3. [PROHIBITED ACTIVITIES.] *Whoever, while riding in a vehicle providing regular route transit service:*

(1) operates a radio, television, tape player, electronic musical instrument, or other electronic device (except watches) which amplifies music, except that such devices may be operated if the sound emanates only from earphones or headphones and except that vehicle operators may operate electronic equipment for official business;

(2) smokes;

(3) consumes food or beverages, except when authorized by the operator or other officials of the transit system;

(4) throws or deposits litter; or

(5) acts in any other manner which disturbs the peace and quiet of another person;
is guilty of a petty misdemeanor and is subject to the penalty imposed in section 169.89, subdivision 2.

Subd. 4. [PENALTY.] *Whoever violates subdivision 1 or 2 may be sentenced as follows:*

(a) To imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both, if the violation was accompanied by force or violence or a communication of a threat of force or violence; or

(b) To payment of a fine of not more than \$100 if the violation was not accompanied by force or violence or a communication of a threat of force or violence.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1983, and applies to all crimes committed on or after that date."

Further, delete the title in its entirety and insert:

"A bill for an act relating to crimes; creating the crimes of unlawfully obtaining services from a provider of regular route transit and unlawfully interfering with a transit operator while

the operator is performing his or her duties; prohibiting disruptive behavior on a transit vehicle; providing penalties; proposing new law coded in Minnesota Statutes, chapter 609."

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 541, A bill for an act relating to occupations and professions; authorizing the commissioner of public safety to provide administrative support services to the board of peace officer standards and training; amending Minnesota Statutes 1982, section 214.04, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 15, strike the comma

Page 2, after line 15, insert:

"Sec. 2. Minnesota Statutes 1982, section 626.843, subdivision 1, is amended to read:

Subdivision 1. [RULES REQUIRED.] The board shall adopt rules with respect to:

(a) The certification of peace officer training schools, programs, or courses including training schools for the Minnesota state patrol. Such schools, programs and courses shall include those administered by the state, county, school district, municipality, or joint or contractual combinations thereof, and shall include preparatory instruction in law enforcement and minimum basic training courses;

(b) Minimum courses of study, attendance requirements, and equipment and facilities to be required at each certified peace officers training school located within the state;

(c) Minimum qualifications for instructors at certified peace officer training schools located within this state;

(d) Minimum standards of physical, mental and educational fitness which shall govern the recruitment and licensing of peace officers within the state, by any state, county, municipality, or joint or contractual combination thereof, including members of the Minnesota state patrol;

(e) Minimum standards of conduct which would affect the performance of the individual in his duties as a peace officer;

These standards shall be established and published on or before July 1, 1979.

(f) Minimum basic training which peace officers appointed to temporary or probationary terms shall complete before being eligible for permanent appointment, and the time within which such basic training must be completed following any such appointment to a temporary or probationary term;

(g) Minimum specialized training which part-time peace officers shall complete in order to be eligible for continued employment as a part-time peace officer or permanent employment as a peace officer, and the time within which the specialized training must be completed;

(h) Content of minimum basic training courses required of graduates of certified law enforcement training schools or programs. Such courses shall not duplicate the content of certified academic or general background courses completed by a student but shall concentrate on practical skills deemed essential for a peace officer. Successful completion of such a course shall be deemed satisfaction of the minimum basic training requirement;

(i) Grading, reporting, attendance and other records, and certificates of attendance or accomplishment;

(j) The procedures to be followed by a part-time peace officer for notifying the board of his intention to pursue the specialized training for part-time peace officers who desire to become peace officers pursuant to sections 626.843, subdivision 1, clause (g) and 626.845, subdivision 1, clause (g); (AND)

(k) *The establishment, and use by any political subdivision or state law enforcement agency which employs persons licensed by the board of procedures for investigation and resolution of allegations of misconduct by persons licensed by the board. The procedures shall be in writing and shall be established on or before October 1, 1984; and*

(l) Such other matters as may be necessary consistent with sections 626.84 to 626.855. Rules promulgated by the attorney general with respect to these matters may be continued in force by resolution of the board if the board finds the rules to be consistent with sections 626.84 to 626.855.

Sec. 3. Minnesota Statutes 1982, section 626.845, subdivision 1, is amended to read:

Subdivision 1. [POWERS AND DUTIES.] The board shall have the following powers and duties:

(a) To certify peace officers' training schools or programs administered by state, county and municipalities located within this state in whole or in part no later than 90 days after receipt of an application for certification. The reasons for noncertification of any school or program or part thereof shall be transmitted to the school within 90 days and shall contain a detailed explanation of the reasons for which the school or program was disapproved and an explanation of what supporting material or other requirements are necessary for the board to reconsider. Disapproval of a school or program shall not preclude the re-application for certification of the school or program;

(b) To issue certificates to schools, and to revoke such certification when necessary to maintain the objectives and purposes of sections 626.841 to 626.855;

(c) To certify, as qualified, instructors at peace officer training schools, and to issue appropriate certificates to such instructors;

(d) To license peace officers who have satisfactorily completed certified basic training programs, and passed examinations as required by the board;

(e) To cause studies and surveys to be made relating to the establishment, operation, and approval of state, county, and municipal peace officer training schools;

(f) To consult and cooperate with state, county, and municipal peace officer training schools for the development of in-service training programs for peace officers;

(g) To consult and cooperate with universities, colleges, and area vocational technical institutes for the development of specialized courses of instruction and study in the state for peace officers and part-time peace officers in police science and police administration;

(h) To consult and cooperate with other departments and agencies of the state and federal government concerned with peace officer standards and training;

(i) To perform such other acts as may be necessary and appropriate to carry out the powers and duties as set forth in the provisions of sections 626.841 to 626.855;

(j) To coordinate the provision, on a regional basis, of skills oriented basic training courses to graduates of certified law enforcement training schools or programs;

(k) To obtain criminal conviction data for persons seeking a license to be issued or possessing a license issued by the board.

The board shall have authority to obtain criminal conviction data to the full extent that any other law enforcement agency, as that term is defined by state or federal law, has to obtain the data; (AND)

(l) To prepare and transmit annually to the governor and the legislature a report of its activities with respect to allocation of moneys appropriated to it for peace officers training, including the name and address of each recipient of money for that purpose, the amount awarded, and the purpose of the award; and

(m) *To assist and cooperate with any political subdivision or state law enforcement agency which employs persons licensed by the board to establish written procedures for the investigation and resolution of allegations of misconduct of persons licensed by the board, and to enforce licensing sanctions for failure to implement such procedures.*

Sec. 4. Minnesota Statutes 1982, section 626.849, is amended to read:

626.849 [SCHEDULE OF SUBJECT MATERIAL.]

The superintendent of the bureau of criminal apprehension shall prepare not later than August 1 each year a written schedule of subject material to be taught in each training course, the scheduled instructors for each subject and the time and place for each subject presentation. This material shall be presented to the board. The subject material, instructors and schedules may be approved or disapproved by a majority vote of the board before September 1 each year and if disapproved, the proposal shall be revised and re-presented to the board for their review in like manner.

Upon request of the board to the bureau of criminal apprehension, the subject matter of at least one training course shall include instruction in the development of procedures by a law enforcement agency to investigate and resolve allegations of misconduct by persons licensed by the board and employed by a law enforcement agency.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective July 1, 1983."

Amend the title as follows:

Page 1, line 6, delete "section" and insert "sections"

Page 1, line 6, after "subdivision 1" insert "; 626.843, subdivision 1; 626.845, subdivision 1; and 626.849"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 544, A bill for an act relating to health; providing for retention and destruction of certain medical records; amending Minnesota Statutes 1982, section 145.32.

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

The report was adopted.

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

H. F. No. 573, A bill for an act relating to retirement; Brooklyn Park volunteer firefighters survivor benefit maximum; amending Laws 1975, chapter 237, section 2, subdivision 1, as amended.

Reported the same back with the following amendments:

Page 1, delete lines 8 to 18, and insert:

"Section 1. [REPEALER.]

Laws 1975, chapter 237, as amended by Laws 1979, chapter 201, sections 34 and 35, is repealed."

Page 1, delete lines 20 to 22 and insert:

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

Amend the title as follows:

Page 1, line 3, delete everything after "firefighters" and insert "relief association; repealing Laws 1975, chapter 237, as amended."

Page 1, delete lines 4 and 5

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 578, A bill for an act relating to corrections; clarifying the duties of the clerk of court with respect to preparation of necessary commitment papers when a person is sentenced for a felony or gross misdemeanor to the custody of the commissioner of corrections or to the superintendent of a work house or work farm; amending Minnesota Statutes 1982, section 243.49.

Reported the same back with the following amendments:

Page 2, lines 19 and 20, strike "or the corrections board"

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 602, A bill for an act relating to commerce; providing for a nonpossessory mechanics' lien under certain circumstances; proposing new law coded in Minnesota Statutes, chapter 514.

Reported the same back with the following amendments:

Page 1, delete subdivision 1

Renumber the remaining subdivisions.

Page 1, line 13, delete "3" and insert "2"

Page 1, line 14, delete "property" and insert "aircraft"

Page 1, line 16, delete "property" in both places and insert "aircraft" in both places

Page 1, line 20, delete "60" and insert "90"

Page 1, line 23, delete "property" and insert "aircraft"

Page 2, line 3, delete "property" and insert "aircraft"

Page 2, line 10, delete "property" in both places and insert "aircraft" in both places

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

The report was adopted.

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

H. F. No. 610, A bill for an act relating to financial institutions; industrial loan and thrift companies; regulated loans; enlarging the group of institutions which may utilize electronic fund transfer facilities; modifying the capital and reserve limitation on loans by industrial loan and thrift companies; regulating loan splitting; eliminating the receipt requirement for money orders; standardizing certain penalties; excepting loan and thrifts and regulated lenders from the licensing requirements for real estate brokers and salespersons; amending Minnesota Statutes 1982, sections 47.61, subdivision 4; 47.64, subdivision 1; 48.196; 53.03, subdivision 5; 53.05; 56.131, subdivision 3; 56.14; and 82.18; repealing Minnesota Statutes 1982, section 56.19, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 47.61, subdivision 4, is amended to read:

Subd. 4. "Financial institution" means a national banking association, federal savings and loan association, or federal credit union having its main office in this state, or a bank, savings bank, savings and loan association, (OR) credit union, *industrial loan and thrift company, or regulated lender under chapter 56* established and operating under the laws of this state.

Sec. 2. Minnesota Statutes 1982, section 47.64, subdivision 1, is amended to read:

Subdivision 1. Any person establishing and maintaining an electronic financial terminal for use by one type of financial institution shall, upon written request, make its services available to any requesting financial institution of similar type on a fair, equitable and nondiscriminatory basis approved by the commissioner. A financial institution requesting use of an electronic financial terminal shall be permitted its use only if the financial institution conforms to reasonable technical operation standards which have been established by the electronic financial terminal provider as approved by the commissioner. For purposes of this subdivision, the types of financial institutions are: (a) commercial banks and mutual savings banks; (b) credit unions, *industrial loan and thrift companies, and regulated lenders under*

chapter 56; and (c) savings and loan associations. The services of an electronic financial terminal may be made available to any type of financial institution. After March 1, 1979, or earlier if determined by the commissioner to be technically feasible, an electronic financial terminal which is used by or made available to one type of financial institution shall be made available, upon request, to other types of financial institutions on a fair, equitable and nondiscriminatory basis as approved by the commissioner. The charges required to be paid to any person establishing and maintaining an electronic financial terminal shall be related to an equitable proportion of the direct costs of establishing, operating, and maintaining the terminal plus a reasonable return on those costs to the owner of the terminal. The charges may provide for amortization of development costs and capital expenditures over a reasonable period of time.

Sec. 3. Minnesota Statutes 1982, section 48.196, is amended to read:

**48.196 [PENALTY FOR USURIOUS INTEREST
(CHARGED BY BANKS AND SAVINGS BANKS).]**

The taking, receiving, reserving or charging by a lender of a rate of interest greater than is allowed by state law shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. In case the greater rate of interest has been paid, the person paying it, or his legal representatives, may recover, in an action in the nature of an action of debt, twice the amount of the interest thus paid from the lender taking or receiving the interest, if the action is commenced within two years from the time the usurious transaction occurred. For purposes of this section, the term "lender" means a bank or savings bank organized under the laws of this state, a federally chartered savings and loan association, a savings association organized under chapter 51A, a federally chartered credit union, a credit union organized under chapter 52, *an industrial loan and thrift company organized under chapter 53*, *a regulated lender licensed under chapter 56*, or a mortgagee or lender approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs.

Sec. 4. Minnesota Statutes 1982, section 53.03, subdivision 5, is amended to read:

Subd. 5. [PLACE OF BUSINESS.] Not more than one place of business (SHALL) *may* be maintained under any certificate of authorization issued subsequent to the enactment of Laws 1943, Chapter 67, pursuant to the provisions of this chapter, but the department of commerce may issue more than one certificate of authorization to the same corporation upon compliance with all the provisions of this chapter governing an original issuance of a certificate of authorization. (WHERE) *If*

a corporation has been issued more than one certificate of authorization, (SUCH) *the* corporation shall allocate a portion of contributed capital to each office for which (SUCH) a certificate has been issued, in order to comply with the capital requirements of section 53.02 and section 53.05, (CLAUSES) *clause* (2) (AND (3)), which sections shall be applicable to each (SUCH) office and the capital allocated thereto in the same manner as if each certificate had been issued to a separate corporation. Each additional certificate of authorization issued pursuant to the provisions of this subdivision (SHALL) *must* be filed with the secretary of state and the county recorder of the county in which the corporation is authorized to do business thereunder. (ANY SUCH) A corporation may change one or more of its locations upon the written approval of the commissioner of banks.

Sec. 5. Minnesota Statutes 1982, section 53.04, subdivision 3a, is amended to read:

Subd. 3a. (a) The right to make loans, secured or unsecured, at the rates and on the terms and other conditions permitted licensees under chapter 56. The right to extend credit or lend money and to collect and receive charges therefor as provided by chapter 334, or in lieu thereof to charge, collect, and receive interest at the rate of 21.75 percent per annum. The provisions of sections 47.20 and 47.21 do not apply to loans made under this section, except as specifically provided in this subdivision. Nothing in this subdivision shall be deemed to supersede, repeal, or amend any provision of section 53.05. A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

(b) Loans made under this section at a rate of interest not in excess of that provided for in paragraph (a) may be secured by real or personal property, or both. If the proceeds of a loan made after August 1, 1984 are used in whole or in part to satisfy the balance owed on a contract for deed, the rate of interest charged on the loan shall not exceed the rate provided in section 47.20, subdivision 4a. If the proceeds of a loan secured by a first lien on the borrower's primary residence are used to finance the purchase of the borrower's primary residence, the loan must comply with the provisions of section 47.20.

(c) *A loan made under this section that is secured by real estate may contain a provision permitting discount points, if the loan does not provide a loan yield in excess of the maximum rate of interest permitted by this subdivision. Loan yield means the annual rate of return obtained by a licensee computed as the annual percentage rate is computed under Federal Regulation Z. If the loan is prepaid in full, the licensee must make a refund to the borrower to the extent that the loan yield will exceed the*

maximum rate of interest provided by this subdivision when such prepayment is taken into account.

Sec. 6. Minnesota Statutes 1982, section 53.04, subdivision 5, is amended to read:

Subd. 5. The right, with the consent of the department of commerce, to (1) sell and issue for investment certificates of indebtedness, under any descriptive name, which may bear interest, if any, as their terms provide, and which may require the payment to the company of amounts, from time to time as their terms provide, and permit the withdrawal of amounts paid on them, in whole or in part, from time to time, and the credit of amounts thereon upon conditions set forth therein; and (2) receive savings accounts or savings deposits. No certificate of indebtedness shall have a surrender value which is less than the total amount paid to the company therefor.

Sec. 7. Minnesota Statutes 1982, section 53.05, is amended to read:

53.05 [POWERS, LIMITATION.]

No industrial loan and thrift company (SHALL HAVE POWER TO) may do any of the following:

(1) (TO) carry commercial or demand banking accounts; (TO) use the word "bank" or "banking" in its corporate name; (TO RECEIVE SAVINGS ACCOUNTS OR DEPOSITS OR) operate as a savings bank;

(2) (TO) have outstanding at any one time certificates of indebtedness, savings accounts, and savings deposits, exclusive of those held by the company, as security for loans made by it of more than seven times the sum of the contributed capital and appropriated reserves of the company;

(3) (TO LEND MONEY IN EXCESS OF TEN PERCENT OF ITS CONTRIBUTED CAPITAL AND APPROPRIATED RESERVES TO ANY PERSON PRIMARILY LIABLE; PROVIDED, HOWEVER, IF A LOAN HAS BEEN MADE TO ANY ONE PERSON PRIMARILY LIABLE AND PAYMENTS HAVE BEEN MADE ON THE CERTIFICATE OF INDEBTEDNESS SECURING IT, THE AMOUNT OF SUCH PAYMENTS MAY BE ADDED TO THE LIMITATION STATED IN THIS CLAUSE FOR THE PURPOSE OF DETERMINING WHETHER ADDITIONAL LOANS MAY BE MADE TO THAT PERSON;)

((4) (TO) accept trusts or act as guardian, administrator, or judicial trustee in any form; (OR)

((5) TO) (4) deposit any of its funds in any banking corporation, unless that corporation has been designated by vote of a majority of directors or of the executive committee present at a meeting duly called, at which a quorum was in attendance (.);

((6) TO) (5) change any allocation of capital made pursuant to section 53.03 or (TO) reduce or withdraw in any way any portion of the contributed capital and appropriated reserves without prior written approval of the commissioner of banks (.);

((7) TO) (6) take any instrument in which blanks are left to be filled in after execution; or

(7) lend money in excess of ten percent of its contributed capital and appropriated reserves to a person primarily liable. "Contributed capital and appropriated reserves" means the total of the company's contributed capital and appropriated reserves at all its authorized locations.

If a loan has been made to a person primarily liable and payments have been made on a certificate of indebtedness securing it, the amount of the payments may be added to the limitation contained in this clause for the purpose of determining whether additional loans may be made to that person.

Sec. 8. Minnesota Statutes 1982, section 53.07, subdivision 2, is amended to read:

Subd. 2. [TEMPORARY RESERVE MINIMUM.] Until an industrial loan and thrift company obtains a commitment for insurance or guarantee of accounts acceptable to the commissioner as required by section 53.10, it shall establish a minimum reserve against the certificates of indebtedness, *savings accounts, and savings deposits* described in section 53.04, subdivision 5, of not less than ten percent of the amount of indebtedness thus created. Three percent of this indebtedness shall be in cash in the actual possession of the industrial loan company or on demand deposit in approved banks of this state, and seven percent of the total indebtedness may be in bonds admissible for investment by mutual savings banks under the laws of this state.

Sec. 9. Minnesota Statutes 1982, section 53.10, is amended to read:

53.10 [MANDATORY INSURANCE OR GUARANTEE (OF CERTIFICATES HELD FOR INVESTMENT).]

Subdivision 1. [REQUIREMENT.] Not later than July 1, 1983, every industrial loan and thrift company operating under

this chapter with consent or holding a certificate of authorization, which includes the right to sell and issue for investment certificates of indebtedness, *savings accounts, and savings deposits*, other than those to be pledged as security for a loan made contemporaneously therewith, shall obtain a commitment for insurance or guarantee of the certificates, *accounts, or deposits* by or through an insurance company or guarantee fund acceptable to the commissioner of banks. The insurance or guarantee shall provide for the redemption of the investment of certificate, *account, or deposit* holders in the event of liquidation, insolvency or bankruptcy of the industrial loan and thrift company. The amount of insurance or guarantee benefit to each certificate, *account, or deposit* holder, as an individual or multi-party account, shall at all times be in full force and equal to the lesser of the industrial loan and thrift company's liability under a certificate, *account, or deposit* or \$100,000. For purposes of this section, an insurance company or guarantee fund includes an insurance company authorized to do business in this state, an insurance or guarantee fund organized under the laws of the United States, this state or any other state with the expressed purpose or authority to guarantee the accounts of industrial loan and thrift companies or any other person who contracts with industrial loan and thrift companies to guarantee accounts.

Subd. 2. The commissioner of banks shall grant additional time or times to obtain the commitment for insurance or guarantee upon satisfactory evidence that the industrial loan and thrift company has made or is making a substantial effort to achieve the conditions precedent to issuance of the commitment. Additional time or times shall not extend later than July 1, 1985.

Subd. 3. No industrial loan and thrift company shall hereafter be granted consent, or issued a certificate of authorization which includes the right to issue for investment certificates of indebtedness, *savings accounts, and savings deposits*, other than those to be pledged as security for a loan made contemporaneously therewith, unless the industrial loan and thrift company has obtained a commitment for insurance or guarantee of such certificates which meets the conditions of subdivision 1.

Sec. 10. Minnesota Statutes 1982, section 56.131, subdivision 3, is amended to read:

Subd. 3. [SPLITTING.] No licensee shall induce or permit any borrower to split up or divide any loan or permit any person to become obligated (, DIRECTLY OR CONTINGENTLY, OR BOTH,) under more than one contract of loan *for the same purpose or at the same time for the purpose or with the result of obtaining a higher rate of charge than would otherwise be permitted by this section. However, if a person becomes obligated on a contract of loan as an accommodation party, a preceding or subsequent loan to that person is not a violation of this sub-*

division nor shall such loans be aggregated in determining the applicable rate of charge.

Sec. 11. Minnesota Statutes 1982, section 56.131, is amended by adding a subdivision to read:

Subd. 6. [DISCOUNT POINTS.] A loan made under this section that is secured by real estate may contain a provision permitting discount points, if the loan does not provide a loan yield in excess of the maximum rate of interest permitted by this section. Loan yield means the annual rate of return obtained by a licensee computed as the annual percentage rate is computed under Federal Regulation Z. If the loan is prepaid in full, the licensee must make a refund to the borrower to the extent that the loan yield will exceed the maximum rate of interest provided by this section when such prepayment is taken into account.

Sec. 12. Minnesota Statutes 1982, section 56.14, is amended to read:

56.14 [DUTIES OF LICENSEE.]

Every licensee shall:

(1) deliver to the borrower (or if there are two or more borrowers to one of them) at the time any loan is made a statement making the disclosures and furnishing the information required by the federal Truth-in-Lending Act with respect to the contract of loan. A copy of the loan contract may be delivered in lieu of a statement if it discloses the required information;

(2) deliver or mail to the borrower without request, a written receipt within 30 days following payment for each payment by coin (,) or currency (, OR MONEY ORDER) made on account of any loan wherein charges are computed and paid on unpaid principal balances for the time actually outstanding, specifying the amount applied to charges and the amount, if any, applied to principal, and stating the unpaid principal balance, if any, of the loan; and wherein precomputed charges have been added to the principal of the loan specifying the amount of the payment applied to principal and charges combined, the amount applied to default or extension charges, if any, and stating the unpaid balance, if any, of the precomputed loan contract. A periodic statement showing a payment received by mail complies with this clause;

(3) permit payment to be made in advance in any amount on any contract of loan at any time, but the licensee may apply the payment first to all charges in full at the agreed rate up to the date of the payment;

(4) upon repayment of the loan in full, mark indelibly every obligation and security, other than a mortgage or security agreement which secures a new loan to the licensee, signed by the borrower with the word "Paid" or "Canceled," and release any mortgage or security agreement which no longer secures a loan to the licensee, restore any pledge, and cancel and return any note, and any assignment given to the licensee which does not secure a new loan to the licensee within 20 days after the repayment;

(5) display prominently in each licensed place of business a full and accurate schedule, to be approved by the commissioner, of the charges to be made and the method of computing the same; Furnish a copy of the contract of loan to any person obligated on it or who may become obligated on it at any time upon the request of that person;

(6) show in the loan contract or statement of loan the rate or rates of charge on which the charge in the contract is based, expressed in terms of rate or rates per annum. The rate expression shall be printed in at least 8 point type on the loan statement or copy of the loan contract given to the borrower.

Sec. 13. Minnesota Statutes 1982, section 56.19, subdivision 1, is amended to read:

Subdivision 1. [CRIMINAL PENALTY.] Any person and the several members, officers, directors, agents, and employees thereof, who (SHALL VIOLATE) *violates* or (PARTICIPATE) *participates* in the violation of any of the provisions of sections 56.01 (, 56.12, 56.131, 56.14, 56.17,) and 56.18 (SHALL BE) is guilty of a gross misdemeanor.

Sec. 14. Minnesota Statutes 1982, section 80A.15, subdivision 1, is amended to read:

Subdivision 1. The following securities are exempted from sections 80A.08 and 80A.16:

(a) Any security, including a revenue obligation, issued or guaranteed by the United States, any state, any political subdivision of a state or any corporate or other instrumentality of one or more of the foregoing; but this exemption shall not include any industrial revenue bond.

(b) Any security issued or guaranteed by Canada, any Canadian province, any political subdivision of any province, any agency or corporate or other instrumentality of one or more of the foregoing, if the security is recognized as a valid obligation by the issuer or guarantor; but this exemption shall not include any revenue obligation payable solely from payments to be made in respect of property or money used under a lease, sale or loan arrangement by or for a nongovernmental industrial or commercial enterprise.

(c) Any security issued by and representing an interest in or a debt of, or guaranteed by, any bank organized under the laws of the United States, or any bank, savings institution or trust company organized under the laws of any state and subject to regulation in respect of the issuance or guarantee of its securities by a governmental authority of that state.

(d) Any security issued by and representing an interest in or a debt of, or guaranteed by, any federal savings and loan association, or any building and loan or similar association organized under the laws of any state and authorized to do business in this state.

(e) Any security issued or guaranteed by any federal credit union or any credit union, or similar association organized and supervised under the laws of this state.

(f) Any security listed or approved for listing upon notice of issuance on the New York Stock Exchange, the American Stock Exchange, the Midwest Stock Exchange, the Pacific Stock Exchange, or the Chicago Board Options Exchange; any other security of the same issuer which is of senior or substantially equal rank; any security called for by subscription rights or warrants so listed or approved; or any warrant or right to purchase or subscribe to any of the foregoing.

(g) Any commercial paper which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions, and which evidences an obligation to pay cash within nine months of the date of issuance, exclusive of days of grace, or any renewal of the paper which is likewise limited, or any guarantee of the paper or of any renewal which are not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television or direct mailing.

(h) Any interest in any employee's savings, stock purchase, pension, profit sharing or similar benefit plan, or a self-employed person's retirement plan.

(i) Any security issued or guaranteed by any railroad, other common carrier or public utility which is subject to regulation in respect to the issuance or guarantee of its securities by a governmental authority of the United States.

(j) Any interest in a common trust fund or similar fund maintained by a state bank or trust company organized and operating under the laws of Minnesota, or a national bank wherever located, for the collective investment and reinvestment of funds contributed thereto by the bank or trust company in its capacity as trustee, executor, administrator, or guardian; and any interest in a collective investment fund or similar fund maintained by the bank or trust company, or in a separate account

maintained by an insurance company, for the collective investment and reinvestment of funds contributed thereto by the bank, trust company or insurance company in its capacity as trustee or agent, which interest is issued in connection with an employee's savings, pension, profitsharing or similar benefit plan, or a self-employed person's retirement plan.

(k) Any security which meets all of the following conditions:

(1) If the issuer is not organized under the laws of the United States or a state, it has appointed a duly authorized agent in the United States for service of process and has set forth the name and address of the agent in its prospectus;

(2) A class of the issuer's securities is required to be and is registered under section 12 of the Securities Exchange Act of 1934, and has been so registered for the three years immediately preceding the offering date;

(3) Neither the issuer nor a significant subsidiary has had a material default during the last seven years, or for the period of the issuer's existence if less than seven years, in the payment of (i) principal, interest, dividend, or sinking fund installment on preferred stock or indebtedness for borrowed money, or (ii) rentals under leases with terms of three years or more;

(4) The issuer has had consolidated net income, before extraordinary items and the cumulative effect of accounting changes, of at least \$1,000,000 in four of its last five fiscal years including its last fiscal year; and if the offering is of interest bearing securities, has had for its last fiscal year, net income, before deduction for income taxes and depreciation, of at least 1-1/2 times the issuer's annual interest expense, giving effect to the proposed offering and the intended use of the proceeds. For the purposes of this clause "last fiscal year" means the most recent year for which audited financial statements are available, provided that such statements cover a fiscal period ended not more than 15 months from the commencement of the offering;

(5) If the offering is of stock or shares other than preferred stock or shares, the securities have voting rights and the rights include (i) the right to have at least as many votes per share, and (ii) the right to vote on at least as many general corporate decisions, as each of the issuer's outstanding classes of stock or shares, except as otherwise required by law; and

(6) If the offering is of stock or shares, other than preferred stock or shares, the securities are owned beneficially or of record, on any date within six months prior to the commencement of the offering, by at least 1,200 persons, and on that date there are at least 750,000 such shares outstanding with an aggregate market value, based on the average bid price for that day, of at

least \$3,750,000. In connection with the determination of the number of persons who are beneficial owners of the stock or shares of an issuer, the issuer or broker-dealer may rely in good faith for the purposes of this clause upon written information furnished by the record owners.

(1) Any certificate of indebtedness sold or issued for investment, other than a certificate of indebtedness pledged as a security for a loan made contemporaneously therewith, *and any savings account or savings deposit issued*, by an industrial loan and thrift company.

Sec. 15. Minnesota Statutes 1982, section 82.18, is amended to read:

82.18 [EXCEPTIONS.]

Unless a person is licensed or otherwise required to be licensed under this chapter, the term real estate broker does not include:

(a) A licensed practicing attorney acting solely as an incident to the practice of law (, PROVIDED, HOWEVER, THAT) if the attorney complies in all respects with the trust account provisions of this chapter;

(b) A receiver, trustee, administrator, guardian, executor, or other person appointed by or acting under the judgment or order of any court;

(c) Any person owning and operating a cemetery and selling lots therein solely for use as burial plots;

(d) Any custodian, janitor, or employee of the owner or manager of a residential building who leases residential units in (SUCH) the building;

(e) Any bank, trust company, savings and loan association, *industrial loan and thrift company, regulated lender under chapter 56*, public utility, or (ANY) land mortgage or farm loan association organized under the laws of this state or the United States, when engaged in the transaction of business within the scope of its corporate powers as provided by law;

(f) Public officers while performing their official duties;

(g) Employees of persons enumerated in clauses (b), (e) and (f), when engaged in the specific performance of their duties;

(h) Any person who acts as an auctioneer bonded in conformity with section 330.02, when he is engaged in the specific performance of his duties as an auctioneer;

(i) Any person who acquires (SUCH) real estate for the purpose of engaging in and does engage in, or who is engaged in the business of constructing residential, commercial or industrial buildings for the purpose of resale (, PROVIDED THAT) if no more than 25 such transactions occur in any 12 month period and (THAT) the person complies with section 82.24;

(j) Any person who offers to sell or sells an interest or estate in real estate which is a security registered pursuant to chapter 80A, when acting solely as an incident to the sale of (SUCH) those securities;

(k) Any person who offers to sell or sells a business opportunity which is a franchise registered pursuant to chapter 80C, when acting solely to sell the franchise;

(l) Any person who contracts with or solicits on behalf of a provider a contract with a resident or prospective resident to provide continuing care in a facility, pursuant to the continuing care facility disclosure and rehabilitation act (chapter 80D), when acting solely as incident to the contract.

Sec. 16. [REPEALER.]

Minnesota Statutes 1982, section 56.19, subdivision 2, is repealed.

Sec. 17. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to financial institutions; industrial loan and thrift companies; regulated loans; enlarging the group of institutions which may utilize electronic fund transfer facilities; modifying the capital and reserve limitation on loans by industrial loan and thrift companies; permitting loan and thrifts and regulated lenders to take discount points in certain circumstances; authorizing loan and thrifts to receive savings accounts and savings deposits subject to certain prescribed conditions; regulating loan splitting; eliminating the receipt requirement for money orders; standardizing certain penalties; excepting loan and thrifts and regulated lenders from the licensing requirements for real estate brokers and salespersons; amending Minnesota Statutes 1982, sections 47.61, subdivision 4; 47.64, subdivision 1; 48.196; 53.03, subdivision 5; 53.04, subdivisions 3a and 5; 53.05; 53.07, subdivision 2; 53.10; 56.131, subdivision 3, and by adding a subdivision; 56.14; 56.19, subdivision 1; 80A.15, subdivision 1; and 82.18; repealing Minnesota Statutes 1982, section 56.19, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 613, A resolution memorializing the President and Congress to authorize the issuance of qualified mortgage bonds beyond the current expiration date of December 31, 1983.

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.

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

H. F. No. 631, A bill for an act relating to Hennepin County; authorizing employees to withdraw from participation in the Hennepin County supplemental retirement fund.

Reported the same back with the following amendments:

Page 1, line 8, delete "*section 1,*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 633, A bill for an act relating to commerce; uniform commercial code; extending the time period for the perfection of or priority over certain security interests; amending Minnesota Statutes 1982, sections 336.9-301; 336.9-302; 336.9-306; and 336.9-312.

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. 652, A bill for an act relating to retirement; public plans generally; providing that moneys of public pension plans

are for the exclusive benefit of eligible employees and their beneficiaries; proposing new law coded in Minnesota Statutes, chapter 356.

Reported the same back with the following amendments:

Page 1, before line 9, insert:

"Section 1. Minnesota Statutes 1982, section 354A.021, is amended by adding a subdivision to read:

Subd. 6. [TRUSTEES' FIDUCIARY OBLIGATION.] It is the duty of the trustees or directors of each teachers retirement fund association to administer each fund in accordance with the applicable portions of this chapter, of the articles of incorporation, and of the bylaws. They shall act as trustees with a fiduciary obligation to the state of Minnesota which created the fund, the taxpayers which aid in financing it, and the teachers who are its beneficiaries. The purpose of this subdivision is to establish each teachers retirement fund association as a trust under the laws of the state of Minnesota for all purposes related to section 401(a) of the Internal Revenue Code of the United States, including all amendments."

Page 2, after line 29, insert:

"Subd. 5. [CONSTRUCTION.] Nothing contained in this section shall be construed to authorize, or otherwise imply, a legislative policy or intent favoring the termination of any plan or fund to which this section applies."

Sec. 3. Minnesota Statutes 1982, section 356.61, is amended to read:

356.61 [LIMITATION ON PUBLIC EMPLOYEE RETIREMENT ANNUITIES.]

Notwithstanding any provision of law, bylaws, articles of incorporation, retirement and disability allowance plan agreements or retirement plan contracts to the contrary, no person who has pension or retirement coverage by a public pension plan shall be entitled to receive a monthly retirement annuity or disability benefit which, at the time of commencement of the retirement annuity or disability benefit, exceeds the lesser of:

(a) the amount of the final monthly salary of the person; or

(b) one-twelfth of the amount of the annual benefit permitted by the terms of section 415 of the Internal Revenue Code with respect to a participant in a plan qualified under section 401(a) of the Internal Revenue Code, as amended through December 31, 1982.

A public pension plan is any Minnesota public pension plan or fund which provides pension or retirement coverage for public employees other than volunteer firefighters, including any plan or fund enumerated in sections 356.20, subdivision 2, or 356.30, subdivision 3, any local police or firefighter's relief association to which section 69.77 applies, or any retirement or pension plan or fund, including a supplemental retirement plan or fund, established, maintained or supported by any governmental subdivision or public body whose revenues are derived from taxation, fees, assessments or from other public sources. Final monthly salary is the hourly rate of compensation received by the person on account of the most recent public employment for the final pay period occurring prior to retirement multiplied by 174.

The figure for the monthly retirement annuity or disability benefit to be used for the calculation of this limitation shall not include any reduction or adjustment required for retirement prior to the normal retirement age or required for the election of an optional annuity.

If the figure for the monthly retirement annuity or disability benefit exceeds the limit contained in this section, the annuity or benefit payable shall be reduced appropriately.

The managing board of each public pension plan from which a retirement annuity or disability benefit is payable shall, at the time that the retirement annuity or disability benefit commences, contact all other public pension plans to determine whether or not the recipient of the retirement annuity or disability benefit is also receiving or is entitled to receive a retirement annuity or disability benefit from any other public pension plan. If a person is entitled to receive or is receiving a retirement annuity or disability benefit from more than one public pension plan, all retirement annuities or disability benefits from all public pension plans shall be totalled in determining whether or not the limitation shall apply; provided however, that the limitation shall be based on the highest final monthly salary received by the individual from any plan. Any reduction in the amount of the retirement annuity or disability benefit required pursuant to this section shall be made by the public pension plan which provided retirement coverage for the most recent period of service."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "providing for the fiduciary obligation of trustees; complying with federal limits on annual benefits;"

Page 1, line 5, after the semicolon, insert "amending Minnesota Statutes 1982, sections 356.61; 354A.021, by adding a subdivision;"

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

The report was adopted.

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

H. F. No. 706, A bill for an act relating to retirement; public employees retirement association; providing for refund of contributions after a layoff of 120 calendar days; amending Minnesota Statutes 1982, section 353.34, subdivision 1.

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 715, A bill for an act relating to education; authorizing the higher education coordinating board to provide supplemental and additional loans; clarifying certain provisions of student loan programs; making technical corrections; amending Minnesota Statutes 1982, sections 136A.14; 136A.141; 136A.15; 136A.16; 136A.17; proposing new law coded in Minnesota Statutes, chapter 136A; repealing Minnesota Statutes 1982, section 136A.161.

Reported the same back with the following amendments:

Page 1, line 17, strike "young"

Page 5, strike lines 9 to 11

Page 8, after line 22, insert:

"Sec. 7. [136A.1702]

The board shall obtain approval from the legislative advisory commission prior to taking the following actions with regard to student loan programs described in this act:

(1) Implementing a loan program for parents and students eligible for auxiliary loans as defined in section 136A.15, subdivision 7.

(2) *Acquiring student loans from other lenders to facilitate student loan programs provided for in section 136A.17.*

(3) *Providing for programs of supplemental and additional loans as defined in section 6."*

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.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 740, A bill for an act relating to public improvements; authorizing the planning for and construction of a high security detention facility for female inmates; authorizing issuance of state bonds; appropriating money.

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

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 751, A bill for an act relating to energy; simplifying hydropower lease procedures; amending Minnesota Statutes 1982, sections 105.482, subdivision 8; 272.02, by adding a subdivision; 273.19, by adding a subdivision; and 295.44, subdivision 1; repealing Minnesota Statutes 1982, section 295.44, subdivisions 2, 3, and 4.

Reported the same back with the following amendments:

Page 2, line 2, strike "50" and insert "99"

Page 2, line 5, delete "lessor" and insert "lessee"

Page 2, after line 13, insert:

"Sec. 2. Minnesota Statutes 1982, section 105.482, subdivision 9, is amended to read:

Subd. 9. [CONTENTS OF DEVELOPMENT AGREEMENT.] An agreement for the development or redevelopment of a hydropower site may contain, but need not be limited to, the following provisions:

(a) Length of the development agreement, subject to negotiations between the parties but not more than (50) 99 years, and conditions for extension, modification, or termination;

(b) Provisions for a performance bond on the developer, or, certification that the equipment and its installation have a design life at least as long as the lease;

(c) Provisions to assure adequate maintenance and safety in the impoundment structures, if any, and to assure access to recreational sites, if any."

Page 3, line 12, delete "5" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "subdivision" and insert "subdivisions"; after "8" insert "and 9"

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

The report was adopted.

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

H. F. No. 760, A bill for an act relating to retirement; making various administrative and clarifying amendments to laws governing the Minnesota state retirement system and other retirement plans administered by the system; amending Minnesota Statutes 1982, sections 352.01, subdivisions 11, 16, and 17; 352.021, subdivision 5; 352.113, subdivisions 2, 4, and 6; 352.115, subdivision 8; 352.12, subdivisions 3, 4, and 10; 352.15, subdivision 1; 352.22, subdivision 3; 352.93, subdivision 1; 352.95, subdivisions 4 and 5; 352B.01, subdivisions 3, 9, and 10; 352B.02, subdivision 1; 352B.03, subdivision 2; 352B.05; 352B.07; 352B.071; 352B.08, subdivision 1; 352B.105; 352B.11, subdivisions 1, 4, and by adding a subdivision; 352B.30, subdivision 1; 352D.015, subdivision 9; 352D.02, subdivision 3; 352D.04, subdivision 1; and 490.124, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 352B; repealing Minnesota Statutes 1982, sections 352.041, subdivision 6; 352.115, subdivisions 4 and 5; 352.118; 352.1191; 352.22, subdivision 4; 352.71; 352.93, subdivisions 5 and 6; 352B.01, subdivision 8; 352B.02, subdivision 2; 352B.06; 352B.13; 352B.261; and 352B.262.

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

The report was adopted.

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

H. F. No. 785, A bill for an act relating to retirement; public employees funds generally; increasing interest rates paid on refunds and rates required for repayment of refunds and other payments to the funds; amending Minnesota Statutes 1982, sections 3A.03, subdivision 2; 352.029, subdivision 4; 352.04, subdivision 8; 352.12, subdivision 1; 352.22, subdivision 2; 352.23; 352.27; 352.271; 352B.11, subdivisions 1, 3, and 4; 352C.09, subdivision 2; 353.01, subdivision 16; 353.27, subdivision 12; 353.28, subdivision 5; 353.32, subdivision 1; 353.34, subdivision 2; 353.35; 353.36, subdivision 2; 354.47, subdivision 1; 354.49, subdivisions 2 and 3; 354.50, subdivision 2; 354.51, subdivisions 4 and 5; 354.52, subdivision 4; 354.53, subdivision 1; 354.532, subdivision 3; 354A.093; 354A.35, subdivision 1; 354A.37, subdivisions 3 and 4; 354A.38, subdivision 3; 422A.09, subdivision 3; 422A.11, subdivision 2; 422A.16, subdivision 5; and 422A.221, subdivision 2; repealing Minnesota Statutes 1982, section 354.49, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 28, strike everything after "legislature"

Page 1, strike lines 29 and 30

Page 1, line 31, strike everything before "entitled" and insert "*shall be*"

Page 1, line 33, strike "his" and insert "*the member's*"

Pages 14 and 15, delete section 22

Page 15, line 10, strike "fund" and insert "*member's account*"

Page 15, line 30, delete "*eight*" and reinstate the stricken ("*SIX*")

Page 24, after line 36, insert:

"Sec. 36. Minnesota Statutes 1982, section 422A.22, subdivision 1, is amended to read:

Subdivision 1. If an employee to whom sections 422A.01 to 422A.25 applies becomes absolutely separated from the service

prior to attaining the minimum retirement age established in section 422A.13, the net accumulated amount of deduction from his or her salary, pay, or compensation, made for the purpose of accumulating a fund from which to pay retirement allowances, shall be returned to such employee, with interest. Any contributing employee who separates from a department, board or commission of the city whose employees are covered by a fund organized under sections 422A.01 to 422A.25, and becomes an employee of a department or board of the same city, whose employees are covered by a retirement fund or relief association by whatever name known, organized under any other law and supported in whole or in part by taxes on the same city, shall have the option of: (1) Retaining their membership in the fund organized under sections 422A.01 to 422A.25, regardless of the provisions of any law, rule, bylaw or other action requiring membership in any other retirement fund or relief association however organized.

(2) Transferring to the fund or association covering the employees of the department or board to which they are transferring, providing they are eligible for membership therein.

Any contributing employee who elects to transfer to another fund or association as herein provided, shall make such election within one year from the date of separation from the city service covered by this fund. If the contributing employee elects to transfer to another fund as herein provided, a refund of the net accumulated contributions made by such employee to the fund organized under sections 422A.01 to 422A.25, shall be returned to the employee with interest *at six percent compounded annually.*

Sec. 37. Minnesota Statutes 1982, section 422A.22, subdivision 4, is amended to read:

Subd. 4. Upon the death of a contributing member while still in the service of the city, and before reaching the compulsory age of retirement there shall be paid to such person or persons as he or she shall have nominated by written designation filed with the retirement board, in such form as the retirement board shall require, the net accumulated amount of deductions from his or her salary, pay or compensation including interest *at six percent compounded annually*, to his or her credit on date of death. If the employee fails to make a designation, or if the person or persons designated by such employee pre-deceases such employee, the net accumulated amount of deductions from his or her salary, pay, or compensation including interest, to the credit of such employee on date of death shall be paid to such employee's estate.

Sec. 38. Minnesota Statutes 1982, section 422A.22, subdivision 5, is amended to read:

Subd. 5. Upon reinstatement of a former employee to the service, credit for such past service or for any part thereof shall be granted only upon repayment of the amount of the separation refund, with interest *at eight percent compounded annually*, from the time of separation."

Page 25, after line 8, insert:

"Sec. 40. Minnesota Statutes 1982, section 490.124, subdivision 12, is amended to read:

Subd. 12. [REFUND.] Any person who ceases to be a judge but who does not qualify for a retirement annuity or other benefit under section 490.121 shall be entitled to a refund in an amount equal to all his contributions to the judges' retirement fund plus interest computed to the first day of the month in which the refund is processed based on fiscal year balances at the rate of (FIVE) *six* percent per annum compounded annually.

Sec. 41. [MINNEAPOLIS AND ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATIONS; BASIC PROGRAM; INTEREST ON REFUNDS.]

Notwithstanding anything to the contrary in the articles and bylaws of the basic programs enumerated in chapter 354A the payment of interest on refunds and interest on repayment of refunds shall be computed in the same manner as for the coordinated programs covered by chapter 354A."

Page 25, line 13, delete everything after "effective" and insert "July 1, 1983."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 14, delete "subdivisions 2 and 3" and insert "subdivision 2"

Page 1, line 19, delete "and" and insert "422A.22, subdivisions 1, 4, and 5;"

Page 1, line 20, after "subdivision 2;" insert "and 490.124, subdivision 12;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 788, A bill for an act relating to economic development; creating the Minnesota enterprise agency; creating the Minnesota enterprise fund; transferring certain powers from the department of energy, planning and development; abolishing the small business finance agency; appropriating money; amending Minnesota Statutes 1982, section 116J.90, subdivision 5; proposing new law coded as chapter 266.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [TRANSFER OF CERTAIN RESPONSIBILITIES FROM THE COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT TO THE MINNESOTA SMALL BUSINESS FINANCE AGENCY AND THE MINNESOTA ENTERPRISE FUND.]

Subdivision 1. [AUTHORIZATION.] The Minnesota small business finance agency and the Minnesota enterprise fund are the successors to the commissioner of energy, planning and development as regards all responsibilities vested in or imposed on the commissioner that relate to the following:

(a) community development corporation grants, as provided in 116J.65;

(b) the "503" certified state development company, as provided in section 116J.67;

(c) the issuance of industrial revenue bonds, as provided in chapter 474;

(d) the administration of the area redevelopment act and the federal revolving loan program as provided in chapter 472; and

(e) the authority to pass-through appropriations to the Duluth port authority, as provided by chapter 116J.

The responsibilities of the commissioner of energy, planning and development that relate to clauses (a) to (e) are transferred to, vested in, and imposed on the Minnesota small business finance agency and the Minnesota enterprise fund. The agency and the fund are deemed to be the successors to these responsibilities as they were constituted immediately prior to the effective date of sections 1 to 48.

Subd. 2. [EFFECT OF PENDING PROCEEDINGS.] Any proceeding, court action, prosecution, or other business or matter pending on the effective date of sections 1 to 48 and undertaken or commenced by the commissioner of energy, planning and development under the authority of any responsibility transferred by this section to the Minnesota small business finance agency may be conducted and completed by the Minnesota small business finance agency in the same manner, under the same terms and conditions, and with the same effect as though no transfer was made.

Subd. 3. [TRANSFER OF CUSTODY OF DOCUMENTS.] An individual responsible under law for administration of a function transferred by this section to the Minnesota small business finance agency shall, upon request by the Minnesota small business finance agency or by a designated employee, transfer custody of all books, maps, plans, papers, records, contracts, and other documents relating to the transferred function and necessary or convenient for the proper discharge of the Minnesota small business finance agency's new duties. The transfer shall be made in accordance with the directions of the Minnesota small business finance agency.

Subd. 4. [RULES.] Rules adopted pursuant to responsibilities that have been transferred in this section remain effective and shall be enforced by the Minnesota small business finance agency. Rulemaking authority that existed to implement the responsibilities that are transferred in this section is hereby transferred to the Minnesota small business finance agency.

Subd. 5. [APPROPRIATIONS.] All unexpended and unencumbered funds appropriated to the commissioner of energy, planning and development and the executive council for the purpose of performing the responsibilities that are transferred by this section to the Minnesota small business finance agency are transferred to the Minnesota small business finance agency. If an unexpended appropriation must be allocated between the Minnesota small business finance agency and another individual, office, division, agency, or department to accurately reflect the division of responsibilities between those individuals, divisions, agencies, or departments and the Minnesota small business finance agency after the effective date of sections 1 to 48, the commissioner of administration shall allocate the unexpended appropriation as deemed appropriate.

Subd. 6. [TRANSFER OF POSITIONS.] Prior to the effective date of sections 1 to 48, the commissioner of energy, planning and development shall identify for the Minnesota small business finance agency the positions necessary to carry out the responsibilities transferred. The incumbents of those positions in the classified service which the Minnesota small business finance agency determines are needed to carry out those responsibilities are transferred to the employment of the Minnesota

small business finance agency. The positions of all persons in the classified service that the Minnesota small business finance agency determines are not needed to carry out its responsibilities are abolished. The positions of all persons who are employed in the unclassified service by the department of energy, planning and development to perform the responsibilities that are transferred by this section to the Minnesota small business finance agency are abolished. Persons in unclassified and classified positions which have been abolished shall receive preferential treatment for positions with the Minnesota small business finance agency. Nothing in this subdivision shall be construed as abrogating or modifying rights now enjoyed by affected employees under the terms of an agreement between an exclusive representative of public employees and the state or one of its appointing authorities.

Sec. 2. Minnesota Statutes 1982, section 116J.62, is amended to read:

116J.62 [SMALL BUSINESS FINANCE AGENCY.]

The commissioner may enter into agreements or transactions with the small business finance agency created under section 116J.89 to perform any or all administrative tasks in connection with the exercise and implementation of the powers and programs of the small business finance agency. The physical premises, equipment, and other office materials used by the commissioner of energy, planning and development to administer the responsibilities transferred in section 1 shall be used by the Minnesota small business finance agency to continue the administration of the transferred responsibilities.

Sec. 3. Minnesota Statutes 1982, section 116J.65, is amended by adding a subdivision to read:

Subd. 8a. The Minnesota small business finance agency shall be named as an assignee of the rights of a state funded community development corporation on any loan or other evidence of debt provided by a community development corporation to a private enterprise. The assignment of rights shall provide that it will be effective upon the dormancy or cessation of existence of the community development corporation. "Dormancy" for the purpose of this section shall mean the continuation of the corporation in name only without any functioning officers or activities. Upon the cessation of the activities of a state funded community development corporation, any assigned moneys paid to the Minnesota small business finance agency shall be deposited into the community development corporation fund to be used for the purposes as set out in chapter 116J.

Sec. 4. Minnesota Statutes 1982, section 116J.67, is amended by adding a subdivision to read:

Subd. 3a. [BOARD OF DIRECTORS.] The board of directors of the certified development company shall consist of directors as required by the federal regulations governing certified development companies.

Sec. 5. Minnesota Statutes 1982, section 116J.88, subdivision 4, is amended to read:

Subd. 4. "*Eligible small business*" means an enterprise determined by the agency to constitute a small business concern as defined in regulations of the United States small business administration pursuant to (15 U. S. CODE) *United States Code*, title 15, sections 631 to 647, as (IN EFFECT MARCH 1, 1980, WHICH IS ENGAGED IN ANY INDUSTRIAL OR COMMERCIAL ACTIVITY EXCEPT:)

((A) BANKING OR OTHER FINANCIAL SERVICE;)

((B) REAL ESTATE BROKERAGE, MANAGEMENT, SALE, OWNERSHIP, OR LEASING;)

((C) LEGAL, MEDICAL, DENTAL, ACCOUNTING, ENGINEERING, OR ANY OTHER PROFESSIONAL OR CONSULTING SERVICE;)

((D) FURNISHING RECREATIONAL OR ATHLETIC FACILITIES; AND)

((E) SERVING FOOD OR BEVERAGES TO BE CONSUMED ON OR ADJACENT TO THE PREMISES WHERE THEY ARE SOLD) *amended through December 31, 1982.*

Sec. 6. Minnesota Statutes 1982, section 116J.88, subdivision 5, is amended to read:

Subd. 5. "*(ELIGIBLE) Targeted small business*" for the purpose of section 116J.90, subdivision 5, means a business entity organized for profit, including but not limited to any individual, partnership, corporation, joint venture, association or cooperative, which entity:

(a) has 20 or fewer full time employees or not more than the equivalent of \$1,000,000 in annual gross revenues in the preceding fiscal year; and

(b) is not at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in its field of operation. For the purpose of this subdivision, "dominant in its field of operation" means having more than 20 full time employees and more than \$1,000,000 in annual gross revenues.

("FARM BUSINESS" MEANS A BUSINESS ENTITY)
"Targeted small business" includes a farm business engaged in farming, agricultural production or processing, or storage of agricultural products (, WHICH OTHERWISE QUALIFIES AS A SMALL BUSINESS).

Sec. 7. Minnesota Statutes 1982, section 116J.88, subdivision 6, is amended to read:

Subd. 6. "Financial institution" means (ANY) a bank or other financial corporation described in chapter 47, (ANY) an insurance company licensed to do business under chapter 60A, (AND ANY) a securities broker-dealer licensed under chapter 80A, and financial organizations relating to commercial credit or venture capital.

Sec. 8. Minnesota Statutes 1982, section 116J.88, subdivision 7, is amended to read:

Subd. 7. "Business loan" means a loan, other than a pollution control loan, to the owner of (A) *an eligible* small business for the (INTERIM OR LONG TERM) financing of (a) capital expenditures for the acquisition or improvement of land, acquisition, construction, removal, or improvement of buildings, or acquisition and installation of fixtures and equipment useful for the conduct of the business; or (b) *short-term costs of conducting an eligible small business.*

Subd. 7a. "Farm loan" means a loan to a farm business for the acquisition, installation, improvement, construction or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business.

Sec. 9. Minnesota Statutes 1982, section 116J.88, subdivision 8, is amended to read:

Subd. 8. "Pollution control loan" means a loan to (THE OWNER OF A) *an eligible* small business for the acquisition, construction, or improvement of pollution control facilities or operations. Pollution control facilities or operations may include real and personal property likely to help prevent, reduce, abate, or control noise, air, or water pollution or contamination by removing, altering, disposing, or storing pollutants, contaminants, wastes, or heat, and real and personal property to be used for the collection, storage, treatment, utilization, processing, or final disposal of solid or liquid waste.

Sec. 10. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

Subd. 9. "Fund" means the Minnesota enterprise fund.

Sec. 11. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

Subd. 10. "Executive director" means the executive director of the Minnesota small business finance agency.

Sec. 12. Minnesota Statutes 1982, section 116J.89, subdivision 1, is amended to read:

Subdivision 1. [CREATION; PURPOSES.] A small business finance agency is hereby created and is constituted as an authority to act on behalf of the state within the scope of the powers granted to it in sections (116J.63) 116J.62 and 116J.88 to 116J.91 to implement (A LOAN PROGRAM) *financing programs* by which, in cooperation with cities, towns, counties, and private or public lenders, adequate funds may be provided on sufficiently favorable terms to assist and encourage the establishment, maintenance, and growth of *eligible* small (BUSINESS) *businesses* in Minnesota and to reduce to a manageable level the cost of the control of pollution and disposal of waste resulting from the operations of small (BUSINESS) *businesses*.

Because of its ability to pool or combine loans to be funded from one or more issues of bonds, (WHETHER OR NOT THE INTEREST ON THE BONDS IS EXEMPT FROM FEDERAL INCOME TAXES,) the agency will be able to spread its financing costs among the *eligible* small businesses to which the agency makes loans, thereby reducing costs incurred by each *eligible* small business.

Sec. 13. Minnesota Statutes 1982, section 116J.89, subdivision 2, is amended to read:

Subd. 2. [PUBLIC PURPOSES.] Sections (116J.63) 116J.62 and 116J.88 to 116J.91 are enacted to promote the welfare and prosperity of the state by maintaining and increasing the career and job opportunities of its citizens (,) ; by reducing, controlling, and preventing environmental pollution and waste of resources; and by protecting and enhancing the tax base on which state and local governments depend for the financing of public services.

Sec. 14. Minnesota Statutes 1982, section 116J.89, subdivision 7, is amended to read:

Subd. 7. [TAXATION OF AGENCY NOTES AND BONDS.] The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the agency in consideration of the acceptance of and payment for the notes and bonds, that the notes and bonds of the agency issued pursuant to sections 116J.88 to 116J.91 and the income therefrom and all its fees, charges, gifts, grants, revenues, receipts, and

other moneys received or to be received, pledges to pay or secure the payment of such notes or bonds shall at all times be free and exempt from all state, city, county or other taxation provided by the laws of the state, except for estate and gift taxes and taxes on transfers, and except for the Minnesota corporate franchise tax measured by income, so long as the interest on (FEDERAL) bonds is included in the income by which such tax is measured.

Sec. 15. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1a. In addition, the Minnesota small business finance agency may use the Minnesota enterprise fund to provide financial assistance to eligible small businesses as follows:

- (a) to provide loan guarantees to eligible small businesses;*
- (b) to invest directly and indirectly in eligible small businesses or to participate with other financial resources;*
- (c) to provide direct loans to eligible small businesses;*
- (d) to participate in other investment programs as appropriate under the terms of sections 1 to 48;*
- (e) to purchase loan packages made to eligible small businesses by financial institutions in the state;*
- (f) to enter into or to pay fees on insurance contracts, letters of credit, municipal bond insurance, surety bonds, or other agreements or contracts with financial institutions;*
- (g) to guarantee bonds and notes of the agency, the proceeds of which are used to make business loans;*
- (h) to create accounts within the fund for the separate purposes listed in this section and in section 1, and including without limitation the payment of the cost of issuing agency bonds and notes;*
- (i) to enter into contract with note and bond holders or other persons interested in the disposition of the fund; and*
- (j) for any legal purpose or program of the agency.*

Sec. 16. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1b. (a) The following eligible small businesses have preference among business applicants;

(1) *businesses located in areas of the state that are experiencing the most severe unemployment rates in the state;*

(2) *businesses that are likely to expand and provide additional permanent employment;*

(3) *businesses located in border communities that experience a competitive disadvantage due to location;*

(4) *businesses that have been unable to obtain traditional financial assistance due to a disadvantageous location, minority ownership, or other factors rather than due to the business having been considered a poor financial risk;*

(5) *businesses that utilize state resources, thereby reducing state dependence on outside resources, and that produce products or services consistent with the long-term social and economic needs of the state;*

(6) *businesses located in designated enterprise zones, as described in section 273.1312, subdivision 4; and*

(7) *businesses located in federally-designated economically distressed areas.*

(b) *Direct equity or loan investments in particular businesses are not prohibited, but the agency shall prefer indirect investment such as loan guarantees or the purchase of loan packages. Except in the issuance of agency bonds or notes, the agency may not invest the fund in a program that does not have financial participation from the private sector, as determined by the agency.*

Sec. 17. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:

Subd. 1c. [MINNESOTA ENTERPRISE FUND.] There is created the Minnesota enterprise fund to be administered by the Minnesota small business finance agency. The fund consists of the appropriation provided in section 46 to be used to effectuate the agency's corporate purposes as provided in sections 116J.89 to 116J.91 and sections 1 to 48.

Sec. 18. Minnesota Statutes 1982, section 116J.89, subdivision 8, is amended to read:

Subd. 8. [BOARD OF DIRECTORS.] The members and governing body of the agency shall be (THE COMMISSIONER AND SIX OTHER MEMBERS HOLDING NO OTHER ELECTIVE OR APPOINTIVE OFFICE OF THE STATE OR ANY LOCAL GOVERNMENT,) a nine-member board of directors,

including a chairperson, all of whom shall be appointed by the governor with advice and consent of the senate. (THE COMMISSIONER SHALL BE VICE CHAIRMAN, AND THE GOVERNOR SHALL DESIGNATE THE CHAIRMAN FROM AMONG THE OTHER MEMBERS, TO SERVE AS CHAIRMEN AT THE PLEASURE OF THE GOVERNOR.) The board shall be represented by members chosen from the following sectors: business, labor, and higher education. The members shall be selected to represent the various geographical areas of the state. Section 15.0575, governs the terms, compensation, removal, and filling of vacancies in the offices of board members (OTHER THAN THE COMMISSIONER). Section 471.87 does not apply to a board member who acts in the member's official capacity for the agency. The board shall appoint a secretary from among its members.

Sec. 19. Minnesota Statutes 1982, section 116J.89, subdivision 10, is amended to read:

Subd. 10. [EXECUTIVE DIRECTOR; STAFF.] The commissioner shall (DESIGNATE) *appoint an employee in the unclassified service* as executive director of the agency and may appoint permanent and temporary employees necessary for the administration of the agency. The governing body of the agency may enter into agreements under which the department will provide administrative support for the agency.

Sec. 20. Minnesota Statutes 1982, section 116J.90, subdivision 2, is amended to read:

Subd. 2. The agency may *make or purchase or participate with financial institutions in making or purchasing business loans not exceeding \$1,000,000 in principal amount (, TO BE SERVICED BY SUCH INSTITUTIONS, PROVIDED THAT:)*

((A) THE AGENCY'S SHARE SHALL NOT EXCEED 90 PERCENT OF THE TOTAL PRINCIPAL AMOUNT, AND SHALL BE PAYABLE WITH INTEREST AT THE SAME TIMES BUT NOT NECESSARILY AT THE SAME INTEREST RATE AS THE SHARE OF THE FINANCIAL INSTITUTION, AND BOTH SHARES SHALL BE EQUALLY AND RATABLY SECURED BY A VALID MORTGAGE ON OR SECURITY INTEREST IN REAL OR PERSONAL PROPERTY OR BY ANY OTHER SECURITY SATISFACTORY TO THE AGENCY TO SECURE PAYMENT OF THE LOAN PROVIDED, THAT THE AGENCY'S SHARE MAY EQUAL 100 PERCENT OF THE TOTAL PRINCIPAL AMOUNT OF THE BUSINESS LOAN IF THE FINANCIAL INSTITUTION PARTICIPATING IN THE MAKING OR PURCHASING OF THE BUSINESS LOAN BY SERVICING THE LOAN, PURCHASES 100 PERCENT OF THE TOTAL AMOUNT OF THE BONDS ISSUED BY THE AGENCY IN CONNECTION WITH THE LOAN;)

((B) THE TOTAL PRINCIPAL AMOUNT SHALL NOT EXCEED 90 PERCENT OF THE VALUE OF THE PROPERTY SECURING THE LOAN, UNLESS THE AMOUNT IN EXCESS OF 90 PERCENT IS:)

((1) LOANED FROM AVAILABLE FUNDS WHICH ARE NOT PROCEEDS RECEIVED DIRECTLY FROM THE SALE OF THE AGENCY'S BONDS OR NOTES AND ARE NOT RESTRICTED UNDER THE TERMS OF ANY RESOLUTION OR INDENTURE SECURING BONDS OR NOTES, OR)

((2) INSURED OR GUARANTEED BY A FEDERAL AGENCY OR BY A PRIVATE INSURER QUALIFIED TO WRITE SUCH INSURANCE IN THE STATE, INSURING A PERCENTAGE OF ANY CLAIM FOR LOSS AT LEAST EQUAL TO THAT PERCENTAGE OF THE VALUE BY WHICH THE LOAN EXCEEDS 90 PERCENT THEREOF;)

((C) THE VALUE OF THE PROPERTY SECURING THE LOAN SHALL BE CERTIFIED BY THE PARTICIPATING FINANCIAL INSTITUTION, ON THE BASIS OF SUCH APPRAISALS, BIDS, PURCHASE ORDERS, AND ENGINEERS' CERTIFICATES AS THE AGENCY MAY REQUIRE; PROVIDED THAT THE VALUE OF ITEMS PURCHASED AND CONSTRUCTED FROM THE PROCEEDS OF THE LOAN SHALL NOT BE DEEMED TO EXCEED THE CONTRACT PRICE OF PURCHASE OR CONSTRUCTION;)

((D) THE AGENCY SHALL NOT DISBURSE FUNDS UNDER A COMMITMENT TO PARTICIPATE IN A LOAN FOR THE CONSTRUCTION OR SUBSTANTIAL IMPROVEMENT OF PROPERTY UNTIL THE CONSTRUCTION OR IMPROVEMENT HAS BEEN COMPLETED, UNLESS A FINANCIAL INSTITUTION FURNISHES AN IRREVOCABLE LETTER OF CREDIT OR A QUALIFIED CORPORATE SURETY FURNISHES PAYMENT AND PERFORMANCE BONDS, SATISFACTORY TO THE AGENCY AND IN AN AGGREGATE AMOUNT EQUAL TO THE AMOUNT PAYABLE UNDER THE CONSTRUCTION CONTRACT; AND)

((E) NO OTHER INDEBTEDNESS MAY BE SECURED BY A MORTGAGE ON OR SECURITY INTEREST IN PROPERTY SECURING A BUSINESS LOAN MADE OR PURCHASED PURSUANT TO THIS SUBDIVISION WITHOUT THE PRIOR EXPRESS WRITTEN AUTHORIZATION OF THE AGENCY).

Sec. 21. Minnesota Statutes 1982, section 116J.90, subdivision 4, is amended to read:

Subd. 4. The agency may make pollution control loans (WHICH ARE FULLY SECURED BY THE GUARANTEE OR INSURANCE OF ANY AGENCY OR INSTRUMENTAL-

ITY OF THE UNITED STATES OR BY A PRIVATE INSURER QUALIFIED TO WRITE THE INSURANCE IN THE STATE, OR BY RESERVES PROVIDED BY THE AGENCY OR ANY COMBINATION OF THE FOREGOING).

Sec. 22. Minnesota Statutes 1982, section 116J.90, subdivision 5, is amended to read:

Subd. 5. The agency shall make every effort to assure that at least 50 percent of the principal amount of the loans made or purchased by the agency in each fiscal year consists of loans with a principal amount of \$100,000 or less to (ELIGIBLE) *targeted* small businesses as defined in section 116J.88, subdivision (4) 5, and shall provide technical assistance needed by (ELIGIBLE) *targeted* small (BUSINESS OWNERS) *businesses* to complete applications and meet other requirements for those loans. The agency shall report to the legislature annually on or before October 1 as to its compliance with the requirements of this subdivision during the preceding fiscal year. *The inability of the agency to comply with this subdivision does not affect the validity of agency bonds and notes heretofore or hereafter issued.*

Sec. 23. Minnesota Statutes 1982, section 116J.91, subdivision 1, is amended to read:

Subdivision 1. In implementing its corporate purposes and the programs described in sections (116J.63) *116J.62* and 116J.-88 to 116J.91, the agency shall have the powers and duties set forth in this section.

Sec. 24. Minnesota Statutes 1982, section 116J.91, subdivision 4, is amended to read:

Subd. 4. It may adopt, amend and repeal rules not inconsistent with the provisions of sections (116J.63) *116J.62* and 116J.88 to 116J.91 as necessary to effectuate its corporate purposes.

Sec. 25. Minnesota Statutes 1982, section 116J.91, subdivision 10, is amended to read:

Subd. 10. It may consent, whenever it deems it necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment, or any installment of principal or interest, or (ANY) other term, of (ANY MORTGAGE LOAN, MORTGAGE LOAN COMMITMENT, CONSTRUCTION LOAN, TEMPORARY LOAN,) *a* contract or agreement of any kind to which the agency is a party.

Sec. 26. Minnesota Statutes 1982, section 116J.91, subdivision 11, is amended to read:

Subd. 11. It may borrow money to carry out and effectuate its corporate purpose and may issue its negotiable bonds or notes as evidence of any such borrowing in accordance with sections 462A.08 to 462A.13, 462A.16 and 462A.17, all with the force and effect stated and the incidental powers granted and duties imposed in those sections. *The agency may refund bonds and notes and may guarantee its bonds and notes with money from the enterprise fund.* The aggregate principal amount of the agency's bonds and notes outstanding at any one time, excluding the amount satisfied and discharged by payment or provision for payment in accordance with their terms, and deducting amounts held in debt service reserve funds therefor and amounts used to make loans guaranteed or insured by an agency or instrumentality of the federal government *or by private insurer or guarantor authorized to do business in the state of Minnesota and acceptable to the agency,* shall not exceed \$30,000,000 unless authorized by another law.

Sec. 27. Minnesota Statutes 1982, section 116J.91, subdivision 12, is amended to read:

Subd. 12. It may issue and sell bonds, notes, and other obligations payable solely from particular moneys, assets, or revenues derived from its programs notwithstanding section 462A.08, subdivision 3. Obligations issued to participate in making or purchasing business loans (PURSUANT TO SECTION 116J.90, SUBDIVISION 2,) shall be payable solely from revenues derived by the agency from repayments of such loans and from enforcement of the security therefor, or from a debt service reserve fund or funds, or from a general reserve fund or from a segregated portion thereof, irrevocably pledged and appropriated to pay principal and interest due, for which other funds are not available. A general reserve fund is hereby created and is eligible to receive direct appropriations from the state treasury *or a transfer from the enterprise fund as the agency may provide by resolution.* The agency may irrevocably pledge and appropriate all or a segregated portion of the general reserve fund to pay principal and interest due on all or one or more series of its obligations for which other funds are not available, pursuant to the terms and conditions that the agency shall determine. Until so pledged and appropriated by the agency the general reserve fund shall not be available to pay principal and interest on the agency's obligations. (NO OBLIGATIONS SHALL BE ISSUED TO PARTICIPATE IN MAKING OR PURCHASING BUSINESS LOANS PURSUANT TO SECTION 116J.90, SUBDIVISION 2, UNLESS THE OBLIGATIONS ARE SECURED AT THE TIME OF ISSUANCE BY A DEBT SERVICE RESERVE FUND. A PORTION OF THE GENERAL RESERVE FUND SEGREGATED TO SECURE ONE OR MORE SERIES OF BONDS, OR THE PORTION OF THE GENERAL RESERVE

FUND NOT SEGREGATED TO SECURE ONE OR MORE SERIES OF BONDS, AND UNLESS THE AMOUNT THEN HELD OR THEN DEPOSITED IN THE FUND OR SEGREGATED PORTION IS AT LEAST EQUAL TO TEN PERCENT OF THE AGGREGATE PRINCIPAL AMOUNT OF ALL OBLIGATIONS SECURED BY THE FUND OR SEGREGATED PORTION THEREOF) *The agency may at its option provide by resolution that obligations issued to participate in making or purchasing business loans be secured at the time of issuance in whole or in part by a debt service reserve fund or funds, a portion of the general reserve fund segregated to secure one or more series of bonds, or the portion of the general reserve fund not segregated to secure one or more series of bonds. The operation of the debt service reserve fund or funds and other relevant terms or provisions shall be determined by resolution of the agency.*

Sec. 28. Minnesota Statutes 1982, section 116J.91, subdivision 14, is amended to read:

Subd. 14. It may establish and collect reasonable interest and amortization payments on loans, and in connection therewith may establish and collect or authorize the collection of reasonable fees and charges or require funds to be placed in escrow, sufficient to provide for the payment and security of its bonds, notes, commitments and other obligations and for the servicing thereof, to provide reasonable allowances for or insurance against losses which may be incurred and to cover the cost of issuance of obligations and technical, consultative, and project assistance services. (IT SHALL REQUIRE THE PAYMENT OF ALL PROCESSING, ADMINISTRATIVE AND GUARANTEE FEES AND THE DEPOSIT IN ESCROW OF ALL FUNDS REQUIRED BY THE SMALL BUSINESS ADMINISTRATION OR OTHER FEDERAL AGENCY OR INSTRUMENTALITY GUARANTEEING ANY LOAN AND SHALL COMPLY AND ENFORCE COMPLIANCE WITH ALL TERMS AND CONDITIONS OF EACH GUARANTEE, AND THE PROMPT FILING OF ALL CLAIMS WHICH MAY ARISE THEREUNDER.)

Sec. 29. Minnesota Statutes 1982, section 116J.91, subdivision 16, is amended to read:

Subd. 16. It may provide general consultative and technical services to assist in financing small business facilities for which loans may be made (PURSUANT TO SECTION 116J.90). It may enter into agreements or other transactions concerning the receipt or provision of those services.

Sec. 30. Minnesota Statutes 1982, section 116J.91, subdivision 19, is amended to read:

Subd. 19. (ALL) Proceeds of the agency's bonds, notes, and other obligations (, ANY); amounts granted or appropriated to the agency for the making or purchase or the insurance or guaranty of loans or for bond reserves (, ALL); income from (THEIR) investment; *money in the enterprise fund*; and all revenues from loans, fees, and charges of the agency are annually appropriated to the agency for the accomplishment of its corporate purposes and shall be expended, administered, and accounted for in accordance with the applicable provisions of all bond and note resolutions, indentures, and other instruments, contracts, and agreements of the agency. Notwithstanding section 16A.28, these appropriations are available until expended.

Sec. 31. Minnesota Statutes 1982, section 116J.91, is amended by adding a subdivision to read:

Subd. 20. The agency may do all things necessary and proper to fulfill its purpose and the purposes of the enterprise fund as provided in sections 1 to 48.

Sec. 32. Minnesota Statutes 1982, section 472.02, subdivision 1, is amended to read:

Subdivision 1. It is hereby declared that there exists in the state certain areas of substantial and persistent unemployment causing hardship to many individuals and their families and that there also exist certain rural areas where development and redevelopment should be encouraged; that unemployment and rural underdevelopment detracts from the state and national welfare by wasting vital human resources; that to overcome this problem the powers and facilities of the state government and local communities, in cooperation *at times* with the federal government, should assist rural areas and areas of substantial and chronic unemployment in planning and financing economic redevelopment by private enterprise; that governmental assistance to communities, industries, enterprises, and individuals in rural areas and areas needing economic redevelopment will enable (SUCH) *these* areas to enhance their prosperity by the establishment of stable and diversified local economies; and that under the provisions of sections 472.01 to 472.16 new employment opportunities will be created through the development and expansion of new or existing facilities and resources.

Sec. 33. Minnesota Statutes 1982, section 472.02, subdivision 3, is amended to read:

Subd. 3. The legislature hereby finds, declares, and determines that underdevelopment in rural areas and unemployment in certain depressed areas of the state can best be eliminated by the promotion, attraction, encouragement, and assistance of (COMMERCE,) industry (,) and manufacturing in (SUCH) *these* areas; that the establishment of local (OR REGIONAL AREA REDEVELOPMENT AGENCIES) *development corpo-*

rations in Minnesota having the power to acquire, build, lease, sell, or otherwise provide plants and facilities for industrial, (RECREATIONAL,) or (COMMERCIAL) *manufacturing* development will create new employment and promote economic (REDEVELOPMENT OF RURAL AREAS AND OF DEPRESSED OR UNDERDEVELOPED AREAS) *development* in the state; that (SUCH) *local* area (REDEVELOPMENT AGENCIES) *development corporations*, aided by funds obtained from the state and federal governments, will stimulate present investment in (SUCH) *these* areas by making available to qualified *private* enterprises financial and planning aid where (SUCH) aid is or may be unavailable from private sources (; THAT THE PRESENT AND PROSPECTIVE HEALTH, SAFETY, MORALS, AND RIGHT TO GAINFUL EMPLOYMENT REQUIRES THE ASSISTANCE AND DEVELOPMENT WITHIN RURAL AREAS AND THE DEPRESSED AREAS OF THIS STATE OF NEW AND EXPANDED INDUSTRIAL, RECREATIONAL, COMMERCIAL, AND MANUFACTURING ENTERPRISES, AND THAT THE ACCOMPLISHMENT OF THESE OBJECTIVES IS A PUBLIC PURPOSE FOR WHICH PUBLIC MONEY MAY BE SPENT).

Sec. 34. Minnesota Statutes 1982, section 472.03, is amended to read:

472.03 [DEFINITIONS.]

Subdivision 1. Unless the context clearly indicates otherwise, the words, terms and phrases defined in this section have the meanings given them.

Subd. 2. "(STATE AGENCY) *Executive council*" means the executive council created and established by section 9.011.

Subd. 3. "Local agency" means the (AREA OR MUNICIPAL REDEVELOPMENT AGENCIES) *development corporations* created or authorized to be created by sections 472.01 to 472.16 *organized under chapter 301*, or the governing body of any Indian tribe or any entity established and recognized by that governing body.

Subd. 3a. "State agency" means the Minnesota small business finance agency.

Subd. 4. "Municipality" means any city of any class, county, town, or school district, however organized.

Subd. 5. "Governing body" means the council, board of trustees, or other body charged with governing any municipality or other state public body.

Subd. 6. "Board" means the governing body of any local (OR AREA REDEVELOPMENT AGENCY) *development corporations* created in accordance with the provisions of sections 472.01 to 472.16 and 301.01 to 301.84.

Subd. 7. "(REDEVELOPMENT) *Development area*" means a depressed area within the territorial boundaries of any municipality or group of municipalities of the state reasonably defined by the local (OR AREA REDEVELOPMENT AGENCY) *development corporation* wherein (CRITICAL) conditions of unemployment, underdevelopment, economic depression, and depletion of natural resources (, OR WIDESPREAD RELIANCE ON PUBLIC ASSISTANCE) are found to exist by the municipality or municipalities.

Subd. 8. The term "federal agency" means and includes the government of the United States or any department, corporation, agency or instrumentality thereof, heretofore or hereafter created and established.

Subd. 9. "Minnesota enterprise fund" means the fund appropriated to the state agency by section 472.13, to assist a local (AGENCY) *development corporation or private enterprise* in financing or planning a (REDEVELOPMENT) *development project*.

Subd. 10. "(REDEVELOPMENT) *Development project*" means any approved site, structure, facility, or undertaking comprising or connected with any industrial (, RECREATIONAL, COMMERCIAL,) or manufacturing enterprise established or assisted by a local (, REGIONAL, OR AREA REDEVELOPMENT AGENCY) *development corporation*.

Subd. 11. "Rural area" means any area so defined in section 109 of the rural development act of 1972, Public Law 92-419, and unless in conflict with that act, shall include all areas not within the outer boundary of any city having a population of 50,000 or more and its immediately adjacent urbanized and urbanizing areas with a population density of more than 100 persons per square mile.

Subd. 12. "Indian economic enterprise" means any (COMMERCIAL,) industrial (,) or (BUSINESS) *manufacturing activity* established or organized for the purpose of profit, at least 51 percent of which is owned by persons of 25 percent or more Indian blood.

Subd. 13. "Indian tribe" means any group qualifying under Public Law Number 93-262, Section 3.

Sec. 35. Minnesota Statutes 1982, section 472.04, subdivision 1, is amended to read:

Subdivision 1. In order to carry out the purposes of sections 472.01 to 472.16 and 301.01 to 301.84, any municipality or group of municipalities may establish in the manner hereinafter provided, a public body, corporate and politic, to be known as the local (OR AREA REDEVELOPMENT AGENCY) *development corporation* in and for that municipality or group of municipalities; provided, however, that no (SUCH AGENCY) *local development corporation* shall be established until the governing body of the municipality shall by resolution find that the area is a rural area as defined herein, or:

(1) That there has existed in the area substantial and persistent unemployment for an extended period of time;

(2) (THAT THE RATE OF UNEMPLOYMENT, EXCLUDING UNEMPLOYMENT DUE PRIMARILY TO TEMPORARY OR SEASONAL FACTORS, IS CURRENTLY SIX PERCENT OR MORE AS DETERMINED BY AVAILABLE STATE OR FEDERAL STATISTICS;)

((3)) That conditions of chronic unemployment, underdevelopment of natural resources and economic depression are not likely to be alleviated without public financial or planning assistance to provide the economic opportunity for (PRIVATE,) industrial (, RECREATIONAL, COMMERCIAL,) or manufacturing enterprises.

In making the determinations under this subdivision the governing body shall consider among other relevant factors the number of low income farm families in the surrounding farm areas, the proportion that (SUCH) low income families are to the total farm families in (SUCH) the areas, the relationship of the income levels of the families in each (SUCH) area to the general levels of income in the United States, the current and prospective employment opportunities in each (SUCH) area, the extent of migration out of the area, and the proportion of the population of each (SUCH) area which has been receiving public assistance from the federal government or from the state.

Sec. 36. Minnesota Statutes 1982, section 472.04, subdivision 4, is amended to read:

Subd. 4. When the resolution becomes finally effective the clerk of the municipality shall file a certified copy thereof with the state agency. In any suit, action, or proceeding involving the validity or enforcement of, or relating to any contract of a local (OR AREA REDEVELOPMENT AGENCY) *development corporation*, the (AGENCY) *corporation* shall be conclusively deemed to have become established and authorized to transact business and exercise its powers upon the filing of that certified copy of the resolution with the state agency, and proof of the resolution and of that filing may be made in any (SUCH) suit,

action, or proceeding by a certificate of the (EXECUTIVE SECRETARY) *commissioner* of the state agency.

Sec. 37. Minnesota Statutes 1982, section 472.06, is amended to read:

472.06 [CONFLICT OF INTEREST.]

No (COMMISSIONER) *director* or employee of any local (REDEVELOPMENT AGENCY) *development corporation* shall acquire any interest, direct or indirect, in any project or in any property included or planned to be included in any project, nor shall he have any interest, direct or indirect, in any contract or proposed contract for materials or service to be furnished or used in connection with any project. This section shall not apply to the deposit of any funds of (AN AGENCY) *a local development corporation* in any bank in which a member of (AN AGENCY) *the corporation* shall have an interest, if (SUCH) *the funds* are deposited and protected in accordance with chapter 118.

Sec. 38. Minnesota Statutes 1982, section 472.07, is amended to read:

472.07 [AGENCIES; MEETINGS, EXPENSES.]

Subdivision 1. The powers of each (AGENCY) *local development corporation* shall be vested in the (COMMISSIONERS) *directors* thereof in office at any time, a majority of whom shall constitute a quorum for all purposes *and the powers shall accord with sections 301.01 to 301.84.* (EACH AGENCY SHALL SELECT A CHAIRMAN AND A SECRETARY FROM AMONG ITS COMMISSIONERS AND SHALL ADOPT SUCH BYLAWS AND OTHER RULES FOR THE CONDUCT OF ITS AFFAIRS AS IT DEEMS APPROPRIATE. THE REGULAR MEETINGS OF AN AGENCY SHALL BE HELD IN A FIXED PLACE AND SHALL BE OPEN TO THE PUBLIC. NO COMMISSIONER SHALL RECEIVE COMPENSATION FOR HIS SERVICES, BUT HE SHALL BE ENTITLED TO RECEIVE NECESSARY EXPENSES, INCLUDING TRAVELING EXPENSES, INCLUDED IN THE PERFORMANCE OF HIS DUTIES.)

Subd. 2. Any municipality within the area of operation of the local (REDEVELOPMENT AGENCY) *development corporation* is authorized to provide staff services to the (AGENCY) *corporation* for the administration of its affairs, including liaison between the local (AGENCY) *development corporation*, the municipality and the state agency, and between the local (AGENCY) *development corporation* and other agencies of the state whose facilities and services may be useful to the local (AGENCY) *development corporation* in accomplishing its purposes.

Subd. 3. The local (AGENCY) *development corporation* is authorized to make reimbursement to any municipality or (OTHER) agency of the state for (SUCH) special expenses as may be incurred in the provision of any services or for the use of any facilities required by the local (AGENCY) *development corporation*.

Sec. 39. Minnesota Statutes 1982, section 472.08, is amended to read:

472.08 [SCHEDULE OF POWERS.]

Subdivision 1. A local (REDEVELOPMENT AGENCY) *development corporation* shall be a public body corporate and politic and shall have all the powers necessary or convenient to carry out the purposes of sections 472.01 to 472.16 (; PROVIDED THAT SUCH AGENCIES SHALL NOT HAVE THE POWER TO LEVY AND COLLECT TAXES OR SPECIAL ASSESSMENTS, NOR SHALL ANY AGENCY EXERCISE THE POWER OF EMINENT DOMAIN UNLESS THE GOVERNING BODY OF THE MUNICIPALITY OR MUNICIPALITIES, IN THE CASE OF A JOINT EXERCISE OF POWER, SHALL BY RESOLUTION HAVE EXPRESSLY CONFERRED SUCH POWER ON THE AGENCY) *and in accord with sections 301.01 to 301.84*. A local (REDEVELOPMENT AGENCY) *development corporation* shall also have the following powers in addition to others granted in sections 472.01 to 472.16 *and 301.01 to 301.84*:

(1) To sue and be sued, to have a seal, which shall be judicially noticed, and to alter the same at pleasure; to have perpetual succession; and to make, and from time to time amend and repeal, rules and regulations not inconsistent with these sections;

(2) To employ an executive director, technical experts, and (SUCH) officers, agents and employees, permanent and temporary, as it may require, and determine their qualifications, duties, and compensation; for (SUCH) legal service as it may require, to call upon the chief law officer of the municipality or to employ its own counsel and legal staff; so far as practical, to use the services of local public bodies, in its area of operation, (SUCH) *the* local bodies, if requested, to make (SUCH) *those* services available;

(3) To delegate to one or more of its agents or employees (SUCH) powers or duties. (AS) it may deem proper;

(4) To approve, upon proper application by a public instrumentality or facility or private applicant, a (REDEVELOPMENT) *development* project after first determining that the declared public purpose of sections 472.01 to 472.16 will be ac-

complished by the establishment of (SUCH) *the* project in the (REDEVELOPMENT) *development* area;

(5) To sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein, and to execute (SUCH) leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts or instruments, and take (SUCH) action as may be necessary or convenient to carry out the purposes of these sections *and sections 301.01 to 301.84*;

(6) Within its area of operation to acquire real or personal property or any interest therein by gift, grant, purchase, exchange, lease, transfer, bequest, devise, or otherwise, and, when authorized as provided for herein, by the exercise of the power of eminent domain, in the manner provided by chapter 117, and any amendments thereof, to acquire real property which it may deem necessary for its purposes under these sections, after the adoption by it of a resolution declaring that the acquisition of the real property is necessary to eliminate one or more of the conditions found to exist in the resolution adopted pursuant to section 472.04, subdivision 1;

(7) To determine and designate (REDEVELOPMENT) *development* areas;

(8) To cooperate with *other local* industrial development corporations, state and federal agencies, and private persons or corporations in their efforts to promote the expansion of (RECREATIONAL, COMMERCIAL,) industrial (,) and manufacturing activity in a (REDEVELOPMENT) *development* area;

(9) To determine upon proper application by any public body or private applicant whether the declared public purpose of these sections has been accomplished or will be accomplished by the establishment of a (REDEVELOPMENT) *development* project in a (REDEVELOPMENT) *development* area;

(10) To conduct examinations and investigations to obtain information necessary to the determination and designation of a (REDEVELOPMENT) *development* area and the establishment of a (REDEVELOPMENT) *development* project therein;

(11) To cooperate with or act as agent for the federal government, the state, or any state public body or any agency or instrumentality thereof in carrying out the provisions of these sections or of any other related federal, state, or local legislation;

(12) To borrow money or other property and accept contributions, grants, gifts, services or other assistance from the federal or state government to accomplish the purposes of sections 472.01 to 472.16 *and 301.01 to 301.84*.

Subd. 2. In addition to the powers provided in subdivision 1, a (REDEVELOPMENT AGENCY) *local development corporation* shall have the further power:

(1) To include in any contract for financial assistance with the federal government any conditions which the federal government may attach to its financial aid of a (REDEVELOPMENT) *development* project;

(2) To issue (BONDS) *debentures*, notes, or other evidences of indebtedness as hereinafter provided, for any of its purposes and to secure the same by mortgages upon property held or to be held by it, or by pledge of its revenues, including grants or contributions;

(3) To invest any funds held in reserve or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control.

Sec. 40. Minnesota Statutes 1982, section 472.09, is amended to read:

472.09 [BOND ISSUE FOR (REDEVELOPMENT) *DEVELOPMENT* PURPOSES.]

Subdivision 1. (A LOCAL OR AREA REDEVELOPMENT AGENCY SHALL HAVE POWER TO ISSUE BONDS FOR ANY OF ITS CORPORATE PURPOSES. SUBJECT TO THE LIMITATIONS OF THIS SECTION, SUCH BONDS MAY BE OF SUCH TYPE AS IT DETERMINES, INCLUDING, BUT NOT LIMITED TO, BONDS ON WHICH THE PRINCIPAL AND INTEREST ARE PAYABLE EXCLUSIVELY FROM THE INCOME AND REVENUES OF THE PROJECT FINANCED WITH THE PROCEEDS OF SUCH BONDS, OR EXCLUSIVELY FROM THE INCOME AND REVENUES OF CERTAIN DESIGNATED PROJECTS, WHETHER OR NOT THEY ARE FINANCED IN WHOLE OR IN PART WITH THE PROCEEDS OF SUCH BONDS. ANY SUCH BONDS MAY BE ADDITIONALLY SECURED BY A PLEDGE OF ANY GRANT OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER SOURCES, OR A PLEDGE OF ANY INCOME OR REVENUES OF THE AGENCY, FROM THE REDEVELOPMENT PROJECT FOR WHICH THE PROCEEDS OF THE BONDS ARE TO BE USED, OR A MORTGAGE OF ANY PROJECT, PROJECTS, OR OTHER PROPERTY OF THE AGENCY. NEITHER THE COMMISSIONERS OF ANY AGENCY NOR ANY PERSON EXECUTING THE BONDS SHALL BE LIABLE PERSONALLY THEREON BY REASON OF THE ISSUANCE THEREOF.)

(SUBD. 2.) The (BONDS AND OTHER) obligations of (A REDEVELOPMENT AGENCY) *the local development corpora-*

tion shall not be a debt of any municipality or municipalities, the state, or any political subdivision thereof, and neither a municipality nor the state or any political subdivision thereof shall be liable thereon, nor in any event shall (SUCH BONDS OR) the obligations be payable out of any funds or properties other than those of (SAID AGENCY) *the local development corporation.*

(SUBD. 3. SUCH BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL, PER CAPITA OR OTHER STATUTORY DEBT LIMITATION OR RESTRICTION.)

(SUBD. 4. THE BONDS OF A REDEVELOPMENT AGENCY ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND TO BE PUBLIC INSTRUMENTALITIES AND, TOGETHER WITH INTEREST THEREON AND INCOME THEREFROM, SHALL BE EXEMPT FROM TAXES. THE PROVISIONS OF THESE SECTIONS EXEMPTING FROM TAXATION REDEVELOPMENT AGENCIES, THEIR PROPERTIES AND THEIR BONDS AND INTEREST THEREON AND INCOME THEREFROM, SHALL BE CONSIDERED ADDITIONAL SECURITY FOR THE REPAYMENT OF BONDS AND SHALL CONSTITUTE, BY VIRTUE OF THIS SECTION AND WITHOUT THE NECESSITY OF THE SAME BEING RE- STATED IN SAID BONDS, A CONTRACT BETWEEN THE BONDHOLDERS AND EACH AND EVERY ONE THEREOF, INCLUDING ALL TRANSFEREES OF SAID BONDS FROM TIME TO TIME ON THE ONE HAND AND THE REDEVELOPMENT AGENCIES ISSUING SAID BONDS ON THE OTHER. A REDEVELOPMENT AGENCY MAY BY COVENANT CONFER UPON THE HOLDER OF SUCH BONDS SUCH RIGHTS AND REMEDIES AS IT DEEMS NECESSARY OR ADVISABLE, INCLUDING BUT NOT LIMITED TO, THE RIGHT IN THE EVENT OF DEFAULT TO HAVE A RECEIVER APPOINTED TO TAKE POSSESSION OF AND OPERATE THE REDEVELOPMENT PROJECT.)

Subd. (5) 2. Nothing in these sections should be construed to exempt from taxation any property which any (REDEVELOPMENT AGENCY) *local development corporation* sells, leases, conveys, or otherwise transfers to private individuals or corporations for development, use or operation in connection with a (REDEVELOPMENT) *development* project and such property, real or personal, shall have the same tax status as if such property were owned by such private individuals or corporations.

(SUBD. 6. THE BONDS OF A REDEVELOPMENT AGENCY SHALL BE AUTHORIZED BY ITS RESOLUTION AND MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL BEAR SUCH DATE OR DATES, MATURE AT SUCH TIME OR TIMES, BEAR INTEREST AT SUCH RATE OR

RATES, NOT EXCEEDING SIX PERCENT PER ANNUM, BE IN SUCH DENOMINATION OR DENOMINATIONS, BE IN SUCH FORM, EITHER COUPON OR REGISTERED, CARRY SUCH CONVERSION OR REGISTRATION PRIVILEGES, HAVE SUCH PRIORITY, AND BE SUBJECT TO SUCH TERMS OF REDEMPTION AS SUCH RESOLUTION, ITS TRUST INDENTURE OR MORTGAGE MAY PROVIDE. THE BONDS MAY BE SOLD AT PUBLIC OR PRIVATE SALE AT NOT LESS THAN PAR.)

(SUBD. 7. SUBJECT TO THE APPROVAL OF THE STATE AGENCY, THE BONDS OF A REDEVELOPMENT AGENCY MAY BE DECLARED SECURITIES IN WHICH ALL PUBLIC OFFICERS AND BODIES OF THE STATE AND OF ITS MUNICIPAL SUBDIVISIONS, ALL INSURANCE COMPANIES AND ASSOCIATIONS, ALL SAVINGS BANKS AND SAVINGS INSTITUTIONS, INCLUDING SAVINGS, BUILDING AND LOAN ASSOCIATIONS, EXECUTORS, ADMINISTRATORS, GUARDIANS, TRUSTEES, AND ALL OTHER FIDUCIARIES IN THE STATE MAY PROPERLY AND LEGALLY INVEST THE FUNDS WITHIN THEIR CONTROL. IN THE CASE OF SUCH BONDS, EACH MORTGAGE OR ISSUE OF BONDS SHALL RELATE ONLY TO A SINGLE SPECIFIED PROJECT AND TO NO OTHER, AND THOSE BONDS SHALL BE SECURED BY A MORTGAGE UPON ALL THE REAL PROPERTY OF WHICH SUCH PROJECTS CONSIST AND SHALL BE FIRST LIEN BONDS, SECURED BY A MORTGAGE NOT EXCEEDING 80 PERCENT OF THE ESTIMATED COST PRIOR TO THE COMPLETION OF THE PROJECT, OR 80 PERCENT OF THE APPRAISED VALUE OR ACTUAL COST, BUT IN NO EVENT IN EXCESS OF 80 PERCENT OF THE ACTUAL COST, AFTER THAT COMPLETION, AS CERTIFIED BY THE STATE AGENCY.)

Sec. 41. Minnesota Statutes 1982, section 472.12, is amended to read:

472.12 [LOAN APPLICATION REQUIREMENTS.]

Subdivision 1. Prior to the loaning of any funds for a (REDEVELOPMENT) *development* project in a (REDEVELOPMENT) *development* area the local (AGENCY SHALL RECEIVE FROM THE APPLICANT AND, IN THE CASE OF STATE AGENCY PARTICIPATION,) *development corporation or private enterprise* shall forward to the state agency a loan application in the form adopted by the (LOCAL) *state* agency, which shall contain among other things the following information:

(1) A general description of the (REDEVELOPMENT) *development* project and of the industrial (, RECREATIONAL,

COMMERCIAL,) or manufacturing enterprise for which the project has been or is to be established;

(2) A legal description of all real estate necessary for the project;

(3) (SUCH) *The plans and other documents as may be required to show the type, structure, and general character of the (REDEVELOPMENT) development projects;*

(4) A general description of the type, classes and number of employees employed or to be employed in the operation of the (REDEVELOPMENT) *development project;*

(5) Cost or estimates of cost of establishing the (REDEVELOPMENT) *development project.*

Subd. 2. Where state agency participation in the financing of any (REDEVELOPMENT) *development project is sought the local (AGENCY) development corporation or private enterprise shall submit a loan application containing the information described in subdivision 1, together with the following additional information:*

(1) A general description and statement of value of any property, real or personal, of the local (AGENCY) *development corporation applied or to be applied to the establishment of the project;*

(2) A statement of cash funds previously applied or then held by the local (AGENCY) *development corporation which are available for and are to be applied to the establishment of the (REDEVELOPMENT) development project;*

(3) Evidence of the arrangement made by the local (AGENCY) *development corporation for the financing of all costs of the (REDEVELOPMENT) development project over and above the participation of the local (AGENCY) development corporation;*

(4) In the case of a lease of property by the local (AGENCY) *development corporation a general description of the tenant to whom the local (AGENCY) development corporation has leased or will lease any property in connection with the (REDEVELOPMENT) development project, or, in the case of the sale of property by the local (AGENCY) development corporation in connection with a (REDEVELOPMENT) development project, the buyer to whom the local (AGENCY) development corporation has sold or will sell the project;*

(5) A general description of the form of lease or sales agreement entered into or to be entered into by and between the local

(AGENCY) *development corporation* and its tenants or purchasers;

(6) Evidence that the establishment of the (REDEVELOPMENT) *development project* will not cause the removal of an industrial (, RECREATIONAL, COMMERCIAL,) or manufacturing plant or facility from one area of the state to another.

Subd. 3. The (STATE AGENCY) *executive council* shall hold (SUCH) hearings and make (SUCH) investigations as to each loan application received as shall be necessary to determine whether the public purposes of these sections will be accomplished by the granting of a requested loan. In carrying out its duties under these sections, the (STATE AGENCY) *executive council* may delegate to other agencies of state government (SUCH) powers, duties and responsibilities (AS) it determines necessary or appropriate to accomplish the purposes of these sections, and (SUCH) other agencies are hereby authorized and directed to perform (SUCH) functions and duties as may be delegated pursuant to this subdivision.

Subd. 4. Nothing in these sections shall empower the state agency in any manner to give, pledge, or loan the credit or taxing power of the state, nor shall any of its obligations be deemed to be obligations of the state or any of its political subdivisions.

Subd. 5. *Any loan of the state agency shall be for a period of time and shall bear interest at a rate as shall be determined by the state agency and may be secured by a mortgage on the development project for which the loan was made, the mortgage to be second and subordinate only to the mortgage securing the first lien obligation, if any, issued to secure the commitment of funds from a private or public source and used in the financing of the development project.*

Subd. 6. *Where an active local development corporation does not exist or is financially unable to participate in a proposed development project, the state agency is empowered to accept loan applications from, and make loans directly to, private enterprises. The city, township, or county government having jurisdiction over the development project area must pass and file with the state agency a resolution in support of the development project stipulating the project's economic benefit to the area involved. Where a city or township as well as a county has jurisdiction, the support or opposition of the city or township government shall prevail over the support or opposition of the county government in determining whether or not to accept the application.*

Subd. 7. *The state agency is empowered to provide technical assistance loans from the Minnesota enterprise fund for the development and planning of development projects. The technical*

assistance loans may be provided through the payment of funds to: (a) other state agencies or departments; (b) the employment of private individuals; (c) the employment of public, private, or nonprofit firms; (d) state, area, district, or local organizations; or (e) other nonprofit institutions. Funds awarded pursuant to clauses (b) and (c) shall be in the form of loans and shall be repaid unless the project is deemed unfeasible by the state agency. The state agency shall require the repayment of some or all technical assistance funds and shall prescribe the terms and conditions of the repayment. The amount of technical assistance loans is limited to an aggregate of ten percent of the funds available in the Minnesota enterprise fund. The technical assistance loans shall not be included when computing the 20 percent limitation provided in section 472.125. The state agency may loan technical assistance funds in cooperation with the technical assistance grant programs of any agency of the federal government. The state agency may prescribe rules to carry out the purposes of this subdivision.

Subd. 8. The state agency may charge an application fee to pay the cost of processing an application.

Sec. 42. Minnesota Statutes 1982, section 472.125, is amended to read:

472.125 [PARTICIPATION IN FEDERAL LOANS OR GUARANTEES.]

The state agency may participate with the appropriate federal agency under the Rural Development Act of 1972, the Public Works and Economic Development Act of 1965, or the Small Business Act in the financing of (REDEVELOPMENT) development projects. (SUCH PARTICIPATION MAY TAKE THE FORM OF LOANS OR GUARANTEES OF ANY BALANCE REMAINING AFTER FEDERAL PARTICIPATION. THE LOANS OR GUARANTEES SHALL BE MADE SUBJECT TO THE CONDITIONS AND LIMITATIONS SET FORTH IN SECTIONS 472.11 AND 472.12. IN NO EVENT SHALL A LOAN OR GUARANTEE EXCEED 20 PERCENT OF THE TOTAL COST OF THE PROJECT. IN ADDITION, THE TOTAL GUARANTEES OUTSTANDING AT ANY TIME SHALL NOT EXCEED FIVE TIMES THE BALANCE IN THE DEVELOPMENT REVOLVING FUND.)

Sec. 43. Minnesota Statutes 1982, section 472.13, is amended to read:

472.13 [APPROPRIATION TO (DEVELOPMENT REVOLVING) MINNESOTA ENTERPRISE FUND.]

Subdivision 1. There is hereby appropriated out of the general fund in the state treasury not otherwise appropriated the sum

of \$1,500,000 to the state executive council to be used for the purposes set forth in these sections excluding the necessary cost of administration thereof. The sum hereby appropriated shall be credited to a special account in the state treasury to be known as the (DEVELOPMENT REVOLVING) *Minnesota enterprise* fund to be drawn upon and used by the state agency in the manner and for the purposes provided for in these sections.

Subd. 2. The state agency shall have the power, from time to time, to draw upon the (DEVELOPMENT REVOLVING) *Minnesota enterprise* fund (SUCH) amounts (AS) the state agency shall determine for loans to (LOCAL OR AREA REDEVELOPMENT AGENCIES) *private enterprises* for the financing and planning of (REDEVELOPMENT) *development* projects. When the amounts so allocated by the state agency as loans to (LOCAL OR AREA REDEVELOPMENT AGENCIES) *private enterprises* are repaid to the state agency pursuant to the terms of its agreements with the local (AGENCY) *development corporation*, the state agency shall pay (SUCH) *the* amounts into the (DEVELOPMENT REVOLVING) *Minnesota enterprise* fund, it being the purpose and intent of this section that (SAID) *the* fund shall operate as a revolving fund whereby all appropriations and payments made thereto may be applied and reapplied to the purposes of these sections and shall not revert to the general revenues of the state.

Subd. 3. In the event that the state agency shall determine that funds held for the credit of the (DEVELOPMENT REVOLVING) *Minnesota enterprise* fund are in excess of the amounts needed by the state agency to carry out the purposes of these sections, the state agency may by resolution release (SUCH) *the* excess from the (DEVELOPMENT REVOLVING) *Minnesota enterprise* fund, the same to be transferred to the general revenues of the state treasury.

Subd. 4. The state agency may utilize any moneys in the (REVOLVING) *Minnesota enterprise* fund for the purpose of matching federal funds available under the Public Works and Economic Development Act of 1965.

Subd. 5. *Moneys loaned by the state agency to the local development corporation shall be withdrawn from the Minnesota enterprise fund established by section 472.13, and paid over to the local development corporation in the manner provided by the rules of the state agency.*

Subd. 6. *All payments of principal and interest on the loans shall be deposited by the state agency in the Minnesota enterprise fund and shall remain in it to be applied and reapplied to carry out the purposes of sections 472.01 to 472.16.*

Sec. 44. Minnesota Statutes 1982, section 472.14, is amended to read:

472.14 [LIMITATION OF POWERS.]

The state does hereby pledge to and agree with the United States or any agency thereof that in the event that any federal agency shall construct, loan, or contribute any funds for the construction, extension, improvement, or enlargement of any (REDEVELOPMENT) *development* project, or any portion thereof, the state will not alter or limit the rights and powers of the state agency or local (AGENCY) *development corporation* in any manner which would be inconsistent with the due performance of any agreements between the state or local (AGENCY) *development corporation* and any (SUCH) federal agency, and the state and local (AGENCY) *development corporation* shall continue to have and may exercise all powers herein granted, so long as the same shall be necessary or desirable for the carrying out of the purposes of these sections.

Sec. 45. Minnesota Statutes 1982, section 472.15, is amended to read:

472.15 [EXAMINATION AND AUDIT OF LOCAL AGENCY.]

The accounts, books and records of any local (OR AREA AGENCY) *development corporation or private enterprise that received loans under chapter 472*, including its receipts, disbursements, contracts, mortgages, investments and other matters relating to its finances, operation and affairs shall be examined and audited from time to time by the state auditor as provided by law.

Sec. 46. [APPROPRIATION.]

There is appropriated from the general fund to the Minnesota enterprise fund the total sum of \$30,000,000 for the biennium ending June 30, 1985, to hire staff, consultants, and other necessities of administration of the agency and for the purposes provided in sections 1 to 48. The appropriation is deemed expended upon deposit in the Minnesota enterprise fund.

Sec. 47. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the words "commissioner," "commissioner of energy, planning and development," "agency," "state agency," or similar terms to "the Minnesota small business finance agency" wherever it appears in sections 116J.65 and 116J.67; and in chapters 472 and 474.

Sec. 48. [REPEALER.]

Minnesota Statutes 1982, sections 116J.88, subdivision 3; 472.02, subdivision 2; 472.04, subdivisions 5 and 6; 472.05; 472.10; and 472.11 are repealed.

Sec. 49. [EFFECTIVE DATE.]

Sections 1 to 48 are effective July 1, 1983."

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete "Minnesota enterprise agency;"

Page 1, delete line 6, and insert "naming the Minnesota small business finance agency an assignee of the rights of a state funded community development corporation; updating and rearranging the Minnesota area redevelopment act to reflect current practices;"

Page 1, delete lines 8 and 9 and insert "sections 116J.62; 116J.65, by adding a subdivision; 116J.67, by adding a subdivision; 116J.88, subdivisions 4, 5, 6, 7, 8, and by adding subdivisions; 116J.89, subdivisions 1, 2, 7, 8, 10, and by adding subdivisions; 116J.90, subdivisions 2, 4, and 5; 116J.91, subdivisions 1, 4, 10, 11, 12, 14, 16, 19, and by adding a subdivision; 472.02, subdivisions 1 and 3; 472.03; 472.04, subdivisions 1 and 4; 472.06; 472.07; 472.08; 472.09; 472.12; 472.125; 472.13; 472.14; and 472.15; repealing Minnesota Statutes 1982, sections 116J.88, subdivision 3; 472.02, subdivision 2; 472.04, subdivisions 5 and 6; 472.05; 472.10; and 472.11."

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

The report was adopted.

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

H. F. No. 819, A bill for an act relating to state government; reorganizing functions related to water; abolishing the water planning board, the southern Minnesota rivers basin board, and the water resources board; transferring duties to the environmental quality board; appropriating money; amending Minnesota Statutes 1982, sections 40.072, subdivision 3; 112.35, subdivision 4; 473.877, subdivision 2; and 473.878, subdivisions 5, 7, and 8; proposing new law coded in Minnesota Statutes, chapter 116C; repealing Minnesota Statutes 1982, sections 105.71; 105.72; 105.73; 105.74; 105.75; 105.751; 105.76; 105.77; 105.78; 105.79; and chapter 114A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116C.80] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] For the purposes of sections 1 and 2 the terms defined in this section have the meanings given them.

Subd. 2. [BASIN.] "Basin" means the area within the watersheds of rivers and streams tributary to the Minnesota river, and the areas within the watersheds of rivers tributary to the Mississippi river on the westerly side of the Mississippi south of its confluence with the Minnesota river.

Subd. 3. [BOARD.] "Board" means the environmental quality board.

Sec. 2. [DUTIES OF BOARD.]

Subdivision 1. [WATERSHED DISTRICTS AND MANAGEMENT.] The board must approve watershed district plans and plans prepared under Laws 1982, chapter 509. The board must approve the formation, enlargement, consolidation, and termination of watershed districts. The board shall hear appeals of watershed district actions. The board may review and comment on watershed management organization boundaries for the metropolitan area as defined in section 473.121, subdivision 2. The board must approve soil and water conservation works of improvement.

Subd. 2. [WATER PLANNING.] The board shall:

(1) coordinate public water resource management and regulation activities among the state agencies having jurisdiction in the area;

(2) initiate, coordinate, and continue to develop comprehensive long-range water resources planning in furtherance of the framework plan described in section 105.401;

(3) coordinate water planning activities of local, regional, and federal bodies with state planning and integrate these plans with state strategies; and

(4) administer federal water resources planning with multi-agency interests.

Subd. 3. [SOUTHERN MINNESOTA RIVERS BASIN.] The board shall guide the creation and implementation of a comprehensive environmental conservation and development plan for the basin. The board shall coordinate state and local interests with respect to the study in southwestern Minnesota under Public Law 87-639. The members of the abolished southern Minnesota rivers basin board shall be reconstituted as an ad-

visory council to the board. Members of the council shall be compensated as provided in section 15.059, subdivision 3. The council shall expire June 30, 1987.

Subd. 4. [GOVERNOR'S REPRESENTATIVE.] The board chairperson shall represent the governor on interstate water resources organizations.

Sec. 3. [BOARDS ABOLISHED.]

The water resources board established by section 105.71 and the southern Minnesota rivers basin board established by section 114A.04 are abolished.

Sec. 4. [PERSONNEL.]

The authorized complement of the environmental quality board is increased by eight due to its increase in duties under section 2. Classified and unclassified state employees involved in the implementation and administration of the duties of the water planning board, the water resources board, and the southern Minnesota rivers basin board shall be transferred, except for the position of chairperson of the water planning board, to the environmental quality board in the classified service of the state without competitive examination and shall be placed in the proper classification by the commissioner of employee relations with compensation as the classifications carry. Incumbents of positions placed in the classified service shall receive status and length of service credit as would have accrued to them had they originally been appointed to the classified service. Length of service shall not include seniority under the provisions of a collective bargaining agreement negotiated pursuant to sections 179.61 to 179.76, until the effective date of classified service. Annual leave and sick leave shall be transferred and accrued in accordance with section 43A.18.

Sec. 5. Minnesota Statutes 1982, section 40.072, subdivision 3, is amended to read:

Subd. 3. [PRELIMINARY PROGRAM PLANS; APPLICATION FOR FEDERAL OR OTHER AID; COOPERATION WITH OTHER AGENCIES; REPORT AND RECOMMENDATIONS TO THE COUNTY BOARD; ADOPTION OF IMPROVEMENT WORK PLAN.] After adoption of the resolution recommending the improvement work unit and program as provided in subdivision 2, with amendments thereto, if any, the board or boards, when the board or boards of county commissioners by resolution so directs, may make or cause to be made such further surveys and studies as may be necessary and thereupon make or cause to be made a preliminary general plan for carrying out the program for the improvement work unit as set forth in the resolution or any part thereof, with cost estimates

therefor. The board or boards, at the direction of the county board or boards, may make application for federal aid, state aid, or aid available from any other source for the works embraced in the program or any part thereof under Public Law 566 or any act amendatory thereof or supplementary thereto or any other applicable federal or state law, and may take all steps necessary to determine whether such aid will be available and the amount thereof. The board may consider how the cost of the works of improvement or any part thereof above prospective federal or other aid may be met from the funds of the district or from the proceeds of assessments on benefited property or otherwise, and make estimates therefor. If the cooperation or joint action of any adjacent soil and water conservation district or any other public agency is desirable for any purpose under the program or in connection therewith, the board, at the direction of the county board or boards, may negotiate with the authorities concerned for such cooperation or joint action as authorized in this chapter, and acts amendatory thereof, or as otherwise provided by law. Upon completion of the foregoing steps as far as necessary, the board or boards may make and file a report, summarizing its findings thereon and its recommendations for further action on the program or any part thereof. The board or boards shall make the plan together with the preliminary general plan for the improvement work unit available to the county board or boards and to all other public agencies and persons concerned, and may give such publicity thereto as the district board deems advisable. The report shall contain substantially the same engineering information required by section 112.49, subdivisions 1 and 2. The board or boards shall transmit a copy of the report and preliminary plan to any regional development agency created by Minnesota law for the region in which each project is located, and in those cases where the plan involves a project for which a permit is required from the commissioner of natural resources under chapter 105, or for which proceedings will be instituted under chapter 106, to the commissioner of natural resources and to the (WATER RESOURCES) *environmental quality* board. The (WATER RESOURCES) *environmental quality* board shall review the report and plan and, if it concludes that the plan is inconsistent with systematic administration of state water policy, shall report its conclusion to the board or boards and the commissioner of natural resources within 60 days after receiving the report and plan. Thereafter the board or boards may modify and retransmit the report and preliminary plan to the (WATER RESOURCES) *environmental quality* board, or may request a hearing on the report and plan before the (WATER RESOURCES) *environmental quality* board. The (WATER RESOURCES) board shall hear the matter (IN THE SAME MANNER, AND FOLLOW THE SAME PROCEDURES, AS PROVIDED IN SECTIONS 105.76 TO 105.79, FOR THE HEARING OF CASES WHERE IT CONSENTS TO INTERVENTION PROCEEDINGS) *as provided in section 116C.06*. Except where the (WATER RESOURCES) *environmental quality* board concludes that the report and plan are inconsistent with state water policy, the district board or boards, with the approval of the county board or

boards, may adopt and sponsor the improvement work unit and a program of work for the unit.

Sec. 6. [APPROPRIATION.]

There is appropriated to the environmental quality board from the general fund the sum of \$ for the purpose of the duties assigned to the board by this act.

Sec. 7. [REPEALER.]

Minnesota Statutes 1982, sections 105.71; 105.72; 105.73; 105.74; 105.75; 105.751; 105.76; 105.77; 105.78; 105.79; 114A.01; 114A.02; 114A.03; 114A.04; 114A.05; 114A.06; 114A.07; 114A.08; and 114A.09 are repealed.

Sec. 8. [INSTRUCTION TO REVISOR.]

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "environmental quality board" for "water resources board" wherever the same appears and shall substitute the term "chairman" for the term "secretary" wherever the same appears with regard to the water resources board.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 8 are effective July 1, 1983."

Further, amend the title:

Page 1, line 8, delete everything after "subdivision 3;"

Page 1, delete line 9

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

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 830, A bill for an act relating to manufactured homes; clarifying the prohibition of net listing agreements; adding an appeals provision; correcting cross-references; amending Minnesota Statutes 1982, section 327B.01, subdivisions 11 and 14; 327B.04, subdivision 4; 327B.05, subdivisions 1 and 2, and by adding a subdivision; and 327B.09, subdivisions 1 and 4.

Reported the same back with the following amendments:

Page 2, line 28, strike "and"

Page 2, line 33, after "homes" insert "; and"

(e) the applicant has provided evidence of having had at least two years prior experience in the sale of manufactured homes working for a licensed dealer"

Page 5, after line 10, insert:

"Sec. 7. Minnesota Statutes 1982, section 327B.07, subdivision 1, is amended to read:

Subdivision 1. [LIABILITY.] Each dealer is responsible for the activities of any person employed by or acting on behalf of that dealer when the activities occur in connection with the sale or attempted sale of a manufactured home. Each (OFFICER OF A) corporation licensed as a dealer is responsible for the activities of any person employed by or acting on behalf of the corporation when such activities occur in connection with the sale or attempted sale of a manufactured home."

Page 6, line 10, delete "8" and insert "9"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections"

Page 1, line 8, after the semicolon, insert "327B.07, subdivision 1;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 946, A bill for an act relating to state government; implementing an executive order transferring the state soil and water conservation board from the department of natural resources to the department of agriculture; amending Minnesota Statutes 1982, section 40.03.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 159, 210, 250, 251, 287, 384, 403, 406, 412, 430, 474, 491, 521, 540, 541, 544, 573, 578, 602, 610, 631, 633, 706, 760, 785 and 830 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 81, 207, 164, 589 and 101 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Riveness; Clark, J.; Rice; Rose and Blatz introduced:

H. F. No. 1006, A bill for an act relating to intoxicating liquor; authorizing a city to authorize an on-sale licensee to dispense liquor at events held in facilities of the metropolitan sports facilities commission; amending Minnesota Statutes 1982, section 340.11, subdivision 11c.

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

Sparby, Minne and Ogren introduced:

H. F. No. 1007, A bill for an act relating to public utilities; customer deposits; providing an interest rate based on the average prime interest rate; amending Minnesota Statutes 1982, section 325E.02.

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

Sparby, Battaglia and Tunheim introduced:

H. F. No. 1008, A bill for an act relating to tax-forfeited lands; requiring the commissioner of natural resources to act on county land classifications within 30 days; allowing a hearing before the land exchange board when the commissioner rejects a county classification; amending Minnesota Statutes 1982, sections 282.14; and 282.221, subdivision 1.

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

Sparby, Tunheim and Valan introduced:

H. F. No. 1009, A bill for an act relating to natural resources; requiring that a specified percentage of the wildlife acquisition fund and the game and fish fund be used for development or leasing; amending Minnesota Statutes 1982, sections 97.483; and 97.49, subdivision 1.

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

Sparby, Wenzel, Bergstrom, Redalen and Minne introduced:

H. F. No. 1010, A bill for an act relating to local government; changing restrictions on filing and recording certain conveyances; amending Minnesota Statutes 1982, section 462.358, subdivision 4b.

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

Ellingson, Vanasek and Gustafson introduced:

H. F. No. 1011, A bill for an act relating to wrongful death; allowing award of punitive damages in actions for death by wrongful act; amending Minnesota Statutes 1982, section 573.02, subdivision 1.

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

Vanasek and Sieben introduced:

H. F. No. 1012, A bill for an act relating to insurance; homeowners; prohibiting household or family exclusions; amending Minnesota Statutes 1982, section 65A.29, by adding a subdivision.

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

Greenfield; Clark, K., and Rodosovich introduced:

H. F. No. 1013, A bill for an act relating to public welfare; providing for relative resource contribution for medical assistance; amending Minnesota Statutes 1982, section 256B.14, subdivision 2.

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

Clark, K.; St. Onge and Rodosovich introduced:

H. F. No. 1014, A bill for an act relating to public welfare; appropriating money for chemical dependency programs for Indians.

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

Wenzel introduced:

H. F. No. 1015, A bill for an act relating to traffic regulations; providing flexibility in the imposition of fines in overweight actions against truck drivers; transferring prosecuting authority to county and city attorneys; amending Minnesota Statutes 1982, section 169.871, subdivisions 1 and 3.

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

Anderson, B., introduced:

H. F. No. 1016, A bill for an act relating to commerce; providing a lien for the furnishing of commercial feed or commercial fertilizer; amending Minnesota Statutes 1982, section 514.01.

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

Bishop; Coleman; Clark, J.; Forsythe and Levi introduced:

H. F. No. 1017, A bill for an act relating to marriage licenses; increasing the marriage license fee; amending Minnesota Statutes 1982, section 517.08, subdivisions 1b and 1c.

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

Segal, Vellenga and Norton introduced:

H. F. No. 1018, A bill for an act relating to marriage licenses; increasing the marriage license fee; providing funds for new displaced homemaker programs; amending Minnesota Statutes 1982, section 517.08, subdivisions 1b and 1c.

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

Sparby, Eken and Valan introduced:

H. F. No. 1019, A bill for an act relating to Northwest Minnesota Multi-County Housing and Redevelopment Authority; providing for per diem compensation for attendance of commissioners at meetings.

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

Dempsey introduced:

H. F. No. 1020, A bill for an act relating to transportation; defining certain terms relating to motor vehicle carriers; delineating exemptions; prescribing rules for operation of carriers; providing for investigation of carriers; providing for regulation of carriers of hazardous materials; providing for granting of certificates for operation; setting procedures for establishing rate schedules; providing for fees; providing for annual registration; requiring certificates of insurance; allowing permits to be assigned or transferred under certain conditions; providing hearing procedures regarding rate schedules; requiring shipping documents; providing for regulation of interstate carriers; authorizing suspension of operating authority under certain conditions; requiring refunds for overcharges; providing enforcement powers; providing penalties; providing for annual renewal of identification stamps; regulating local cartage carriers; delaying transfer of duties, functions, and powers from the public utilities commission to the board until established and appointed; amending Minnesota Statutes 1982, sections 168.013, subdivision 1e; 174.22, subdivision 2; 221.011, subdivisions 3, 9, 11, 12, 14, 15, 16, 19, 21, and 24, and by adding subdivisions; 221.021; 221.031; 221.041; 221.071; 221.111; 221.121; 221.131; 221.141, subdivision 1, and by adding a subdivision; 221.151; 221.161; 221.171; 221.181; 221.221; 221.251; 221.291; 221.296, subdivisions 2, 3, and 4; and 221.64; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, sections 221.011, subdivisions 4 and 22; 221.032; 221.141, subdivision 2; 221.292; 221.294; and 221.296, subdivision 1.

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

Ellingson introduced:

H. F. No. 1021, A bill for an act relating to corporations; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the use of corporate information obtained improperly; authorizing the use of protective orders and other relief to prevent the premature disclosure of certain confidential information or the use of corporate information obtained improperly; amending Minnesota Statutes 1982, sections 300.083, subdivision 6; 302A.461, subdivisions 4, 6, and by adding a subdivision; and 302A.521, subdivision 6.

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

Jennings, by request, introduced:

H. F. No. 1022, A bill for an act relating to waters; authorizing the Martin County board to change the name of a certain lake.

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

Gustafson introduced:

H. F. No. 1023, A bill for an act relating to statutes; providing that selected statutes shall be subject to judicial modification as is common law; proposing new law coded in Minnesota Statutes 1982, chapter 645.

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

Ellingson, Shaver, Metzen, Sherman and Skoglund introduced:

H. F. No. 1024, A bill for an act relating to financial institutions; electronic financial terminals; regulating the use of terminals by financial institutions located outside the state; amending Minnesota Statutes 1982, section 47.64, subdivision 6.

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

Norton introduced:

H. F. No. 1025, A bill for an act relating to economic development; establishing the Minnesota motion picture and television board; proposing new law coded as Minnesota Statutes, chapter 116K.

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

Ellingson, Quinn and Brinkman introduced:

H. F. No. 1026, A bill for an act relating to insurance; no-fault auto; establishing a self-insurance application fee; authorizing the commissioner of insurance to adopt certain self-insurance rules; amending Minnesota Statutes 1982, section 65B.48, subdivision 3, and by adding a subdivision.

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

Ellingson, Quinn and Rodosovich introduced:

H. F. No. 1027, A bill for an act relating to insurance; automobile; authorizing the commissioner to adopt rules on non-renewals of policies; amending Minnesota Statutes 1982, section 65B.17.

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

Rodosovich, Ellingson and Quinn introduced:

H. F. No. 1028, A bill for an act relating to insurance; modifying the definition of "covered claim" for purposes of the insurance guaranty association act; amending Minnesota Statutes 1982, section 60C.09, subdivision 1.

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

Anderson, G.; Mann; Dempsey and Jensen introduced:

H. F. No. 1029, A bill for an act relating to transportation; modifying the definition of truck-tractor to include the power unit of automobile carriers; adjusting the motor vehicle registration tax on certain trailers; requiring proof of payment of the federal heavy use tax on heavy trucks; increasing the maximum allowable width on vehicles from 8 to 8-1/2 feet; modifying vehicle length requirements to allow longer semitrailers and vehicle combinations; modifying the gross weight seasonal increase to include all axle combinations; modifying the distance a peace officer may require a vehicle to travel to a scale; increasing width requirement on loads of baled hay before flashing amber lights are required; amending Minnesota Statutes 1982, sections 168.011, subdivision 12; 168.013, subdivision 1d, and by adding a subdivision; 169.01, subdivision 7; 169.80, subdivision 2; 169.81, subdivisions 2 and 3; 169.825, subdivision 11; 169.85; and 169.862; repealing Minnesota Statutes 1982, sections 169.80, subdivision 2a; and 169.81, subdivisions 3a, 3b, and 7.

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

Knuth; Munger; Carlson, D.; Nelson, D., and Kelly introduced:

H. F. No. 1030, A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; authorizing land acquisition in relation thereto.

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

Sparby, Eken and Valan introduced:

H. F. No. 1031, A bill for an act relating to the lower Red River watershed management board; removing ten year limitation for tax levy by watershed districts which are members of board; amending Laws 1976, chapter 162, sections 1, as amended, and 2.

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

Hoffman; Price; Jensen; Anderson, G., and Levi introduced:

H. F. No. 1032, A bill for an act relating to local improvements; permitting counties to assess for highway improvements within cities; amending Minnesota Statutes 1982, section 429.011, subdivision 2a.

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

Berkelman, Kvam, Himle, Metzen and Brinkman introduced:

H. F. No. 1033, A bill for an act relating to insurance; authorizing the establishment of joint self-insurance employee health plans; providing administrative, trust, bonding, investment, and reporting requirements; establishing a quarterly revenue fee; proposing new law coded as Minnesota Statutes, chapter 62H.

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

Shea, Mann, Kalis and Erickson introduced:

H. F. No. 1034, A bill for an act relating to agriculture; granting the commissioner powers relating to agricultural promotion; changing certain procedures related to fees; redefining certain terms; changing the coverage of the consolidated food licensing law; permitting the sale of certain eggs for human consumption; updating certain provisions; specifying certain plumbing and sewage disposal requirements; changing the coverage of certain animal processing laws; prohibiting sale or possession of certain meat; changing the policy behind the dairy industry unfair trade practices act; removing certain dairy product retailers from certain prohibitions; changing certain fees; changing the dates of reports from and payments to certain agricultural societies; eliminating certain duties of the commissioner of agriculture and county agricultural agents; authorizing the sale of certain wild flowers; eliminating certain wild rice labeling requirements; eliminating the prohibition on manufacture or use of certain preservative compounds; eliminating provisions relating to the dairy industry and warehouses; amending Minnesota Statutes 1982, sections 17.101; 17B.15, subdivision 2; 28A.03; 28A.05; 28A.15, subdivisions 1 and 4; 29.235; 31.01, subdivision 20; 31.10; 31.101, subdivisions 3, 4, 5, 6, 7, and 8; 31.51, subdivision 2; 31.56, subdivision 1; 31A.02, subdivision 5; 31A.10; 31A.15; 32.394, subdivision 8; 32A.02; 32A.04, subdivision 1; 34.05, subdivision 1; 38.02, subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, chapter 31; repealing Minnesota Statutes 1982, sections 17.031; 17.032; 17.23; 30.49; 31.401 to 31.406; 32.12; 32.472; 32.473; and 231.01 to 231.39.

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

Wynia and Tomlinson introduced:

H. F. No. 1035, A bill for an act relating to education; providing that in cities of the first class discontinuance of principals and assistant principals shall be in the inverse order in which the individuals were employed by the district as principal or assistant principal; amending Minnesota Statutes 1982, section 125.17, subdivision 11.

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

Ogren, Munger, Schafer, Welch and Battaglia introduced:

H. F. No. 1036, A bill for an act relating to recreational trails; allowing three-wheel off-road vehicles to use certain trails during certain periods of time; requiring vehicle owners to pay a registration fee; amending Minnesota Statutes 1982, sections 84.81, by adding a subdivision; 85.015, by adding a subdivision; 85.017; and 85.018, subdivisions 2, 5, and by adding a subdivision.

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

Ogren, Neuenschwander, Dempsey and Dimler introduced:

H. F. No. 1037, A bill for an act relating to cemeteries; increasing the penalty for illegal molestation of human remains; requiring the state or political subdivision to obtain archaeologist services and to pay for removal of Indian burial grounds under certain circumstances; amending Minnesota Statutes 1982, section 307.08, subdivisions 2, 4, 8, and 10.

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

Kostohryz, Levi, Hoffman, Reif and Price introduced:

H. F. No. 1038, A bill for an act relating to education; authorizing Special Intermediate School District No. 916 to provide certain services; amending Laws 1969, chapter 775, section 3, as amended.

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

Price, Solberg, Hoffman and Nelson, D., introduced:

H. F. No. 1039, A bill for an act relating to education; modifying the determination of a teacher's seniority in certain cases; amending Minnesota Statutes 1982, section 125.12, subdivision 6b.

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

Berkelman, Schreiber and Clawson introduced:

H. F. No. 1040, A bill for an act relating to local government; clarifying powers of municipalities and redevelopment agencies with respect to acquisition, construction, leasing, selling, loan of funds, and issuance of revenue bonds for industrial development projects; amending Minnesota Statutes 1982, sections 474.03 and 474.06.

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

Otis, Ellingson and Onnen introduced:

H. F. No. 1041, A bill for an act relating to Hennepin County; providing for the conduct of a public safety communications service; repealing Laws 1947, chapter 371, as amended.

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

Brandl, Wynia, Greenfield, Onnen and Sviggum introduced:

H. F. No. 1042, A bill for an act relating to public welfare; establishing a medical assistance prepayment demonstration project; appropriating money; proposing new law coded in Minnesota Statutes, chapter 256B.

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

Begich, Beard, Rice and Elioff introduced:

H. F. No. 1043, A bill for an act relating to labor; defining a professional strikebreaker; amending Minnesota Statutes 1982, section 179.01, subdivision 16.

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

Wynia, Bennett, Metzen, Minne and Vellenga introduced:

H. F. No. 1044, A bill for an act relating to health; prohibiting sales of hearing aids upon prescription or recommendation of certain persons employed or in a business relationship with a seller of hearing aids; providing penalties and remedies; proposing new law coded in Minnesota Statutes, chapter 145; repealing Minnesota Statutes 1982, sections 145.43; 145.44; and 145.45.

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

Osthoff introduced:

H. F. No. 1045, A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; providing for the manner of electing judges; amending Minnesota Statutes 1982, sections 204B.06, subdivision 6, and by adding a subdivision; 204B.34, subdivision 3; 204B.36, subdivisions 4 and 5; 204D.08, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 2 and 480.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Wenzel introduced:

H. F. No. 1046, A bill for an act relating to the city of Baxter; authorizing the city to employ a full-time police officer; providing exception to peace officer licensing requirement.

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

Knickerbocker introduced:

H. F. No. 1047, A bill for an act relating to local government aids; requiring uniform, current financial reporting by counties and municipalities; proposing new law coded in Minnesota Statutes, chapter 477A.

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

Heinitz introduced:

H. F. No. 1048, A bill for an act relating to unemployment compensation; regulating benefit eligibility; amending Minnesota Statutes 1982, section 268.07, subdivision 3.

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

Ogren introduced:

H. F. No. 1049, A bill for an act relating to financial institutions; authorizing the approval of applications for bank charters and detached facilities; establishing emergency procedures to prevent loss of banking services in a community as a result of a failing bank; amending Minnesota Statutes 1982, section 45.05; proposing new law coded in Minnesota Statutes, chapter 47.

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

Simoneau, Sarna, Redalen, Vanasek and Clawson introduced:

H. F. No. 1050, A bill for an act relating to non-intoxicating malt liquor and intoxicating malt liquor; requiring sales at wholesale to be made within areas designated in agreements between suppliers or brewers and wholesalers; prohibiting refusal to sell or give service to licensed retailers within designated areas; requiring filing of area agreements and brand approvals with the department of public safety; prohibiting resale price maintenance; amending Minnesota Statutes 1982, section 340.406.

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

Battaglia, Elioff, Solberg, Munger and Begich introduced:

H. F. No. 1051, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in St. Louis County; appropriating money.

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

Elioff, Begich, Battaglia, Solberg and Minne introduced:

H. F. No. 1052, A bill for an act relating to Independent School District No. 694; authorizing a transfer of moneys to the district's general fund from other district funds.

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

Levi, by request, introduced:

H. F. No. 1053, A bill for an act relating to natural resources; designating the morel as the official state mushroom; proposing new law coded in Minnesota Statutes, chapter 1.

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

Sviggum; Ludeman; Rodriguez, F.; Sparby and Redalen introduced:

H. F. No. 1054, A bill for an act relating to retirement; public employees funds generally; increasing interest rates paid on refunds; amending Minnesota Statutes 1982, sections 352.12, subdivision 1; 352.22, subdivision 2; 352B.11, subdivision 1; 353.32, subdivision 1; 353.34, subdivision 2; 354.47, subdivision 1; 354.49, subdivision 2; 354A.35, subdivision 1; and 354A.37, subdivisions 3 and 4; repealing Minnesota Statutes 1982, section 354.49, subdivision 3.

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

Johnson introduced:

H. F. No. 1055, A bill for an act relating to land surveying; authorizing counties to contract for the preservation and re-monumentation of the United States public land survey; appropriating money; amending Minnesota Statutes 1982, sections 287.21, subdivision 2; 287.25; 287.28; 287.29, subdivision 1; and 389.011, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 287.

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

Elioff, Begich, Battaglia, Solberg and Minne introduced:

H. F. No. 1056, A bill for an act relating to traffic regulations; providing for "Watch for Children" signs to be made available to local governing bodies under certain conditions; appropriating money; amending Minnesota Statutes 1982, section 169.06, by adding a subdivision.

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

Krueger; Anderson, B., and Redalen introduced:

H. F. No. 1057, A bill for an act relating to agriculture; making changes in the artificial dairy products act; amending Minnesota Statutes 1982, sections 32.53; 32.531; 32.5311; 32.532; 32.533; and proposing new law coded in Minnesota Statutes, chapter 32.

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

Bishop, Vanasek, Sarna, Segal and Forsythe introduced:

H. F. No. 1058, A bill for an act relating to limited partnerships; providing for withdrawals of certain partners; providing for liabilities of partners; amending Minnesota Statutes 1982, sections 322A.27; and 322A.33.

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

Munger; Rose; Nelson, D.; Battaglia and Kahn introduced:

H. F. No. 1059, A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

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

Graba and Schafer introduced:

H. F. No. 1060, A bill for an act relating to education; allowing pupils who change districts of residence to continue attendance in the previous district under certain conditions; proposing new law coded in Minnesota Statutes, chapter 120.

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

Berkelman, Swanson and Reif introduced:

H. F. No. 1061, A bill for an act relating to public welfare; establishing limits on payments to vendors of services in the medical assistance program; amending Minnesota Statutes 1982, section 256.967.

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

Berkelman, Minne, Munger, Murphy and Gustafson introduced:

H. F. No. 1062, A bill for an act relating to port authorities; providing for the term of service of certain members of port authorities; amending Minnesota Statutes 1982, section 458.10, subdivision 2.

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

Vanasek, Kelly, Dempsey, Piepho and Clark, J., introduced:

H. F. No. 1063, A bill for an act relating to crimes and criminals; authorizing departures from the presumptive sentences established in the sentencing guidelines; amending Minnesota Statutes 1982, section 244.10, subdivision 2 and by adding a subdivision.

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

Solberg; Heap; Nelson, D.; Murphy and Battaglia introduced:

H. F. No. 1064, A bill for an act relating to retirement; permitting the purchase of certain prior service credit for periods of teaching service in other states.

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

Neuenschwander, Munger, Rose, Solberg and Battaglia introduced:

H. F. No. 1065, A bill for an act relating to game and fish; penalty for taking or illegally possessing big game during the closed season; shining of wild animals; amending Minnesota Statutes 1982, sections 97.55, subdivision 9; and 100.29, subdivision 10.

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

Riveness and Swanson introduced:

H. F. No. 1066, A bill for an act relating to the city of Bloomington; adjusting the city's property tax levy limitation.

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

Neuenschwander, Quinn, Gutknecht, Knuth and Riveness introduced:

H. F. No. 1067, A bill for an act relating to state government; authorizing the commissioner of the department of economic security to accept gifts; designating the commissioner as administrator of weatherization programs; providing for weatherization grants; regulating summer youth programs; amending Minnesota Statutes 1982, sections 268.011, subdivision 2; 268.34; and 268.37, subdivisions 2, 4, and 5; repealing Minnesota Statutes 1982, section 268.37, subdivision 3.

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

Rodriguez, C.; Levi; Graba and Jennings introduced:

H. F. No. 1068, A bill for an act relating to education; extending the time permitting a school district to transfer funds from its capital fund to its general fund; amending Laws 1982, chapter 548, article IV, section 21.

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

Clawson introduced:

H. F. No. 1069, A bill for an act relating to federal block grants; providing for annual legislative hearings on federal block grant implementation and effects; proposing new law coded in Minnesota Statutes, chapter 3.

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

Sarna; Rodriguez, F.; Metzen; Clark, K., and Wigley introduced:

H. F. No. 1070, A bill for an act relating to retirement; election of Minneapolis employees retirement fund; investment policies; expansion of disability benefits of employees; amending Minnesota Statutes 1982, sections 422A.05, subdivision 1, and by adding a subdivision; 422A.06, subdivision 7; 422A.101, subdivisions 1, 1a, and 2; 422A.18, subdivision 3; 422A.23, subdivision 2; and 422A.26; repealing Minnesota Statutes 1982, section 422A.05, subdivision 7.

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

Gustafson; Sarna; Vanasek; Clark, J., and Kelly introduced:

H. F. No. 1071, A bill for an act relating to public safety; prohibiting the possession or manufacture of 25 pounds or more of fireworks for purposes of sale; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 624.

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

Brandl, Vellenga, Burger, Kostohryz and Dempsey introduced:

H. F. No. 1072, A bill for an act relating to education; establishing a program allowing a lower income pupil to select the school which the pupil will attend from among schools participating in the program; establishing certain requirements and restrictions; amending Minnesota Statutes 1982, sections 121.11, subdivision 12; and 124.223; proposing new law coded in Minnesota Statutes, chapter 129B; repealing Minnesota Statutes 1982, section 123.35, subdivision 14.

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

Schoenfeld introduced:

H. F. No. 1073, A bill for an act relating to real property; requiring 60 days notice of default on a farm real estate mortgage, notice of termination of a farm real estate contract for deed, and notice of commencement of a sale and foreclosure proceeding; providing that a mortgage on farm real estate is reinstated during the redemption period upon payment of installments in default and due during the period of redemption; amending Minnesota Statutes 1982, sections 47.20, subdivision 8; 550.18; 559.21, subdivisions 1, 1a, and 2; 580.09; 580.23, subdivision 1; 580.30; and 581.10.

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

Long; Nelson, D.; Evans and Segal introduced:

H. F. No. 1074, A bill for an act relating to waste management; amending the Hazardous Waste Management Act of 1980; providing for the evaluation of bedrock disposal of hazardous waste; providing for participation by private developers and operators of waste facilities in the evaluation of hazardous waste disposal sites; creating phases of environmental impact statements; expanding the definition of hazardous waste; extending the deadlines for the adoption of certain hazardous waste rules; extending certain deadlines of the metropolitan council; clarifying the contents of environmental impact statements; providing reports to counties on permit conditions and permit application requirements for county sites; amending Minnesota Statutes 1982, sections 115.071, subdivisions 2 and 3; 115A.03, subdivision 10; 115A.05, subdivisions 2 and 3; 115A.06, subdivision 4; 115A.08, subdivisions 4, 5, and 6; 115A.10; 115A.11, subdivisions 1 and 2; 115A.21; 115A.22, subdivisions 1, 3, 4, 6, and 7; 115A.24, subdivision 1; 115A.25, subdivisions 1, 2, 3, and by adding subdivisions; 115A.26; 115A.27, subdivision 2; 115A.28, subdivisions 1, 2, and 3; 115A.30; 115A.54, subdivision 2; 115A.67; 115A.70, subdivision 3; 116.06, subdivision 13; 116.07, subdivision 4; 116.41, subdivision 1a; 473.149, subdivisions 2b, 2c, 2d, 2e, and 4; 473.153, subdivisions 2, 5, 6, 6b, and by adding a subdivision; 473.803, subdivisions 1a and 1b; 473.823, subdivision 6; 473.831, subdivision 2; 473.833, subdivisions 2a, 3, 7, and by adding a subdivision; proposing new law coded in chapter 115A; repealing Minnesota Statutes 1982, sections 115A.23; 115A.27, subdivision 1; 116.07, subdivision 4c; and 116.41, subdivision 1.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 298, A bill for an act relating to the city of St. Paul; regulating appeals, hearings, and procedures concerning the human rights commission; amending Laws 1965, chapter 866, section 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 268, A bill for an act relating to financial institutions; credit unions; removing the restrictions on the amounts that credit unions may invest in the corporate credit union; removing the borrowing restrictions of the corporate credit union; changing references to the central credit union to reflect its name change; amending Minnesota Statutes 1982, sections 52.04, subdivision 1; 52.09, subdivision 2; 52.15, subdivision 2; and 52.17, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Norton moved that the House concur in the Senate amendments to H. F. No. 268 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 268, A bill for an act relating to financial institutions; credit unions; removing the restrictions on the amounts that credit unions may invest in the corporate credit union; removing the borrowing restrictions of the corporate credit union; changing references to the central credit union to reflect its name change; amending Minnesota Statutes 1982, sections 52.04, subdivision 1; 52.09, subdivision 2; 52.15, subdivisions 1 and 2; and 52.17, subdivision 2.

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

The question was taken on the repassage of the bill and the roll was called. There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	Otis	Skoglund
Anderson, G.	Ellingson	Kvam	Peterson	Solberg
Anderson, R.	Erickson	Larsen	Piepho	Sparby
Battaglia	Evans	Levi	Piper	Stadum
Beard	Findlay	Ludeman	Price	Staten
Begich	Fjoslien	Mann	Quinn	Sviggum
Bennett	Frerichs	Marsh	Quist	Swanson
Bergstrom	Graba	McDonald	Redalen	Thiede
Berkelman	Greenfield	McEachern	Reif	Tomlinson
Bishop	Gruenes	McKasy	Riveness	Tunheim
Blatz	Gustafson	Metzen	Rodosovich	Uphus
Brandl	Gutknecht	Minne	Rodriguez, F.	Valan
Brinkman	Halberg	Munger	Rose	Valento
Burger	Haukoos	Murphy	St. Onge	Vellenga
Carlson, D.	Heinitz	Nelson, D.	Sarna	Voss
Carlson, L.	Himle	Nelson, K.	Schafer	Waltman
Clark, J.	Hoffman	Neuenschwander	Schoenfeld	Welch
Clark, K.	Hokr	Norton	Schreiber	Welker
Clawson	Jennings	O'Connor	Seaberg	Welle
Cohen	Jensen	Ogren	Segal	Wenzel
Coleman	Johnson	Olsen	Shaver	Wigley
Dempsey	Kalis	Omann	Shea	Wynia
DenOuden	Kelly	Onnen	Sherman	Speaker Sieben
Dimler	Knuth	Osthoff	Simoneau	

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

Mr. Speaker:

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

H. F. No. 79, A bill for an act relating to juveniles; requiring orders of reference for prosecution for juveniles who have been previously referred; amending Minnesota Statutes 1982, sections 260.125, subdivision 2, and by adding a subdivision; and 260.173, subdivision 4; repealing Minnesota Statutes 1982, section 260.125, subdivision 6.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clark, J., moved that the House concur in the Senate amendments to H. F. No. 79 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 79, A bill for an act relating to juveniles; requiring orders of reference for prosecution for juveniles who have been

previously referred; amending Minnesota Statutes 1982, sections 260.125, subdivision 2, and by adding a subdivision.

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

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

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kvam	Peterson	Solberg
Anderson, G.	Evans	Larsen	Piepho	Sparby
Anderson, R.	Findlay	Levi	Piper	Stadum
Battaglia	Fjoslien	Ludeman	Price	Staten
Beard	Frerichs	Mann	Quinn	Sviggum
Begich	Graba	Marsh	Quist	Swanson
Bennett	Greenfield	McDonald	Redalen	Thiede
Bergstrom	Gruenes	McEachern	Reif	Tomlinson
Berkelman	Gustafson	McKasy	Rice	Tunheim
Blatz	Gutknecht	Metzen	Riveness	Uphus
Brandl	Halberg	Minne	Rodosovich	Valan
Brinkman	Haukoos	Munger	Rodriguez, F.	Valento
Burger	Heap	Murphy	Rose	Vanasek
Carlson, L.	Heinitz	Nelson, D.	St. Onge	Vellenga
Clark, J.	Himle	Nelson, K.	Sarna	Voss
Clark, K.	Hoffman	Neuenschwander	Schafer	Waltman
Clawson	Hokr	Norton	Schoenfeld	Welch
Cohen	Jacobs	O'Connor	Schreiber	Welker
Coleman	Jennings	Ogren	Seaberg	Welle
Dempsey	Jensen	Olsen	Segal	Wenzel
DenOuden	Kahn	Omann	Shaver	Wigley
Dimler	Kalis	Onnen	Shea	Wynia
Eken	Kelly	Osthoff	Sherman	Zaffke
Elioff	Knuth	Otis	Simoneau	Speaker Sieben
Ellingson	Kostohryz	Pauly	Skoglund	

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

Mr. Speaker:

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

S. F. No. 15.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 15

A bill for an act relating to metropolitan government; changing the terms of members of the metropolitan council; requiring

that metropolitan council district boundaries be redrawn after each federal census; redrawing metropolitan council district boundaries; establishing new metropolitan commission districts, formerly called precincts; changing references to precincts; changing the terms of commission members and chairmen; requiring the governor to appoint council members and establishing terms; requiring the newly appointed metropolitan council to appoint commission members and establishing terms; amending Minnesota Statutes 1982, sections 473.123, subdivision 3, and by adding subdivisions; 473.141, subdivisions 2, 4, and 5, and by adding a subdivision; and 473.303, subdivisions 2, 4, and 5, and by adding a subdivision; repealing Minnesota Statutes 1982, section 473.123, subdivision 2.

March 23, 1983

The Honorable Jerome M. Hughes
President of the Senate

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

We, the undersigned conferees for S. F. No. 15, report that we have agreed upon the items in dispute and recommend as follows:

That the House of Representatives recede from its amendment and that S. F. No. 15 be further amended as follows:

Page 2, line 4, delete *"all members and chairmen"* and insert *"the member"*

Page 2, line 5, delete *"their successors are"*

Page 2, line 6, delete *"appointed and qualified"* and insert *"the governor appoints 16 council members, one from each of the newly drawn council districts as provided under section 3, to serve terms as provided under this section"*

Page 2, line 9, before *"The"* insert *"(a)"*

Page 2, line 10, strike *"sixteen"* and insert *"16"*

Page 2, line 13, strike *"the area composing"*

Page 11, after line 7, insert:

"(b) In addition to the notice required by section 15.0597, subdivision 4, notice of vacancies and expiration of terms shall be published in newspapers of general circulation in the metropolitan area and the appropriate districts."

Page 11, line 13, delete everything after the period

Page 11, delete lines 14 and 15

Page 11, line 16, delete everything before "*Redistricting*"

Page 11, line 17, delete "*of each*"

Page 11, line 18, delete "*decade*"

Page 14, line 30, after the semicolon insert "*and*"

Page 16, line 27, before "*Each*" insert "*(a)*"

Page 16, line 29, strike "*eight members*" and insert "*metropolitan council*"

Page 16, line 29, strike "*be appointed by the*"

Page 16, line 30, strike "*metropolitan council*" and insert "*appoint the eight members on a nonpartisan basis after consultation with the members of the legislature from the commission district for which the member is to be appointed*"

Page 16, line 30, after the period insert:

"Appointments are subject to the advice and consent of the senate.

(b) Following the submission of commission member applications to the metropolitan council as provided under section 15.0597, subdivision 5, the council shall conduct one or more public hearings on the matter of the appointments for the commission districts to accept statements from persons who have applied for appointment and to allow consultation with and secure the advice of the public."

Page 16, line 30, before "*One*" insert

"(c)"

Page 17, line 1, delete "*6*" and insert "*5*"

Page 17, line 3, strike "*5 and*" and reinstate the stricken "*6*"

Page 17, line 3, delete "*12*" and insert "*and 10*"

Page 17, line 7, delete "*10*" and strike "*and*"

Page 17, line 7, after "*11*" insert "*and 12*"

Page 18, line 3, before "A" insert "*A chairman shall continue to serve until a successor is appointed and qualified.*"

Page 18, line 3, delete "*or chairman*"

Page 18, line 6, delete "*all members and chairmen*" and insert "*the member*"

Page 18, line 7, delete "*their successors are appointed and*"

Page 18, line 8, delete "*qualified*" and insert "*the metropolitan council appointed pursuant to section 3 appoints eight commission members as provided under section 473.141, subdivision 2, to serve terms as provided under this section*"

Page 19, line 5, strike "*eight members*" and insert "*metropolitan council*"

Page 19, line 5, strike "*be appointed by the*"

Page 19, line 6, strike "*council*" and insert "*appoint the eight members on a nonpartisan basis*"

Page 19, line 13, delete "*6*" and insert "*5*"

Page 19, line 15, strike "*5 and*" and reinstate the stricken "*6*"

Page 19, line 15, delete "*12*" and insert "*and 10*"

Page 19, line 19, strike "*and*"

Page 19, line 19, after "*11*" insert "*and 12*"

Page 19, after line 23, insert:

"Sec. 10. Minnesota Statutes 1982, section 473.303, subdivision 3, is amended to read:

Subd. 3. [CHAIRMAN.] The chairman of the commission shall be appointed by the council and shall be the ninth member of the commission and shall meet all qualifications established for members, except the chairman need only reside within the metropolitan area. (THE COMMISSION CHAIRMAN SHALL SERVE AT THE PLEASURE OF THE COUNCIL FOR A FOUR YEAR TERM.) The chairman shall preside at all meetings of the commission, if present, and shall perform all other duties and functions assigned to him by the commission or by law. The commission may appoint from among its members a vice-chairman to act for the chairman during his temporary absence or disability."

Page 20, line 12, before "A" insert "*The chairman shall continue to serve until a successor is appointed and qualified.*"

Page 20, line 12, delete "or chairman"

Page 20, line 15, delete "*all members and the chairman*" and insert "*the member*"

Page 20, line 16, delete "*their successors are appointed and*"

Page 20, line 17, delete "*qualified*" and insert "*the metropolitan council appointed pursuant to section 3 appoints eight commission members as provided under section 473.303, subdivision 2, to serve terms as provided under this section*"

Page 20, line 35, after "*members*" insert "*except the chairman*"

Page 21, line 1, delete "*all*" and insert "*the*"

Page 21, line 5, after "*members*" insert "*except the chairman*"

Page 21, line 5, after "*serving*" insert "*prior to the effective date of this act*"

Page 21, line 7, delete "*all*" and insert "*the*"

Page 21, line 9, after "*appoints*" insert "*eight*"

Page 21, line 10, delete "5" and insert "*473.141, subdivision 2,*"

Page 21, line 12, after "*members*" insert "*except the chairman*"

Page 21, line 12, after "*serving*" insert "*prior to the effective date of this act*"

Page 21, line 15, delete "*all*" and insert "*the*"

Page 21, line 17, after "*appoints*" insert "*eight*"

Page 21, line 17, delete "9" and insert "*473.303, subdivision 2,*"

Page 21, line 18, delete "11" and insert "12"

Page 21, line 23, delete "14" and insert "15"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "metropolitan"

Page 1, line 17, after the first comma insert "3,"

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

Senate Conferees: ROBERT J. SCHMITZ, WILLIAM P. LUTHER and CARL W. KROENING.

House Conferees: THOMAS C. OSTHOFF, JAMES P. METZEN and KATHLEEN BLATZ.

Osthoff moved that the report of the Conference Committee on S. F. No. 15 be adopted and that the bill be repassed as amended by the Conference Committee.

Schreiber moved that the House refuse to adopt the report of the Conference Committee on S. F. No. 15; that the bill be returned to the Conference Committee; and that the Conference Committee be instructed as follows: Reinstate the House language which required public hearings for the appointment of metropolitan council members.

POINT OF ORDER

Osthoff raised a point of order pursuant to House Rules, 1983-84 temporary Joint Rules of the Senate and House and "Mason's Manual of Legislative Procedure" that the portion of the Schreiber motion instructing the Conference Committee on S. F. No. 15 was out of order. The Speaker ruled the point of order well taken and the portion of the Schreiber motion regarding instructions to the Conference Committee on S. F. No. 15 out of order.

The remaining portion of the Schreiber motion was reported to the House as follows:

Schreiber moved that the House refuse to adopt the Conference Committee report on S. F. No. 15 and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

Anderson, B.	Ellingson	Kostohryz	Peterson	Skoglund
Anderson, G.	Erickson	Kvam	Piepho	Solberg
Anderson, R.	Evans	Larsen	Piper	Sparby
Battaglia	Findlay	Levi	Price	Stadum
Beard	Fjoslien	Ludeman	Quinn	Svigum
Begich	Frerichs	Mann	Quist	Thiede
Bennett	Graba	Marsh	Redalen	Tunheim
Bergstrom	Greenfield	McDonald	Reif	Uphus
Berkelman	Gruenes	McEachern	Rice	Valan
Bishop	Gustafson	McKasy	Riveness	Valento
Blatz	Gutknecht	Metzen	Rodosovich	Vanasek
Brandl	Halberg	Minne	Rodriguez, F.	Vellenga
Brinkman	Haukoos	Munger	Rose	Voss
Burger	Heap	Murphy	St. Onge	Waltman
Carlson, D.	Heinitz	Nelson, D.	Sarna	Welch
Carlson, L.	Himle	Neuenschwander	Schafer	Welker
Clark, J.	Hokr	Norton	Scheid	Welle
Clark, K.	Jacobs	O'Connor	Schoenfeld	Wenzel
Clawson	Jennings	Ogren	Schreiber	Wigley
Cohen	Jensen	Olsen	Seaberg	Wynia
Coleman	Johnson	Omman	Segal	Zaffke
Dempsey	Kahn	Onnen	Shaver	Speaker Sieben
DenOuden	Kalis	Osthoff	Shea	
Eken	Kelly	Otis	Sherman	
Elioff	Knuth	Pauly	Simoneau	

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

The question recurred on the Schreiber motion and the roll was called.

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

There were 55 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Evans	Hokr	Onnen	Sherman
Bennett	Findlay	Jennings	Pauly	Stadum
Berkelman	Fjoslien	Johnson	Piepho	Svigum
Bishop	Frerichs	Kvam	Quist	Thiede
Blatz	Gruenes	Levi	Redalen	Uphus
Burger	Gutknecht	Ludeman	Reif	Valan
Carlson, D.	Halberg	Marsh	Rose	Valento
Dempsey	Haukoos	McDonald	Schafer	Waltman
DenOuden	Heap	McKasy	Schreiber	Welker
Dimler	Heinitz	Olsen	Seaberg	Wigley
Erickson	Himle	Omman	Shaver	Zaffke

Those who voted in the negative were:

Anderson, B.	Brinkman	Eken	Jacobs	Larsen
Anderson, G.	Carlson, L.	Elioff	Jensen	Mann
Battaglia	Clark, J.	Ellingson	Kahn	McEachern
Beard	Clark, K.	Graba	Kalis	Metzen
Begich	Clawson	Greenfield	Kelly	Minne
Bergstrom	Cohen	Gustafson	Knuth	Munger
Brandl	Coleman	Hoffman	Kostohryz	Murphy

Nelson, D.	Peterson	St. Onge	Solberg	Vellenga
Nelson, K.	Piper	Sarna	Sparby	Voss
Neuenschwander	Price	Scheid	Staten	Welch
O'Connor	Quinn	Schoenfeld	Swanson	Welle
Ogren	Rice	Shea	Tomlinson	Wenzel
Osthoff	Rodosovich	Simoneau	Tunheim	Wynia
Otis	Rodriguez, F.	Skoglund	Vanasek	Speaker Sieben

The motion did not prevail.

The question recurred on the Osthoff motion that the report of the Conference Committee on S. F. No. 15 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 15, A bill for an act relating to metropolitan government; changing the terms of members of the metropolitan council; requiring that metropolitan council district boundaries be redrawn after each federal census; redrawing metropolitan council district boundaries; establishing new metropolitan commission districts, formerly called precincts; changing references to precincts; changing the terms of commission members and chairmen; requiring the governor to appoint council members and establishing terms; requiring the newly appointed metropolitan council to appoint commission members and establishing terms; amending Minnesota Statutes 1982, sections 473.123, subdivision 3, and by adding subdivisions; 473.141, subdivisions 2, 4, and 5, and by adding a subdivision; and 473.303, subdivisions 2, 4, and 5, and by adding a subdivision; repealing Minnesota Statutes 1982, section 473.123, subdivision 2.

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

The question was taken on the repassage of the bill and the roll was called.

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

There were 72 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark, K.	Jensen	Murphy	Quinn
Anderson, G.	Clawson	Kahn	Nelson, D.	Rice
Battaglia	Cohen	Kalis	Nelson, K.	Rivenness
Beard	Coleman	Kelly	Neuenschwander	Rodosovich
Begich	Eken	Knuth	Norton	Rodriguez, F.
Bergstrom	Elihoff	Kostohryz	O'Connor	St. Onge
Berkelman	Ellingson	Larsen	Ogren	Sarna
Brandl	Graba	Mann	Osthoff	Scheid
Brinkman	Greenfield	McEachern	Otis	Schoenfeld
Carlson, D.	Gustafson	Metzen	Peterson	Segal
Carlson, L.	Hoffman	Minne	Piper	Shea
Clark, J.	Jacobs	Munger	Price	Simoneau

Skoglund
Solberg
Sparby

Swanson
Tunheim
Vanasek

Voss
Welch

Welle
Wenzel

Wynia
Speaker Sieben

Those who voted in the negative were:

Anderson, R.
Bennett
Bishop
Blatz
Burger
Dempsey
DenOuden
Dimler
Erickson
Evans
Findlay

Fjoslien
Frerichs
Gruenes
Gutknecht
Halberg
Haukoos
Heap
Heinitz
Himle
Hokr
Jennings

Johnson
Kvam
Levi
Ludeman
Marsh
McDonald
McKasy
Olsen
Omann
Onnen
Pauly

Piepho
Quist
Redalen
Reif
Rose
Schafer
Schreiber
Seaberg
Shaver
Sherman
Stadum

Svigum
Thiede
Uphus
Valan
Valento
Waltman
Welker
Wigley
Zaffke

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

Mr. Speaker:

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

H. F. No. 252, A bill for an act relating to occupations and professions; regulating the practice of dentistry; amending Minnesota Statutes 1982, sections 150A.05, subdivision 2; and 150A.11, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Bishop moved that the House concur in the Senate amendments to H. F. No. 252 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 252, A bill for an act relating to occupations and professions; regulating the practice of dentistry; amending Minnesota Statutes 1982, sections 150A.05, subdivision 2; and 150A.11, subdivision 1.

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

The question was taken on the repassage of the bill and the roll was called.

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

There were 123 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Knuth	Pauly	Simoneau
Anderson, G.	Ellingson	Kostohryz	Peterson	Skoglund
Anderson, R.	Erickson	Krueger	Piepho	Solberg
Battaglia	Evans	Kvam	Piper	Sparby
Beard	Findlay	Larsen	Price	Stadum
Begich	Fjoslien	Levi	Quinn	Sviggum
Bennett	Frerichs	Mann	Quist	Swanson
Bergstrom	Graba	Marsh	Redalen	Thiede
Berkelman	Greenfield	McDonald	Reif	Tunheim
Bishop	Gruenes	McKasy	Rice	Uphus
Blatz	Gustafson	Metzen	Riveness	Valan
Brandl	Gutknecht	Minne	Rodosovich	Valento
Brinkman	Halberg	Munger	Rodriguez, F.	Vanasek
Burger	Haukoos	Murphy	Rose	Vellenga
Carlson, D.	Heap	Nelson, D.	St. Onge	Voss
Carlson, L.	Heinitz	Nelson, K.	Sarna	Waltman
Clark, J.	Himle	Neuenschwander	Schafer	Welch
Clark, K.	Hoffman	Norton	Scheid	Welle
Clawson	Hokr	O'Connor	Schoenfeld	Wenzel
Cohen	Jacobs	Ogren	Schreiber	Wigley
Coleman	Jensen	Olsen	Seaberg	Wynia
Dempsey	Johnson	Omann	Segal	Zaffke
DenOuden	Kahn	Onnen	Shaver	Speaker Sieben
Dimler	Kalis	Osthoff	Shea	
Eken	Kelly	Otis	Sherman	

Those who voted in the negative were:

Jennings Ludeman Welker

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

Mr. Speaker:

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

S. F. Nos. 240, 278 and 427

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 428.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 240, A bill for an act relating to domestic abuse; protecting persons from abuse by former spouses and others; authorizing an arrest for violations of certain orders; amending Minnesota Statutes 1982, section 518B.01, subdivisions 2, 13, and 14.

The bill was read for the first time.

Clark, J., moved that S. F. No. 240 and H. F. No. 287, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 278, A bill for an act relating to Hennepin County; providing for financing of motor vehicle parking facilities; authorizing the issuance of general obligation or revenue bonds of the county; authorizing the construction of one off-street parking facility within the city of Minneapolis; amending Laws 1969, chapter 1037, section 1, subdivisions 1 and 2, and by adding a subdivision.

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

S. F. No. 427, A bill for an act relating to safety glazing material; establishing new requirements for the use of glazed safety glass in hazardous locations; amending Minnesota Statutes 1982, section 299G.13, subdivisions 3 and 10.

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

S. F. No. 428, A bill for an act relating to state government; extending the expiration date of certain advisory committees and councils; repealing certain inactive advisory councils, committees, and task forces; amending Minnesota Statutes 1982, sections 3.9223, subdivision 1; 4.31, subdivision 5; 11A.08, subdivision 4; 15.059, subdivision 5; 16.02, subdivision 28; 16.872, subdivision 3; 21.112, subdivision 2; 41.54, subdivision 2; 52.062, subdivisions 1 and 2; 115A.12, subdivision 1; 121.938; 123.581, subdivision 1; 126.531; 145.919; 145.93, subdivision 3; 145.98, subdivision 1; 148.191, subdivision 2; 152.02, subdivision 13; 155A.06, subdivision 5; 156A.06, subdivision 1; 161.1419, by adding a subdivision; 198.055, by adding a subdivision; 241.64; 241.71; 246.017, subdivision 2; 256B.58; 268.12, subdivision 6; and 507.09; Laws 1975, chapter 235, section 2; Laws 1976, chapter 314, section 3; and Laws 1980, chapter 614, section 192; repealing Minnesota Statutes 1982, sections 16.91; 16.853; 31.60, subdivisions 2 and 3; 43A.31, subdivision 4; 52.061; 52.062, subdivision 3; 82.30; 84.524; 86A.10; 115A.12, subdivision 2; 116J.04; 121.934; 123.581, subdivisions 2, 3, 4, 5, and 7; 124.215;

128A.03; 129B.09, subdivision 8; 136A.02, subdivision 6; 141.24; 144.011, subdivision 2; 144.571; 144A.17; 144A.55; 145.93, subdivision 2; 151.13, subdivision 2; 152.02, subdivision 11; 184.23; 214.14; 222.65; 245.84, subdivision 4; and 363.04, subdivisions 4, 4a, and 5.

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 371

A bill for an act relating to transportation; making scheduled increases in taxes on gasoline and special fuel; delaying the effective date of changes in the disposition of the revenue from the motor vehicle excise tax; providing for the addition of designated routes in the trunk highway system; authorizing the issuance of trunk highway bonds; eliminating the authority of the metropolitan transit commission to levy a certain tax; creating a town road account in the county state-aid highway fund; providing for the apportionment of five percent of the net highway user tax distribution fund; proposing new law coded in Minnesota Statutes, chapters 162 and 169; amending Minnesota Statutes 1982, sections 161.081; 161.082, subdivision 2a; 296.01, subdivision 24; 296.02; 296.14, subdivision 2; 296.18, by adding a subdivision; 297B.09; and 473.446, subdivision 1.

March 29, 1983

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 371, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 371 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 161.081, is amended to read:

161.081 [HIGHWAY USER TAX, DISTRIBUTION OF PORTION OF PROCEEDS.]

Pursuant to article 14, section 5, of the constitution, five percent of the net highway user tax distribution fund is set aside, and apportioned as follows:

(1) (60) 51 percent to the trunk highway fund;

(2) (31) 41 percent to a separate account in the county state-aid highway fund to be known as the county turnback account, which account in the state treasury is hereby created;

(3) (9) 8 percent to a separate account in the municipal state-aid street fund to be known as the municipal turnback account, which account in the state treasury is hereby created.

Sec. 2. Minnesota Statutes 1982, section 161.082, subdivision 2a, is amended to read:

Subd. 2a. An amount equal to (32) 20 percent of the county turnback account (SHALL) *must* be expended, within counties having two or more towns, on town road bridge structures that are 10 feet or more in length *and on town road culverts that replace existing town road bridges*. The expenditures on (SUCH) bridge structures *and culverts* may be on a matching basis, and if on a matching basis, not more than 90 percent of the cost of (ANY SUCH) a bridge structure (SHALL) *or culvert may* be paid from the county turnback account.

An amount equal to 37 percent of the county turnback account must be set aside as a town road account and distributed as provided in section 3.

Sec. 3. [162.081] [TOWN ROAD ACCOUNT.]

Subdivision 1. [ACCOUNT CREATED.] A town road account is created in the county state-aid highway fund, consisting of 37 percent of the county turnback account as provided in section 161.082.

Subd. 2. [FORMULA.] Funds in the town road account must be apportioned to each county so that each county receives the percentage that the total miles of town road in the county bears to the total miles of town roads in the state.

Subd. 3. [APPORTIONMENT.] When the commissioner determines the amount of money to be apportioned to each county under section 162.07, he shall also determine the amounts in the town road account to be apportioned under subdivision 2. The apportionment under subdivision 2 must be included in the statement sent to the commissioner of finance and the county auditor and county engineer of each county under section 162.08, subdivision 2. The amounts so apportioned and allocated to each county from the town road account must be paid by the state to the trea-

suror of each county at the same time that payments are made under section 162.08, subdivision 2.

Subd. 4. [PURPOSES.] Money apportioned to a county from the town road account must be distributed to the treasurer of each town within the county, according to a distribution formula adopted by the county board. The formula must take into account each town's levy for road and bridge purposes, its population and town road mileage, and other factors as the county board deems advisable in the interests of achieving equity among the towns. Distribution of town road funds to the treasurer of the towns must be made within 30 days of the receipt of the funds by the county treasurer. Distribution of funds to town treasurers in a county which has not adopted a distribution formula under this subdivision must be made according to a formula prescribed by the commissioner by rule. A formula adopted by a county board or by the commissioner must provide that a town, in order to be eligible for distribution of funds from the town road account in a calendar year, must have levied in the previous year for road and bridge purposes at least two mills on the dollar of the assessed value of the town.

Money distributed to a town under this subdivision may be expended by the town only for the construction and reconstruction of town roads within the town.

Sec. 4. Minnesota Statutes 1982, section 167.50, subdivision 2, is amended to read:

Subd. 2. The bonds shall be issued and sold upon sealed bids after two weeks' published notice. They shall mature serially over a term not exceeding 20 years from their respective dates of issue (, and shall not be sold for less than par and accrued interest (, AND SHALL NOT BEAR INTEREST AT A GREATER RATE THAN FIVE PERCENT PER ANNUM). Subject to the foregoing limitations, and subject to any other limitations stated in the acts authorizing the bonds and appropriating the proceeds thereof, but not subject to the provisions of sections 14.02, 14.04 to 14.36, 14.38, 14.44 to 14.45, and 14.57 to 14.62, the bonds shall be issued and sold in the number of series, at times, in the form and denominations, bearing interest at the rate or rates, maturing on dates, either without option of prior redemption or subject to prepayment upon notice and at the times and prices, payable at the bank or banks, within or without the state, with provisions for registration, conversion, and exchange and for the issuance of notes in anticipation of the sale and delivery of definitive bonds, and in accordance with such further regulations, as the commissioner of finance may determine. The bonds shall be executed by the commissioner of finance and attested by the state treasurer under their official seals. The signature of one of these officers on the face of any bond, and their seals, and the signatures of both officers on the interest coupons appurtenant to any

bond, may be printed, lithographed, stamped, or engraved thereon.

Sec. 5. [169.833] [ADDITION OF TRUNK HIGHWAYS TO DESIGNATED ROUTE SYSTEM.]

Subdivision 1. [IDENTIFICATION OF PROJECTS.] The commissioner shall develop a priority list of trunk highway routes to be added to the system of routes designated under section 169.832. The commissioner shall consult with representatives of the trucking, shipping, and agricultural industries and local authorities in developing the list. A route shall be added to the designated route system after completion of road improvements that provide road strength adequate to carry the permissible weights under section 169.825 or when the commissioner otherwise determines that designation of a route is reasonable.

Subd. 2. [FUNDING OF ADDITIONS TO THE SYSTEM.] On July 1 of each year the commissioner of finance shall certify to the commissioner the estimated increase in revenue to the trunk highway fund resulting from the increase in the gasoline and special fuel excise tax under section 7. The commissioner shall expend 15 percent of the increase in revenue to the trunk highway fund resulting from the increase in the gasoline and special fuel excise tax under section 7 and 15 percent of future increases in gasoline and special fuel excise tax revenues to the trunk highway fund for the purposes of subdivision 1. In the event that actual expenditures during any fiscal year are less or greater than 15 percent when compared to actual revenue the commissioner shall adjust his expenditures for the purpose of subdivision 1 for the following years in order to achieve compliance with this subdivision.

Sec. 6. Minnesota Statutes 1982, section 296.01, subdivision 24, is amended to read:

Subd. 24. [AGRICULTURAL ALCOHOL GASOLINE.]
"Agricultural alcohol gasoline" means a gasoline blend at least ten percent of which is (AGRICULTURAL) agriculturally derived fermentation ethyl alcohol of (AT LEAST 190 PROOF) a purity of at least 99 percent, determined without regard to any added denaturants, denatured in conformity with one of the approved methods set forth by the United States Department of Treasury, Bureau of Alcohol, Tobacco and Firearms, and derived from agricultural or forest products or other renewable resources, distilled in the United States and derived from agricultural products produced in the United States.

Sec. 7. Minnesota Statutes 1982, section 296.02, is amended to read:

296.02 [GASOLINE, EXCISE TAX.]

Subdivision 1. [TAX IMPOSED FOR MOTOR VEHICLE USE.] There is (HEREBY) imposed an excise tax (OF 13 CENTS PER GALLON) on (ALL) gasoline used in producing and generating power for propelling motor vehicles used on the public highways of this state. This tax (SHALL BE) is payable at the times, in the manner, and by persons specified in this chapter. *The tax is payable at the rate specified in subdivision 1b.*

(a) Notwithstanding any other provision of law to the contrary, the tax imposed on special fuel sold by a qualified service station (SHALL) *may not exceed, or the tax on gasoline delivered to a qualified service station (SHALL) must be reduced to, a rate not more than (3) three cents per gallon above the state tax rate imposed on such products sold by a service station in a contiguous state located within the distance indicated in clause (b).*

(b) A "qualifying service station" means a service station located within 7.5 miles, measured by the shortest route by public road, from a service station selling like product in the contiguous state.

(c) A qualified service station shall be allowed a credit by the supplier or distributor, or both, for the amount of reduction computed in accordance with clause (a).

A qualified service station, before receiving the credit, shall be registered with the commissioner of revenue.

Subd. 1a. [EXCEPTION.] The provisions of subdivision 1 do not apply to gasoline purchased by a transit system owned by one or more statutory or home rule charter cities or towns.

Subd. 1b. [RATES IMPOSED.] *The gasoline excise tax is imposed at the following rates:*

(a) *For the period beginning on the first day of the month following the month of final enactment of this act, or on the first day of the second month following the month of final enactment of this act if the date of final enactment of this act is within 15 days of the end of the month, and ending December 31, 1983, gasoline is taxed at the rate of 16 cents per gallon.*

(b) *For the period on and after January 1, 1984, gasoline is taxed at the rate of 17 cents per gallon.*

Subd. 2. [GASOLINE TAX IMPOSED FOR AVIATION USE.] Subject to the provisions of section 296.18, subdivision 4, there is (HEREBY) imposed an excise tax, at the same rate per gallon as the gasoline excise tax, on all aviation gasoline received, sold, stored, or withdrawn from storage in this state.

This tax (SHALL BE) is payable at the times, in the manner, and by persons specified in sections 296.01 to 296.27.

Subd. 3. [EXCEPTION.] The provisions of subdivision 2 do not apply to aviation gasoline purchased and placed in the fuel tanks of an aircraft outside this state, even though (SUCH) the gasoline may be consumed within this state.

Subd. 4. [TAX NOT ON CONSUMPTION.] The tax imposed by subdivision 2 is expressly declared not to be a tax upon consumption of aviation gasoline by an aircraft.

Subd. 6. [TAX IMPOSED FOR MARINE USE.] Subject to the provisions of section 296.18, subdivision 1, there is (HEREBY) imposed an excise tax, at the same rate per gallon as the gasoline excise tax, on all marine gasoline received, sold, stored, or withdrawn from storage in this state. This tax (SHALL BE) is payable at the times, in the manner, and by persons specified in sections 296.01 to 296.27.

Subd. 7. [TAX REDUCTION FOR AGRICULTURAL ALCOHOL GASOLINE.] (THE TAX ON GASOLINE IMPOSED BY SUBDIVISION 1 SHALL BE REDUCED BY FOUR CENTS PER GALLON FOR GASOLINE WHICH IS AGRICULTURAL ALCOHOL GASOLINE AS DEFINED IN SECTION 296.01, SUBDIVISION 24, WHICH IS BLENDED BY A DISTRIBUTOR WITH ALCOHOL DISTILLED IN THIS STATE FROM AGRICULTURAL PRODUCTS PRODUCED IN THIS STATE, AND WHICH IS USED IN PRODUCING AND GENERATING POWER FOR PROPELLING MOTOR VEHICLES USED ON THE PUBLIC HIGHWAYS OF THIS STATE. THE TAX IMPOSED BY THIS SUBDIVISION SHALL BE PAYABLE AT THE SAME TIME, AND COLLECTED IN THE SAME MANNER, AS THE TAX IMPOSED BY SUBDIVISION 1. THE REDUCTION IN GASOLINE TAXES IMPOSED BY THIS SUBDIVISION SHALL EXPIRE ON DECEMBER 31, 1984.) *The tax on gasoline imposed by subdivision 1 shall be reduced by two cents per gallon beginning July 1, 1983, and continuing through June 30, 1985, and four cents per gallon beginning July 1, 1985, and continuing through June 30, 1992, for gasoline which is agricultural alcohol gasoline as defined in section 296.01, subdivision 24, which is blended by a distributor with alcohol distilled in the United States from agricultural products produced in the United States, and which is used on the public highways of this state. The tax imposed by this subdivision shall be payable at the same time, and collected in the same manner, as the tax imposed by subdivision 1.*

Subd. 8. [TAX REDUCTION FOR AGRICULTURAL ALCOHOL GASOLINE SOLD IN BULK TO GOVERNMENT OR FOR SCHOOL TRANSPORTATION.] *The tax on gasoline imposed by subdivision 1 shall be reduced by eight cents per gallon beginning January 1, 1984, and continuing through June*

30, 1992, for gasoline which is agricultural alcohol gasoline as defined in section 296.01, subdivision 24, meets the criteria established in subdivision 7, and is sold in bulk to the state, local units of government, or for use in the transportation of pupils to and from school or school-related events in school buses. This reduction is in lieu of the reductions provided in subdivision 7.

Sec. 8. Minnesota Statutes 1982, section 296.14, subdivision 2, is amended to read:

Subd. 2. [CREDIT OR REFUND OF TAX PAID.] The commissioner shall allow the distributor credit or refund of the tax paid on gasoline and special fuel:

(1) Exported or sold for export from the state, other than in the supply tank of a motor vehicle or of an aircraft;

(2) Sold to the United States government or to any "cost plus a fixed fee" contractor employed by the United States government on any national defense project;

(3) Sold to another licensed distributor;

(4) Destroyed by accident while in the possession of the distributor;

(5) In error;

(6) *Sold for storage in an on-farm bulk storage tank, if the tax was not collected on the sale;*

(7) In such other cases as the commissioner may permit, not inconsistent with the provisions of this chapter and other laws relating to the gasoline and special fuel excise taxes.

Sec. 9. Minnesota Statutes 1982, section 296.18, is amended by adding a subdivision to read:

Subd. 3a. [PENALTY FOR ILLEGAL USE OF TAX-EXEMPT GASOLINE.] *A person who uses gasoline, delivered into an on-farm bulk storage tank and on which no tax has been collected, for propelling a motor vehicle on the public highways of this state is guilty of a misdemeanor.*

Sec. 10. Minnesota Statutes 1982, section 296.14, subdivision 4, is amended to read:

Subd. 4. [PAYMENT AND TRANSFER OF TAX ON GASOLINE SOLD FOR STORAGE IN ON-FARM BULK STORAGE]

AGE AND ETHYL ALCOHOL FOR PERSONAL USE.] Notwithstanding the provisions of this section, the producer of ethyl alcohol which is produced for personal use and not for sale in the usual course of business *and a farmer who uses gasoline on which a tax has not been paid* shall report and pay the tax on all ethyl alcohol *or gasoline* delivered into the supply tank of a licensed motor vehicle during the preceding calendar year. The tax shall be reported and paid together with the income tax return of the taxpayer. The commissioner of revenue shall transfer the amount collected in each calendar year to the highway user tax distribution fund by March 30 of the following taxable year. Any producer, qualifying under this subdivision, shall be exempt from the licensing requirements contained in section 296.01, subdivision 1.

Sec. 11. Minnesota Statutes 1982, section 297B.09, is amended to read:

297B.09 [ALLOCATION OF REVENUE.]

Subdivision 1. [GENERAL FUND SHARE.] (ALL MONEYS) *Money* collected and received under this chapter (SHALL) *must* be deposited in the state treasury and credited as follows:

(a) All of the proceeds collected before (JUNE 30, 1983) *July 1, 1985*, (SHALL) *must* be credited to the general fund (;).

(b) Three-fourths of the proceeds collected after June 30, (1983) *1985*, and before July 1, (1985) *1987*, (SHALL) *must* be credited to the general fund (;).

(c) One-half of the proceeds collected after June 30, (1985) *1987*, and before July 1, (1987) *1989*, (SHALL) *must* be credited to the general fund (;).

(d) One-fourth of the proceeds collected after June 30, (1987) *1989*, and before July 1, (1989) *1991*, (SHALL) *must* be credited to the general fund (;).

(e) After June 30, (1989) *1991*, none of the proceeds collected (SHALL) *may* be credited to the general fund.

Subd. 2. [HIGHWAY USER TAX DISTRIBUTION FUND AND TRANSIT ASSISTANCE FUND SHARE.] The proceeds collected under this chapter and not credited to the general fund (SHALL) *must* be deposited in the highway user tax distribution fund and the transit assistance fund for apportionment in the following manner:

(a) None of the proceeds collected before (JUNE 30, 1983) *July 1, 1985*, (SHALL) *may* be credited to either fund.

(b) 18.75 percent of the proceeds collected after June 30, (1983) 1985, and before July 1, (1985) 1987, (SHALL) *must* be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 6.25 percent of the proceeds (SHALL) *must* be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(c) 37.5 percent of the proceeds collected after June 30, (1985) 1987, and before July 1, (1987) 1989, (SHALL) *must* be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 12.5 percent of the proceeds (SHALL) *must* be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(d) 56.25 percent of the proceeds collected after June 30, (1987) 1989, and before July 1, (1989) 1991, (SHALL) *must* be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 18.75 percent of the proceeds (SHALL) *must* be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(e) 75 percent of the proceeds collected after June 30, (1989) 1991, (SHALL) *must* be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 25 percent of the proceeds (SHALL) *must* be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

Sec. 12. [TRUNK HIGHWAY BONDS.]

The commissioner of finance is authorized and directed, on request of the commissioner of transportation, to issue and sell Minnesota trunk highway bonds under the provisions of Minnesota Statutes, sections 167.50 to 167.52 and of the Minnesota Constitution, article XI, sections 4 to 6, and article XIV, section 11, at the time and in the amounts requested by the commissioner of transportation. Bonds issued under this section are authorized in an aggregate principal amount of \$56,000,000.

Sec. 13. Minnesota Statutes 1982, section 473.446, subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, except as otherwise provided in this subdivision the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

(a) An amount equal to two mills times the assessed value of all such property, the proceeds of which shall be used for payment of the expenses of operating transit and paratransit service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued pursuant to section 473.436 for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the commission has specifically pledged tax levies under this clause.

(IN ANY STATUTORY OR HOME RULE CHARTER CITY OR TOWN IN THE METROPOLITAN TRANSIT TAXING DISTRICT WHICH IS RECEIVING FINANCIAL ASSISTANCE UNDER SECTION 174.265, THE COMMISSION SHALL LEVY A TAX EQUAL TO TEN PERCENT OF THE SUM OF LEVIES PROVIDED FOR IN CLAUSES (A) TO (C), PLUS A LEVY SUFFICIENT TO YIELD THE AMOUNTS OF AVAILABLE LOCAL TRANSIT FUNDS TRANSFERRED PURSUANT TO SECTION 174.265 FROM THE STATE ASSISTANCE AVAILABLE TO THE COMMISSION, LESS ANY AMOUNT PAID TO THE COMMISSION BY THE CITY OR TOWN UNDER A CONTRACT FOR SERVICE ENTERED INTO PURSUANT TO SUBDIVISION 2.)

Sec. 14. [HIGHWAY STUDY COMMISSION.]

Subdivision 1. [MEMBERSHIP.] A highway study commission is created to consist of five members of the house of representatives appointed by the speaker of the house, five members of the senate appointed by the senate committee on committees, and eight members appointed by the governor. Of the members appointed by the governor two must be county commissioners, two must be township supervisors, two must be mayors of cities over 5,000 population, two must be mayors of cities under 5,000 population and not more than one member may reside in any one congressional district. The commission shall select from its membership a chairman and other officers it deems necessary.

Subd. 2. [DUTIES OF COMMISSION.] The commission shall study:

(1) A functional classification of all roads in the state of Minnesota, using criteria established by the United States department of transportation and such other criteria as are deemed necessary by the commission. In classifying roads the commission shall make use of work already done by regional development commission and the metropolitan council.

(2) The existing jurisdiction of all roads in the state and their appropriate jurisdiction based on functional classification.

(3) The attitudes of local units of government toward changes in highway jurisdiction.

(4) Potential obstacles to transfers of highway jurisdiction, including transfers of support facilities and maintenance personnel.

(5) Changes in the constitutional distribution of highway user funds which may be required as a part of any transfer of jurisdiction.

(6) Existing and potential government structures to accomplish jurisdictional transfers on a continuing basis.

(7) Timetables for implementing any jurisdictional transfers.

Subd. 3. [REPORT.] The commission shall not later than January 15, 1985, submit a report to the legislature and the governor on the issues assigned to it for study, and shall cease to function after that date.

Subd. 4. [STAFF.] The commission shall utilize existing legislative staff and facilities. The department of transportation shall also provide staff and technical assistance to the commission.

Subd. 5. [EXPENSES.] The compensation of nonlegislator members, their removal from office, and the filling of vacancies is as provided in section 15.059, subdivisions 3 and 4. Members who are legislators shall be compensated in the same manner as other legislative meetings.

Subd. 6. [APPROPRIATION.] There is appropriated from the general fund the sum of \$7,000 or so much thereof as is necessary to the legislative coordinating commission to pay compensation of nonlegislator members of the commission. This appropriation is available until January 15, 1985.

Sec. 15. [EFFECTIVE DATE.]

Sections 4, 12, and 13 are effective the day following final enactment. Sections 6 and 7 are effective on the first day of the month following the month of final enactment or on the first day of the second month following the month of final enactment if the date of final enactment is within 15 days of the end of the month, and applies to all gasoline in distributor storage on that effective date, except that the tax rate which becomes effective on January 1, 1984, applies to all gasoline in distributor storage on that date. Sections 5 and 11 are effective July 1, 1983. Sections 1 to 3 are effective on the effective date provided for sections 6 and 7 for apportionments made after that date."

Amend the title as follows:

"A bill for an act relating to transportation; making scheduled increases in taxes on gasoline and special fuel; delaying the effective date of changes in the disposition of the revenue from the motor vehicle excise tax; providing for the improvement of certain trunk highways; authorizing the issuance of trunk highway bonds; eliminating the authority of the metropolitan transit commission to levy a certain tax; creating a town road account in the county state-aid highway fund; providing for the apportionment of five percent of the net highway user tax distribution fund; repealing a limitation on interest rates for trunk highway bonds; creating a study commission; appropriating money; providing a penalty; amending Minnesota Statutes 1982, sections 161.081; 161.082, subdivision 2a; 167.50, subdivision 2; 296.01, subdivision 24; 296.02; 296.14, subdivisions 2 and 4; 296.18, by adding a subdivision; 297B.09; and 473.446, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 162 and 169."

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

House Conferees: BOB JENSEN, JAMES I. RICE and GLEN H. ANDERSON.

Senate Conferees: CLARENCE M. PURFEERST, DOUGLAS J. JOHNSON, COLLIN C. PETERSON, STEVEN G. NOVAK and GENE WALDORF.

Jensen moved that the report of the Conference Committee on H. F. No. 371 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 371, A bill for an act relating to transportation; making scheduled increases in taxes on gasoline and special fuel; delaying the effective date of changes in the disposition of the revenue from the motor vehicle excise tax; providing for the addition of designated routes in the trunk highway system; authorizing the issuance of trunk highway bonds; eliminating

the authority of the metropolitan transit commission to levy a certain tax; creating a town road account in the county state-aid highway fund; providing for the apportionment of five percent of the net highway user tax distribution fund; proposing new law coded in Minnesota Statutes, chapters 162 and 169; amending Minnesota Statutes 1982, sections 161.081; 161.082, subdivision 2a; 296.01, subdivision 24; 296.02; 296.14, subdivision 2; 296.18, by adding a subdivision; 297B.09; and 473.446, subdivision 1.

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

The question was taken on the repassage of the bill and the roll was called.

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

There were 68 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Krueger	Piper	Sparby
Anderson, G.	Elioff	Larsen	Price	Staten
Battaglia	Ellingson	Mann	Quinn	Swanson
Beard	Graba	Metzen	Rice	Tomlinson
Begich	Greenfield	Minne	Riveness	Tunheim
Bergstrom	Gustafson	Munger	Rodriguez, C.	Vanasek
Berkelman	Hoffman	Murphy	Rodriguez, F.	Voss
Brandl	Jacobs	Nelson, D.	St. Onge	Welch
Carlson, L.	Jensen	Neuenschwander	Sarna	Welle
Clark, J.	Kahn	O'Connor	Scheid	Wenzel
Clark, K.	Kalis	Ogren	Segal	Wynia
Clawson	Kelly	Osthoff	Simoneau	Speaker Sieben
Cohen	Knuth	Otis	Skoglund	
Coleman	Kostohryz	Peterson	Solberg	

Those who voted in the negative were:

Anderson, R.	Fjoslien	Kvam	Pauly	Sherman
Bennett	Frerichs	Levi	Piepho	Stadum
Bishop	Gruenes	Ludeman	Quist	Sviggum
Blatz	Gutknecht	Marsh	Reif	Thiede
Brinkman	Halberg	McDonald	Rodosovich	Uphus
Burger	Haukoos	McEachern	Rose	Valan
Carlson, D.	Heap	McKasy	Schafer	Valento
DenOuden	Heinitz	Nelson, K.	Schoenfeld	Waltman
Dimler	Hindle	Norton	Schreiber	Welker
Erickson	Hokr	Olsen	Seaberg	Wigley
Evans	Jennings	Omann	Shaver	Zaffke
Findlay	Johnson	Onnen	Shea	

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

CALL OF THE HOUSE LIFTED

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

CONSENT CALENDAR

H. F. No. 74, A bill for an act relating to notaries public; increasing the fees they may charge; amending Minnesota Statutes 1982, section 357.17.

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:

Anderson, B.	Ellingson	Kostohryz	Otis	Simoneau
Anderson, G.	Erickson	Krueger	Pauly	Skoglund
Anderson, R.	Evans	Kvam	Peterson	Solberg
Battaglia	Fjoslien	Larsen	Piepho	Sparby
Beard	Frerichs	Levi	Piper	Stadum
Begich	Graba	Ludeman	Price	Staten
Bennett	Greenfield	Mann	Quinn	Swiggum
Bergstrom	Gruenes	Marsh	Quist	Swanson
Berkelman	Gustafson	McDonald	Redalen	Thiede
Bishop	Gutknecht	McEachern	Reif	Tomlinson
Blatz	Halberg	McKasy	Rice	Tunheim
Brandl	Haukoos	Metzen	Riveness	Uphus
Brinkman	Heap	Minne	Rodosovich	Valan
Burger	Heinitz	Munger	Rodriguez, C.	Valento
Carlson, D.	Himle	Murphy	Rodriguez, F.	Vanasek
Carlson, L.	Hoffman	Nelson, D.	Rose	Vellenga
Clark, J.	Hokr	Nelson, K.	St. Onge	Waltman
Clark, K.	Jacobs	Neuenschwander	Sarna	Welch
Cohen	Jennings	Norton	Schafer	Welker
Coleman	Jensen	O'Connor	Scheid	Welle
Dempsey	Johnson	Ogren	Schoenfeld	Wenzel
DenOuden	Kahn	Olsen	Schreiber	Wigley
Dimler	Kalis	Omann	Seaberg	Wynia
Eken	Kelly	Onnen	Shea	Zaffke
Elioff	Knuth	Osthoff	Sherman	Speaker Sieben

The bill was passed and its title agreed to.

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

H. F. No. 132, A bill for an act relating to state lands; authorizing the sale and conveyance of a certain tract of tax-forfeited land by Sherburne County.

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:

Anderson, B.	Elioff	Krueger	Peterson	Solberg
Anderson, G.	Ellingson	Kvam	Piepho	Sparby
Anderson, R.	Erickson	Larsen	Piper	Stadum
Battaglia	Evans	Levi	Price	Staten
Beard	Findlay	Ludeman	Quist	Sviggum
Begich	Fjoslien	Mann	Redalen	Swanson
Bennett	Frerichs	Marsh	Reif	Thiede
Bergstrom	Graba	McDonald	Rice	Tomlinson
Berkelman	Greenfield	McEachern	Riveness	Tunheim
Bishop	Gruenes	McKasy	Rodosovich	Uphus
Blatz	Gustafson	Metzen	Rodriguez, C.	Valan
Brandl	Haukoos	Minne	Rodriguez, F.	Valento
Brinkman	Heap	Murphy	St. Onge	Vanasek
Burger	Heinitz	Nelson, D.	Sarna	Vellenga
Carlson, D.	Himle	Nelson, K.	Schafer	Voss
Carlson, L.	Hoffman	Neuenschwander	Scheid	Waltman
Clark, J.	Hokr	Norton	Schoenfeld	Welch
Clark, K.	Jacobs	O'Connor	Schreiber	Welker
Clawson	Jensen	Ogren	Seaberg	Welle
Cohen	Johnson	Olsen	Segal	Wenzel
Coleman	Kahn	Omann	Shayer	Wigley
Dempsey	Kalis	Onnen	Shea	Wynia
DenOuden	Kelly	Osthoff	Sherman	Zaffke
Dimler	Knuth	Otis	Simoneau	Speaker Sieben
Eken	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 231, A bill for an act relating to motor vehicles; increasing the time allowed to complete certain activities involving motor vehicle transfers to 21 days; amending Minnesota Statutes 1982, section 168.092, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clawson	Gutknecht	Larsen	Olsen
Anderson, G.	Cohen	Haukoos	Levi	Omann
Anderson, R.	Coleman	Heap	Ludeman	Onnen
Battaglia	Dempsey	Heinitz	Mann	Osthoff
Beard	DenOuden	Himle	Marsh	Otis
Begich	Dimler	Hoffman	McDonald	Pauly
Bennett	Eken	Hokr	McEachern	Peterson
Bergstrom	Elioff	Jacobs	McKasy	Piepho
Berkelman	Ellingson	Jennings	Metzen	Piper
Bishop	Erickson	Jensen	Minne	Price
Blatz	Evans	Johnson	Munger	Quist
Brandl	Findlay	Kahn	Murphy	Redalen
Brinkman	Fjoslien	Kalis	Nelson, D.	Reif
Burger	Frerichs	Kelly	Nelson, K.	Rice
Carlson, D.	Graba	Knuth	Neuenschwander	Riveness
Carlson, L.	Greenfield	Kostohryz	Norton	Rodosovich
Clark, J.	Gruenes	Krueger	O'Connor	Rodriguez, C.
Clark, K.	Gustafson	Kvam	Ogren	Rodriguez, F.

Rose	Segal	Stadum	Valan	Welle
St. Onge	Shaver	Staten	Valento	Wenzel
Sarna	Shea	Swiggum	Vanasek	Wigley
Schafer	Sherman	Swanson	Vellenga	Wynia
Scheid	Simoneau	Thiede	Voss	Zaffke
Schoenfeld	Skoglund	Tomlinson	Waltman	Speaker Sieben
Schreiber	Solberg	Tunheim	Welch	
Seaberg	Sparby	Uphus	Welker	

The bill was passed and its title agreed to.

H. F. No. 277, A bill for an act relating to the city of Virginia; authorizing increases in service pensions and survivor benefits for certain retired members and survivors of the Virginia firefighter's relief association.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Krueger	Peterson	Solberg
Anderson, G.	Erickson	Kvam	Piepho	Sparby
Anderson, R.	Evans	Larsen	Piper	Stadum
Battaglia	Findlay	Levi	Price	Staten
Beard	Fjoslien	Ludeman	Quist	Swiggum
Begich	Frerichs	Mann	Redalen	Swanson
Bennett	Graba	Marsh	Reif	Thiede
Bergstrom	Greenfield	McDonald	Rice	Tomlinson
Berkelman	Gruenes	McEachern	Riveness	Tunheim
Bishop	Gustafson	McKasy	Rodosovich	Uphus
Blatz	Gutknecht	Metzen	Rodriguez, C.	Valan
Brandl	Haukoos	Minne	Rodriguez, F.	Valento
Brinkman	Heap	Munger	Rose	Vanasek
Burger	Heinitz	Murphy	St. Onge	Voss
Carlson, D.	Himle	Nelson, D.	Sarna	Waltman
Carlson, L.	Hoffman	Nelson, K.	Schafer	Welch
Clark, J.	Hokr	Neuenschwander	Scheid	Welker
Clark, K.	Jacobs	Norton	Schoenfeld	Welle
Clawson	Jennings	O'Connor	Schreiber	Wenzel
Cohen	Jensen	Ogren	Seaberg	Wigley
Coleman	Johnson	Olsen	Segal	Wynia
Dempsey	Kahn	Omama	Shaver	Zaffke
DenOuden	Kalis	Onnen	Shea	Speaker Sieben
Dimler	Kelly	Osthoff	Sherman	
Eken	Knuth	Otis	Simoneau	
Elioff	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 396, A bill for an act relating to retirement; authorizing benefit increases for retired Eveleth police officers, firefighters, and surviving spouses.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Krueger	Peterson	Solberg
Anderson, G.	Erickson	Kvam	Piepho	Sparby
Anderson, R.	Evans	Larsen	Piper	Stadum
Battaglia	Findlay	Levi	Price	Staten
Beard	Fjoslien	Ludeman	Quist	Sviggum
Begich	Frerichs	Mann	Redalen	Swanson
Bennett	Graba	Marsh	Reif	Thiede
Bergstrom	Greenfield	McDonald	Rice	Tomlinson
Berkelman	Gruenes	McEachern	Riveness	Tunheim
Bishop	Gustafson	McKasy	Rodosovich	Upphus
Blatz	Gutknecht	Metzen	Rodriguez, C.	Valan
Brandl	Haukoos	Minne	Rodriguez, F.	Valento
Brinkman	Heap	Munger	Rose	Vanasek
Burger	Heinitz	Murphy	St. Onge	Vellenga
Carlson, D.	Himle	Nelson, D.	Sarna	Voss
Carlson, L.	Hoffman	Nelson, K.	Schafer	Waltman
Clark, J.	Hokr	Neuenschwander	Scheid	Welch
Clark, K.	Jacobs	Norton	Schoenfeld	Welker
Clawson	Jennings	O'Connor	Schreiber	Welle
Cohen	Jensen	Ogren	Seaberg	Wenzel
Coleman	Johnson	Olsen	Segal	Wigley
Dempsey	Kahn	Omann	Shaver	Wynia
DenOuden	Kalis	Ommen	Shea	Zaffke
Dimler	Kelly	Osthoff	Sherman	Speaker Sieben
Eken	Knuth	Otis	Simoneau	
Elioff	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 552, A bill for an act relating to elections; recodifying the municipal elections law; amending Minnesota Statutes 1982, sections 205.02; 205.07, subdivision 1; 205.10; 205.13; 205.16; 205.17; 205.20; and 205.84; proposing new law coded in Minnesota Statutes, chapter 205; repealing Minnesota Statutes 1982, sections 205.03; 205.04; 205.11; 205.14; 205.15; 205.19; and 205.21.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bishop	Clawson	Erickson	Gutknecht
Anderson, G.	Blatz	Cohen	Evans	Haukoos
Anderson, R.	Brandl	Coleman	Findlay	Heap
Battaglia	Brinkman	Dempsey	Fjoslien	Heinitz
Beard	Burger	DenOuden	Frerichs	Himle
Begich	Carlson, D.	Dimier	Graba	Hoffman
Bennett	Carlson, L.	Eken	Greenfield	Hokr
Bergstrom	Clark, J.	Elioff	Gruenes	Jacobs
Berkelman	Clark, K.	Ellingson	Gustafson	Jennings

Jensen	Metzen	Piper	Seaberg	Valan
Johnson	Minne	Price	Segal	Valento
Kahn	Munger	Quist	Shaver	Vanasek
Kalis	Murphy	Redalen	Shea	Vellenga
Kelly	Nelson, D.	Reif	Sherman	Voss
Knuth	Nelson, K.	Rice	Simoneau	Waltman
Kostohryz	Neuenschwander	Riveness	Skoglund	Welch
Krueger	Norton	Rodosovich	Solberg	Welker
Kvam	Ogren	Rodriguez, C.	Sparby	Welle
Larsen	Olsen	Rodriguez, F.	Stadum	Wenzel
Levi	Omann	Rose	Staten	Wigley
Ludeman	Onnen	St. Onge	Sviggum	Wynia
Mann	Osthoff	Sarna	Swanson	Zaffke
Marsh	Otis	Schafer	Thiede	Speaker Sieben
McDonald	Pauly	Scheid	Tomlinson	
McEachern	Peterson	Schoenfeld	Tunheim	
McKasy	Piepho	Schreiber	Uphus	

The bill was passed and its title agreed to.

H. F. No. 597, A bill for an act relating to retirement; adding a correctional employees plan member to the state retirement system board; consolidating and eliminating obsolete language; amending Minnesota Statutes 1982, sections 352.03, subdivision 1; and 352B.29.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Skoglund
Anderson, G.	Erickson	Krueger	Peterson	Solberg
Anderson, R.	Evans	Kvam	Piepho	Sparby
Battaglia	Findlay	Larsen	Piper	Stadum
Beard	Fjoslien	Levi	Price	Staten
Begich	Frerichs	Ludeman	Quist	Sviggum
Bennett	Graba	Mann	Redalen	Swanson
Bergstrom	Greenfield	Marsh	Reif	Thiede
Berkelman	Gruenes	McDonald	Rice	Tomlinson
Bishop	Gustafson	McEachern	Riveness	Tunheim
Blatz	Gutknecht	McKasy	Rodosovich	Uphus
Brandl	Halberg	Metzen	Rodriguez, C.	Valan
Brinkman	Haukoos	Minne	Rodriguez, F.	Valento
Burger	Heap	Munger	Rose	Vanasek
Carlson, D.	Heinitz	Murphy	St. Onge	Vellenga
Carlson, L.	Himle	Nelson, D.	Sarna	Voss
Clark, J.	Hoffman	Nelson, K.	Schafer	Waltman
Clark, K.	Hokr	Neuenschwander	Scheid	Welch
Clawson	Jacobs	Norton	Schoenfeld	Welker
Cohen	Jennings	O'Connor	Schreiber	Welle
Coleman	Jensen	Ogren	Seaberg	Wenzel
Dempsey	Johnson	Olsen	Segal	Wigley
DenOuden	Kahn	Omann	Shaver	Wynia
Dimler	Kalis	Onnen	Shea	Zaffke
Eken	Kelly	Osthoff	Sherman	Speaker Sieben
Elioff	Knuth	Otis	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 608, A bill for an act relating to insurance; accident and health; exempting administrators of self insured health plans established by collective bargaining agreement from certain regulatory provisions; amending Minnesota Statutes 1982, section 60A.23, subdivision 8.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Peterson	Solberg
Anderson, G.	Evans	Kvam	Piepho	Sparby
Anderson, R.	Findlay	Larsen	Piper	Stadum
Battaglia	Fjoslien	Levi	Price	Staten
Beard	Frerichs	Ludeman	Quist	Sviggum
Begich	Graba	Mann	Redalen	Swanson
Bennett	Greenfield	Marsh	Reif	Thiede
Bergstrom	Gruenes	McDonald	Rice	Tomlinson
Berkelman	Gustafson	McEachern	Riveness	Tunheim
Bishop	Gutknecht	McKasy	Rodosovich	Uphus
Blatz	Halberg	Metzen	Rodriguez, C.	Valan
Brandl	Haukoos	Minne	Rodriguez, F.	Valento
Brinkman	Heap	Munger	Rose	Vanasek
Burger	Heinitz	Murphy	St. Onge	Vellenga
Carlson, D.	Himle	Nelson, D.	Sarna	Voss
Carlson, L.	Hoffman	Nelson, K.	Schafer	Waltman
Clark, J.	Hokr	Neuenschwander	Scheid	Welch
Clark, K.	Jacobs	Norton	Schoenfeld	Welker
Clawson	Jennings	O'Connor	Schreiber	Welle
Cohen	Jensen	Ogren	Seaberg	Wenzel
Coleman	Johnson	Olsen	Segal	Wigley
DenOuden	Kahn	Omann	Shaver	Wynia
Dimler	Kalis	Onnen	Shea	Zaffke
Eken	Kelly	Osthoff	Sherman	Speaker Sieben
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 609, A bill for an act relating to commerce; motor vehicle sales and distribution; requiring certain payments to be made upon termination of motor vehicle franchises; amending Minnesota Statutes 1982, section 80E.09, 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 123 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Anderson, R.	Beard	Bennett	Berkelman
Anderson, G.	Battaglia	Begich	Bergstrom	Bishop

Blatz	Greenfield	Mann	Price	Solberg
Brandl	Gruenes	Marsh	Quist	Sparby
Brinkman	Gustafson	McEachern	Redalen	Stadum
Burger	Gutknecht	McKasy	Reif	Staten
Carlson, D.	Haukoos	Metzen	Rice	Swiggum
Carlson, L.	Heap	Minne	Riveness	Swanson
Clark, J.	Heinitz	Munger	Rodosovich	Thiede
Clark, K.	Himle	Murphy	Rodriguez, C.	Tomlinson
Clawson	Hoffman	Nelson, D.	Rodriguez, F.	Tunheim
Cohen	Hokr	Nelson, K.	Rose	Uphus
Coleman	Jacobs	Neuenschwander	St. Onge	Valan
Dempsey	Jennings	Norton	Sarna	Vanasek
DenOuden	Jensen	O'Connor	Schafer	Vellenga
Dimler	Johnson	Ogren	Scheid	Voss
Eken	Kahn	Olsen	Schoenfeld	Waltman
Elioff	Kalis	Omann	Schreiber	Welch
Ellingson	Kelly	Onnen	Seaberg	Welle
Erickson	Knuth	Osthoff	Segal	Wenzel
Evans	Kostohryz	Otis	Shaver	Wigley
Findlay	Krueger	Pauly	Shea	Wynia
Fjoslien	Kvam	Peterson	Sherman	Speaker Sieben
Frerichs	Larsen	Piepho	Simoneau	
Graba	Levi	Piper	Skoglund	

Those who voted in the negative were:

McDonald Welker

The bill was passed and its title agreed to.

H. F. No. 624, A bill for an act relating to retirement; highway patrol; restating the definition of average monthly salary; amending Minnesota Statutes 1982, section 352B.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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clawson	Gutknecht	Kvam	Ogren
Anderson, C.	Cohen	Halberg	Larsen	Olsen
Anderson, R.	Coleman	Haukoos	Levi	Omann
Battaglia	Dempsey	Heap	Ludeman	Onnen
Bear	DenOuden	Heinitz	Mann	Osthoff
Begich	Dimler	Himle	Marsh	Otis
Bennett	Eken	Hoffman	McDonald	Pauly
Bergstrom	Elioff	Hokr	McEachern	Peterson
Berkelman	Ellingson	Jacobs	McKasy	Piepho
Bishop	Erickson	Jennings	Metzen	Piper
Blatz	Evans	Jensen	Minne	Price
Brandl	Findlay	Johnson	Munger	Quist
Brinkman	Fjoslien	Kahn	Murphy	Redalen
Burger	Frerichs	Kalis	Nelson, D.	Reif
Carlson, D.	Graba	Kelly	Nelson, K.	Rice
Carlson, L.	Greenfield	Knuth	Neuenschwander	Riveness
Clark, J.	Gruenes	Kostohryz	Norton	Rodosovich
Clark, K.	Gustafson	Krueger	O'Connor	Rodriguez, C.

Rodriguez, F.	Seaberg	Sparby	Uphus	Welker
Rose	Segal	Stadum	Valan	Welle
St. Onge	Shaver	Staten	Valento	Wenzel
Sarna	Shea	Sviggum	Vanasek	Wigley
Schafer	Sherman	Swanson	Vellenga	Wynia
Scheid	Simoneau	Thiede	Voss	Zaffke
Schoenfeld	Skoglund	Tomlinson	Waltman	Speaker Sieben
Schreiber	Solberg	Tunheim	Welch	

The bill was passed and its title agreed to.

H. F. No. 638, A bill for an act relating to retirement; authorizing increases in survivor benefits payable by the Hibbing police relief association; amending Laws 1967, chapter 678, section 2, as amended.

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:

Anderson, B.	Elioff	Kelly	Otis	Skoglund
Anderson, C.	Ellingson	Knuth	Pauly	Solberg
Anderson, R.	Erickson	Kostohryz	Peterson	Sparby
Battaglia	Evans	Krueger	Piepho	Stadum
Beard	Findlay	Larsen	Piper	Staten
Begich	Fjoslien	Levi	Price	Sviggum
Bennett	Frerichs	Ludeman	Quist	Swanson
Bergstrom	Graba	Mann	Redalen	Thiede
Berkelman	Greenfield	Marsh	Reif	Tomlinson
Bishop	Gruenes	McDonald	Rice	Tunheim
Blatz	Gustafson	McKasy	Riveness	Uphus
Brandl	Gutknecht	Metzen	Rodosovich	Valan
Brinkman	Halberg	Minne	Rodriguez, C.	Valento
Burger	Haukoos	Munger	Rodriguez, F.	Vanasek
Carlson, D.	Heap	Murphy	Rose	Vellenga
Carlson, L.	Heinitz	Nelson, D.	St. Onge	Voss
Clark, J.	Himle	Nelson, K.	Schafer	Waltman
Clark, K.	Hoffman	Neuenschwander	Scheid	Welch
Clawson	Hokr	Norton	Schoenfeld	Welker
Cohen	Jacobs	O'Connor	Schreiber	Welle
Coleman	Jennings	Ogren	Segal	Wenzel
Dempsey	Jensen	Olsen	Shaver	Wigley
DenOuden	Johnson	Omann	Shea	Wynia
Dimler	Kahn	Onnen	Sherman	Zaffke
Eken	Kalis	Osthoft	Simoneau	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 653, A bill for an act relating to elections; making numerous procedural changes in the election law; removing or clarifying obsolete and inappropriate language; rearranging certain provisions; amending Minnesota Statutes 1982, sections 201.061, subdivision 3; 203B.11; 203B.12, subdivision 2; 204B.31; 204B.33; 204B.36, subdivision 2; 204C.08, subdivision 1; 204C.10, subdivision 1; 204C.12, subdivisions 3 and 4; 204C.24,

subdivision 1; 204C.25; 204C.35; 204D.11, subdivision 5; 204D.-13, subdivision 3; 205.17, subdivisions 3 and 4; 206.11; 206.19, subdivision 1; 210A.39; proposing new law coded in Minnesota Statutes, chapter 204C; repealing Minnesota Statutes 1982, section 204B.06, 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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kvam	Piepho	Staten
Anderson, G.	Ellingson	Larsen	Piper	Sviggum
Anderson, R.	Erickson	Levi	Price	Swanson
Battaglia	Evans	Ludeman	Quist	Thiede
Beard	Findlay	Mann	Redalen	Tomlinson
Begich	Fjoslien	Marsh	Reif	Tunheim
Bennett	Frerichs	McDonald	Rice	Uphus
Bergstrom	Greenfield	McKasy	Riveness	Valan
Berkelman	Gruenes	Metzen	Rodosovich	Valento
Bishop	Gustafson	Minne	Rodriguez, C.	Vanasek
Blatz	Gutknecht	Munger	Rodriguez, F.	Vellenga
Brandl	Halberg	Murphy	Rose	Voss
Brinkman	Haukoos	Nelson, D.	St. Onge	Waltman
Burger	Heap	Nelson, K.	Scheid	Welch
Carlson, D.	Heinitz	Neuenschwander	Schoenfeld	Welker
Carlson, L.	Himle	Norton	Schreiber	Welle
Clark, J.	Hoffman	O'Connor	Seaberg	Wenzel
Clark, K.	Jacobs	Ogren	Shaver	Wigley
Clawson	Jennings	Olsen	Shea	Wynia
Cohen	Jensen	Omann	Sherman	Zaffke
Coleman	Johnson	Onnen	Simoneau	Speaker Sieben
Dempsey	Kahn	Osthoff	Skoglund	
DenOuden	Knuth	Otis	Solberg	
Dimler	Kostohryz	Pauly	Sparby	
Eken	Krueger	Peterson	Stadum	

The bill was passed and its title agreed to.

S. F. No. 73, A bill for an act relating to Dakota County; fixing the conditions for certain land transfers.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bennett	Brinkman	Clawson	Eken
Anderson, G.	Bergstrom	Burger	Cohen	Elioff
Anderson, R.	Berkelman	Carlson, D.	Coleman	Ellingson
Battaglia	Bishop	Carlson, L.	Dempsey	Erickson
Beard	Blatz	Clark, J.	DenOuden	Evans
Begich	Brandl	Clark, K.	Dimler	Findlay

Fjoslien	Kelly	O'Connor	Rose	Thiede
Frerichs	Knuth	Ogren	St. Onge	Tomlinson
Graba	Kostohryz	Olsen	Sarna	Tunheim
Greenfield	Krueger	Omann	Schafer	Uphus
Gruenes	Kvam	Onnen	Scheid	Valan
Gustafson	Larsen	Osthoff	Schoenfeld	Valento
Gutknecht	Levi	Otis	Schreiber	Vanasek
Halberg	Ludeman	Pauly	Seaberg	Vellenga
Haukoos	Mann	Peterson	Segal	Voss
Heap	Marsh	Piepho	Shaver	Waltman
Heinitz	McDonald	Piper	Shea	Welch
Himle	McEachern	Price	Sherman	Welker
Hoffman	McKasy	Quist	Simoneau	Welle
Hokr	Metzen	Redalen	Skoglund	Wenzel
Jacobs	Minne	Reif	Solberg	Wigley
Jennings	Murphy	Rice	Sparby	Wynia
Jensen	Nelson, D.	Riveness	Stadum	Zaffke
Johnson	Nelson, K.	Rodosovich	Staten	Speaker Sieben
Kahn	Neuenschwander	Rodriguez, C.	Sviggunn	
Kalis	Norton	Rodriguez, F.	Swanson	

The bill was passed and its title agreed to.

S. F. No. 128, A bill for an act relating to state monuments; adding the Governor Floyd B. Olson Monument in Hennepin County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

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

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

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Peterson	Solberg
Anderson, G.	Evans	Kvam	Piepho	Sparby
Anderson, R.	Fjoslien	Larsen	Piper	Stadum
Battaglia	Frerichs	Levi	Price	Staten
Beard	Graba	Ludeman	Quist	Sviggunn
Begich	Greenfield	Mann	Redalen	Swanson
Bennett	Gruenes	Marsh	Reif	Tomlinson
Bergstrom	Gustafson	McDonald	Rice	Tunheim
Berkelman	Gutknecht	McKasy	Riveness	Uphus
Bishop	Halberg	Metzen	Rodosovich	Valan
Blatz	Haukoos	Minne	Rodriguez, C.	Valento
Brandl	Heap	Munger	Rodriguez, F.	Vanasek
Brinkman	Heinitz	Murphy	Rose	Vellenga
Burger	Himle	Nelson, D.	St. Onge	Voss
Carlson, D.	Hoffman	Nelson, K.	Schafer	Waltman
Carlson, L.	Hokr	Neuenschwander	Scheid	Welch
Clark, J.	Jacobs	Norton	Schoenfeld	Welle
Clark, K.	Jennings	O'Connor	Schreiber	Wenzel
Cohen	Jensen	Ogren	Seaberg	Wigley
Coleman	Johnson	Olsen	Segal	Wynia
Dempsey	Kahn	Omann	Shaver	Zaffke
DenOuden	Kalis	Onnen	Shea	Speaker Sieben
Eken	Kelly	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

S. F. No. 351, A bill for an act relating to state government; regulating eligibility for qualified handicapped civil service examinations; amending Minnesota Statutes 1982, section 43A.-10, subdivision 8.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Solberg
Anderson, G.	Erickson	Krueger	Peterson	Sparby
Anderson, R.	Evans	Kvam	Piepho	Stadum
Battaglia	Findlay	Larsen	Piper	Staten
Beard	Fjoslien	Levi	Price	Sviggum
Begich	Frerichs	Ludeman	Quist	Swanson
Bennett	Graba	Mann	Redalen	Thiede
Bergstrom	Greenfield	Marsh	Reif	Tomlinson
Berkelman	Gruenes	McDonald	Rice	Tunheim
Bishop	Gustafson	McEachern	Riveness	Uphus
Blatz	Gutknecht	McKasy	Rodriguez, C.	Valan
Brandl	Halberg	Metzen	Rodriguez, F.	Valento
Brinkman	Haukoos	Minne	Rose	Vanasek
Burger	Heap	Munger	St. Onge	Vellenga
Carlson, D.	Heinitz	Murphy	Sarna	Voss
Carlson, L.	Himle	Nelson, D.	Schafer	Waltman
Clark, J.	Hoffman	Nelson, K.	Scheid	Welch
Clark, K.	Hokr	Neuenschwander	Schoenfeld	Welker
Clawson	Jacobs	Norton	Schreiber	Welle
Cohen	Jennings	O'Connor	Seaberg	Wenzel
Coleman	Jensen	Ogren	Segal	Wigley
Dempsey	Johnson	Olsen	Shaver	Wynia
DenOuden	Kahn	Omann	Shea	Zaffke
Dimler	Kalis	Onnen	Sherman	Speaker Sieben
Eken	Kelly	Osthoff	Simoneau	
Elioff	Knuth	Otis	Skoglund	

The bill was passed and its title agreed to.

CALENDAR

S. F. No. 327, A bill for an act relating to Independent School District No. 748, Sartell, and Independent School District No. 742, St. Cloud; authorizing certain school district land to be detached and annexed; authorizing transportation and transportation aid for certain pupils.

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 9 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	Peterson	Skoglund
Anderson, G.	Ellingson	Krueger	Piepho	Solberg
Anderson, R.	Evans	Kvam	Piper	Sparby
Battaglia	Fjoslien	Larsen	Price	Stadum
Beard	Frerichs	Levi	Quist	Staten
Begich	Graba	Mann	Redalen	Sviggunn
Bennett	Greenfield	Marsh	Reif	Swanson
Bergstrom	Gruenes	McDonald	Rice	Tomlinson
Berkelman	Gustafson	McEachern	Riveness	Tunheim
Bishop	Gutknecht	McKasy	Rodosovich	Valan
Blatz	Halberg	Metzen	Rodriguez, C.	Vanasek
Brandl	Haukoos	Minne	Rodriguez, F.	Vellenga
Brinkman	Heap	Munger	Rose	Voss
Burger	Heinitz	Murphy	St. Onge	Waltman
Carlson, D.	Himle	Nelson, D.	Sarna	Welch
Carlson, L.	Hoffman	Nelson, K.	Schafer	Welle
Clark, J.	Hokr	Neuenschwander	Scheid	Wenzel
Clark, K.	Jacobs	Norton	Schoenfeld	Wigley
Clawson	Jennings	O'Connor	Seaberg	Wynia
Cohen	Jensen	Ogren	Segal	Speaker Sieben
Coleman	Johnson	Olsen	Shaver	
Dempsey	Kalis	Osthoff	Shea	
Dimler	Kelly	Otis	Sherman	
Eken	Knuth	Pauly	Simoneau	

Those who voted in the negative were:

DenOuden	Ludeman	Thiede	Valento	Zaffke
Erickson	Onnen	Uphus	Welker	

The bill was passed and its title agreed to.

S. F. No. 107, A bill for an act relating to agriculture; providing for regulation of apiaries; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 19; repealing Minnesota Statutes 1982, sections 19.18 to 19.41.

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 119 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Burger	Erickson	Himle	Levi
Anderson, G.	Carlson, D.	Evans	Hoffman	Mann
Anderson, R.	Carlson, L.	Findlay	Hokr	Marsh
Battaglia	Clark, J.	Fjoslien	Jacobs	McDonald
Beard	Clark, K.	Graba	Jennings	McEachern
Begich	Clawson	Greenfield	Jensen	McKasy
Bennett	Cohen	Gruenes	Johnson	Metzen
Bergstrom	Coleman	Gustafson	Kalis	Minne
Berkelman	Dempsey	Gutknecht	Kelly	Munger
Bishop	DenOuden	Halberg	Kostohryz	Murphy
Blatz	Dimler	Haukoos	Krueger	Nelson, D.
Brandl	Eken	Heap	Kvam	Nelson, K.
Brinkman	Elioff	Heinitz	Larsen	Neuenschwander

Norton	Piper	St. Onge	Solberg	Valento
O'Connor	Price	Schafer	Sparby	Vanasek
Ogren	Quist	Scheid	Stadum	Vellenga
Olsen	Redalen	Schoenfeld	Staten	Voss
Omann	Reif	Seaberg	Swiggum	Waltman
Onnen	Rice	Segal	Swanson	Welch
Osthoff	Rivenness	Shaver	Thiede	Welle
Otis	Rodosovich	Shea	Tomlinson	Wenzel
Pauly	Rodriguez, C.	Sherman	Tunheim	Wigley
Peterson	Rodriguez, F.	Simoneau	Uphus	Wynia
Piepho	Rose	Skoglund	Valan	

Those who voted in the negative were:

Ludeman Welker Zaffke

The bill was passed and its title agreed to.

H. F. No. 318, A bill for an act relating to local government; regulating kinds of and charges for water and sewer facilities and services; amending Minnesota Statutes 1982, section 444.075, subdivisions 1 and 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 124 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Pauly	Skoglund
Anderson, G.	Evans	Krueger	Peterson	Solberg
Anderson, R.	Findlay	Kvam	Piepho	Sparby
Battaglia	Fjoslien	Larsen	Piper	Stadum
Beard	Frerichs	Levi	Price	Staten
Begich	Graba	Ludeman	Quist	Swiggum
Bennett	Greenfield	Mann	Redalen	Swanson
Bergstrom	Gruenes	Marsh	Reif	Thiede
Berkelman	Gustafson	McEachern	Rice	Tomlinson
Bishop	Gutknecht	McKasy	Rivenness	Tunheim
Blatz	Halberg	Metzen	Rodosovich	Uphus
Brandl	Haukoos	Minne	Rodriguez, C.	Valan
Brinkman	Heap	Munger	Rodriguez, F.	Valento
Burger	Heinitz	Murphy	Rose	Vanasek
Carlson, L.	Himle	Nelson, D.	St. Onge	Vellenga
Clark, J.	Hoffman	Nelson, K.	Sarna	Voss
Clark, K.	Hokr	Neuenschwander	Schafer	Waltman
Clawson	Jacobs	Norton	Scheid	Welch
Cohen	Jennings	O'Connor	Schoenfeld	Welle
Coleman	Jensen	Ogren	Seaberg	Wenzel
Dempsey	Johnson	Olsen	Segal	Wigley
Dimler	Kahn	Omann	Shaver	Wynia
Eken	Kalis	Onnen	Shea	Zaffke
Elioff	Kelly	Osthoff	Sherman	Speaker Sieben
Ellingson	Knuth	Otis	Simoneau	

Those who voted in the negative were:

DenOuden McDonald Welker

The bill was passed and its title agreed to.

H. F. No. 459, A bill for an act relating to labor; providing for fair labor standards; defining "employee"; reenacting Minnesota Statutes, section 177.25, subdivision 1; amending Minnesota Statutes 1982, section 177.23, subdivision 7; amending Laws 1981, chapter 289, section 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 125 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Otis	Simoneau
Anderson, G.	Erickson	Kostohryz	Pauly	Skoglund
Anderson, R.	Evans	Krueger	Peterson	Solberg
Battaglia	Findlay	Kvam	Piepho	Sparby
Beard	Fjoslien	Larsen	Piper	Stadum
Begich	Frerichs	Levi	Price	Staten
Bennett	Graba	Ludeman	Quist	Sviggum
Berkeiman	Greenfield	Mann	Redalen	Swanson
Bishop	Gruenes	Marsh	Reif	Thiede
Blatz	Gustafson	McDonald	Rice	Tomlinson
Brandl	Gutknecht	McEachern	Riveness	Tunheim
Brinkman	Halberg	McKasy	Rodosovich	Uphus
Burger	Haukoos	Metzen	Rodriguez, C.	Valan
Carlson, D.	Heap	Minne	Rodriguez, F.	Valento
Carlson, L.	Heinitz	Munger	Rose	Vanasek
Clark, J.	Himle	Murphy	St. Onge	Vellenga
Clark, K.	Hoffman	Nelson, D.	Schafer	Voss
Clawson	Hokr	Nelson, K.	Scheid	Waltman
Cohen	Jacobs	Neuenschwander	Schoenfeld	Welch
Coleman	Jennings	Norton	Schreiber	Welle
Dempsey	Jensen	O'Connor	Seaberg	Wenzel
DenOuden	Johnson	Ogren	Segal	Wigley
Dimler	Kahn	Olsen	Shaver	Wynia
Eken	Kallis	Omann	Shea	Zaffke
Elioff	Kelly	Onnen	Sherman	Speaker Sieben

Those who voted in the negative were:

Sarna

Welker

The bill was passed and its title agreed to.

H. F. No. 599, A bill for an act relating to labor; regulating fair labor standards record keeping; changing the civil and criminal penalties on employers for violations of the record keeping and posting requirements of the fair labor standards act; amending Minnesota Statutes 1982, sections 177.27, subdivision 2; 177.30; 177.31; and 177.32, 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 117 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Krueger	Otis	Solberg
Anderson, C.	Evans	Kvam	Pauly	Sparby
Battaglia	Findlay	Larsen	Peterson	Stadum
Beard	Fjoslien	Levi	Piepho	Staten
Begich	Graba	Ludeman	Piper	Swiggum
Bennett	Greenfield	Mann	Price	Swanson
Bergstrom	Cruenes	Marsh	Quist	Thiede
Berkelman	Gustafson	McDonald	Redalen	Tomlinson
Bishop	Halberg	McEachern	Reif	Tunheim
Blatz	Haukoos	McKasy	Rice	Valan
Brandl	Heap	Metzen	Riveness	Vanasek
Brinkman	Heinitz	Minne	Rodosovich	Vellenga
Burger	Himle	Munger	Rodriguez, C.	Voss
Carlson, D.	Hoffman	Murphy	Rodriguez, F.	Waltman
Carlson, L.	Hokr	Nelson, D.	St. Onge	Welch
Clark, J.	Jacobs	Nelson, K.	Sarna	Welle
Clark, K.	Jennings	Neuenschwander	Scheid	Wenzel
Clawson	Jensen	Norton	Schoenfeld	Wigley
Cohen	Johnson	O'Connor	Schreiber	Wynia
Coleman	Kahn	Ogren	Seaberg	Zaffke
Dempsey	Kalis	Olsen	Shaver	Speaker Sieben
Dimler	Kelly	Omann	Sherman	
Eken	Knuth	Onnen	Simoneau	
Elioff	Kostohryz	Osthoff	Skoglund	

Those who voted in the negative were:

Anderson, R.	Erickson	Gutknecht	Uphus	Welker
DenOuden	Frerichs	Schafer		

The bill was passed and its title agreed to.

H. F. No. 114, A bill for an act relating to crimes; prohibiting promotion of minors to engage in sexual performance; prohibiting dissemination and possession of works depicting minors in sexual performance; providing penalties; amending Minnesota Statutes 1982, sections 609.342; 609.343; 609.344; 609.345; 609.364, subdivision 2; 609.3641, subdivision 2; 609.3642, subdivision 2; 609.3643, subdivision 2; 609.3644, subdivision 2; 617.241; 617.246; repealing Minnesota Statutes 1982, section 617.247.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bennett	Brinkman	Cohen	Ellingson
Anderson, C.	Bergstrom	Burger	Coleman	Erickson
Anderson, R.	Berkelman	Carlson, L.	DenOuden	Evans
Battaglia	Bishop	Clark, J.	Dimler	Findlay
Beard	Blatz	Clark, K.	Eken	Fjoslien
Begich	Brandl	Clawson	Elioff	Frerichs

Graba	Kostohryz	Ogren	Sarna	Tunheim
Greenfield	Krueger	Olsen	Schafer	Uphus
Gruenes	Kvam	Omann	Scheid	Valan
Gustafson	Larsen	Onnen	Schoenfeld	Valento
Gutknecht	Levi	Osthoff	Schreiber	Vanasek
Halberg	Ludeman	Otis	Seaberg	Vellenga
Haukoos	Mann	Pauly	Segal	Voss
Heap	Marsh	Peterson	Shaver	Waltman
Heinitz	McDonald	Piepho	Shea	Welch
Himle	McEachern	Piper	Sherman	Welker
Hoffman	McKasy	Price	Simoneau	Welle
Hokr	Metzen	Quist	Skoglund	Wenzel
Jacobs	Minne	Redalen	Solberg	Wigley
Jennings	Munger	Reif	Sparby	Wynia
Jensen	Murphy	Rice	Stadum	Zaffke
Johnson	Nelson, D.	Riveness	Staten	Speaker Sieben
Kahn	Nelson, K.	Rodosovich	Sviggum	
Kalis	Neuenschwander	Rodriguez, C.	Swanson	
Kelly	Norton	Rodriguez, F.	Thiede	
Knuth	O'Connor	St. Onge	Tomlinson	

The bill was passed and its title agreed to.

H. F. No. 149, A bill for an act relating to natural resources; clarifying the hunting of certain animals with dogs; amending Minnesota Statutes 1982, section 98.46, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Piepho	Stadum
Anderson, G.	Erickson	Krueger	Piper	Staten
Anderson, R.	Evans	Kvam	Price	Sviggum
Battaglia	Findlay	Larsen	Quist	Swanson
Beard	Fjoslien	Levi	Redalen	Thiede
Begich	Frerichs	Ludeman	Reif	Tomlinson
Bennett	Graba	Mann	Rice	Tunheim
Bergstrom	Greenfield	Marsh	Riveness	Uphus
Berkelman	Gruenes	McDonald	Rodosovich	Valan
Bishop	Gustafson	McEachern	Rodriguez, C.	Valento
Blatz	Gutknecht	McKasy	Rodriguez, F.	Vanasek
Brandt	Halberg	Metzen	St. Onge	Vellenga
Brinkman	Haukoos	Munger	Sarna	Voss
Burger	Heap	Murphy	Schafer	Waltman
Carlson, D.	Heinitz	Nelson, D.	Scheid	Welch
Carlson, L.	Himle	Nelson, K.	Schoenfeld	Welker
Clark, J.	Hoffman	Neuenschwander	Schreiber	Welle
Clark, K.	Hokr	Norton	Seaberg	Wenzel
Clawson	Jacobs	O'Connor	Segal	Wigley
Cohen	Jennings	Ogren	Shaver	Wynia
Coleman	Jensen	Olsen	Shea	Zaffke
Dempsey	Johnson	Omann	Sherman	Speaker Sieben
DenOuden	Kahn	Onnen	Simoneau	
Dimler	Kalis	Otis	Skoglund	
Eken	Kelly	Pauly	Solberg	
Elioff	Knuth	Peterson	Sparby	

The bill was passed and its title agreed to.

H. F. No. 314, A bill for an act relating to insurance; requiring certain disclosures in personal sales contacts; requiring direct deposit of premiums; requiring disclosure of certain limitations on medicare supplement insurance coverage; prohibiting the sale of more than two medicare supplement insurance policies to an individual; requiring copies of medicare supplement and life insurance applications to be provided to applicants; requiring applications for medicare supplement insurance to list health and accident insurance already maintained by applicant; providing rulemaking authority; imposing civil penalties for certain violations; providing a criminal penalty; amending Minnesota Statutes 1982, sections 60A.17, subdivisions 1, 1a, and 6c, and by adding subdivisions; 62A.31, subdivision 1; 62A.39; 62A.42; proposing new law coded in Minnesota Statutes, chapters 61A and 62A.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Peterson	Stadum
Anderson, G.	Evans	Kvam	Piepho	Staten
Anderson, R.	Findlay	Larsen	Piper	Sviggum
Battaglia	Fjoslien	Levi	Price	Swanson
Beard	Frerichs	Ludeman	Quist	Thiede
Begich	Graba	Mann	Redalen	Tomlinson
Bennett	Greenfield	Marsh	Reif	Tunheim
Bergstrom	Gruenes	McDonald	Rice	Uphus
Berkelman	Gustafson	McEachern	Riveness	Valan
Blatz	Gutknecht	McKasy	Rodosovich	Valento
Brandl	Halberg	Metzen	Rodriguez, C.	Vanasek
Brinkman	Haukoos	Minne	Rodriguez, F.	Vellenga
Burger	Heap	Munger	St. Onge	Voss
Carlson, D.	Heinitz	Murphy	Schafer	Waltman
Carlson, L.	Himle	Nelson, D.	Scheid	Welch
Clark, J.	Hoffman	Nelson, K.	Schoenfeld	Welker
Clark, K.	Hokr	Neuenschwander	Schreiber	Welle
Clawson	Jacobs	Norton	Seaberg	Wenzel
Cohen	Jennings	O'Connor	Segal	Wigley
Coleman	Jensen	Ogren	Shaver	Wynia
Dempsey	Johnson	Olsen	Shea	Zaffke
DenOuden	Kahn	Omann	Sherman	Speaker Sieben
Dimler	Kalis	Onnen	Simoneau	
Eken	Kelly	Osthoff	Skoglund	
Elioff	Knuth	Otis	Solberg	
Ellingson	Kostohryz	Pauly	Sparby	

The bill was passed and its title agreed to.

H. F. No. 325, A bill for an act relating to real property; revising and clarifying certain provisions relating to the regis-

tration of real property; amending Minnesota Statutes 1982, sections 508.03; 508.06; 508.08; 508.16, subdivision 2; 508.22; 508.23, by adding a subdivision; 508.24, subdivision 2; 508.25; 508.35; 508.36; 508.47, subdivision 6; 508.48; 508.49; 508.50; 508.55; 508.60; 508.62; 508.65; 508.71; 508.82; 508A.01, subdivision 1; 508A.06; 508A.17, subdivision 1; 508A.25; 508A.35; 508A.47, subdivision 6; 508A.48; 508A.49; 508A.50; 508A.55; 508A.62; 508A.65; 508A.71; 508A.82; proposing new law coded in Minnesota Statutes, chapters 508 and 508A; repealing Minnesota Statutes 1982, sections 508.41; 508.42; 508A.41; and 508A.42.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Stadum
Anderson, G.	Erickson	Krueger	Piepho	Staten
Anderson, R.	Evans	Kvam	Piper	Sviggum
Battaglia	Findlay	Larsen	Price	Swanson
Beard	Fjoslien	Levi	Quist	Thiede
Begich	Frerichs	Ludeman	Redalen	Tomlinson
Bennett	Graba	Mann	Reif	Tunheim
Bergstrom	Greenfield	Marsh	Rice	Uphus
Berkelman	Gruenes	McDonald	Riveness	Valan
Bishop	Gustafson	McEachern	Rodosovich	Valento
Blatz	Gutknecht	McKasy	Rodriguez, C.	Vanasek
Brandl	Halberg	Metzen	Rodriguez, F.	Vellenga
Brinkman	Haukoos	Minne	St. Onge	Voss
Burger	Heap	Munger	Schafer	Waltman
Carlson, D.	Heinitz	Murphy	Scheid	Welch
Carlson, L.	Himle	Nelson, D.	Schoenfeld	Welker
Clark, J.	Hoffman	Nelson, K.	Schreiber	Welle
Clark, K.	Hokr	Neuenschwander	Seaberg	Wenzel
Clawson	Jacobs	Norton	Segal	Wigley
Cohen	Jennings	O'Connor	Shayer	Wynia
Coleman	Jensen	Ogren	Shea	Zaffke
Dempsey	Johnson	Olsen	Sherman	Speaker Sieben
DenOuden	Kahn	Omman	Simoneau	
Dimler	Kalis	Onnen	Skoglund	
Eken	Kelly	Osthoff	Solberg	
Elioff	Knuth	Otis	Sparby	

The bill was passed and its title agreed to.

H. F. No. 417, A bill for an act relating to advertising devices; authorizing produce vendors to locate a sign on farm homestead property; amending Minnesota Statutes 1982, section 173.08, 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 122 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Piepho	Stadum
Anderson, R.	Evans	Kvam	Piper	Staten
Battaglia	Findlay	Larsen	Price	Sviggum
Beard	Fjoslien	Levi	Quist	Swanson
Begich	Graba	Ludeman	Redalen	Thiede
Bennett	Greenfield	Mann	Reif	Tomlinson
Bergstrom	Gruenes	Marsh	Rice	Tunheim
Berkelman	Gustafson	McDonald	Rodosovich	Uphus
Bishop	Gutknecht	McEachern	Rodriguez, C.	Valan
Blatz	Halberg	McKasy	Rodriguez, F.	Valento
Brandl	Haukoos	Metzen	Rose	Vanasek
Brinkman	Heap	Minne	St. Onge	Vellenga
Burger	Heinitz	Munger	Sarna	Voss
Carlson, D.	Himle	Murphy	Schafer	Waltman
Carlson, L.	Hoffman	Nelson, D.	Scheid	Welch
Clark, J.	Hokr	Nelson, K.	Schoenfeld	Welker
Clark, K.	Jacobs	Neuenschwander	Schreiber	Welle
Clawson	Jennings	Norton	Seaberg	Wenzel
Cohen	Jensen	Ogren	Shaver	Wigley
Coleman	Johnson	Olsen	Shea	Wynia
Dempsey	Kahn	Omann	Sherman	Zaffke
DenOuden	Kalis	Onnen	Simoneau	Speaker Sieben
Eken	Kelly	Otis	Skoglund	
Elioff	Knuth	Pauly	Solberg	
Ellingson	Kostohryz	Peterson	Sparby	

Those who voted in the negative were:

Dimler O'Connor Osthoff Riveness

The bill was passed and its title agreed to.

H. F. No. 441, A bill for an act relating to housing; increasing the maximum permissible return to certain mortgagors; increasing the maximum amount of housing finance agency rehabilitation loans; combining certain bonding categories; clarifying other housing finance agency duties and powers; modifying certain duties and powers of issuers of local housing revenue bonds; amending Minnesota Statutes 1982, sections 462A.03, subdivision 13; 462A.05, subdivisions 4, 9, 14a, 18, and by adding a subdivision; 462A.06, subdivision 8; 462A.09; 462A.21, subdivision 4b, and by adding a subdivision; 462A.22, subdivisions 1 and 5; and 462C.07, subdivision 1; repealing Minnesota Statutes 1982, section 462A.22, subdivision 1a.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Battaglia	Bennett	Bishop	Brinkman
Anderson, G.	Beard	Bergstrom	Blatz	Burger
Anderson, R.	Begich	Berkelman	Brandl	Carlson, D.

Carlson, L.	Heap	Metzen	Rice	Swiggum
Clark, J.	Heinitz	Minne	Riveness	Swanson
Clark, K.	Himle	Munger	Rodosovich	Thiede
Clawson	Hoffman	Murphy	Rodriguez, C.	Tomlinson
Cohen	Hokr	Nelson, D.	Rodriguez, F.	Tunheim
Coleman	Jacobs	Nelson, K.	Rose	Uphus
Dempsey	Jennings	Neuenschwander	St. Onge	Valan
DenOuden	Jensen	Norton	Sarna	Valento
Eken	Johnson	O'Connor	Schafer	Vanasek
Elioff	Kahn	Ogren	Scheid	Vellenga
Ellingson	Kalis	Olsen	Schoenfeld	Waltman
Erickson	Kelly	Omann	Schreiber	Welch
Evans	Knuth	Onnen	Seaberg	Welker
Findlay	Kostohryz	Osthoff	Segal	Welle
Fjoslien	Krueger	Otis	Shaver	Wenzel
Frerichs	Kvam	Pauly	Shea	Wigley
Graba	Larsen	Peterson	Sherman	Wynia
Greenfield	Levi	Piepho	Simoneau	Zaffke
Gruenes	Mann	Piper	Skoglund	Speaker Sieben
Gustafson	Marsh	Price	Solberg	
Gutknecht	McDonald	Quist	Sparby	
Halberg	McEachern	Redalen	Stadium	
Haukoos	McKasy	Reif	Staten	

Those who voted in the negative were:

Ludeman

The bill was passed and its title agreed to.

H. F. No. 462, A bill for an act relating to St. Louis County; limiting compensation of elected county officers.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Coleman	Heinitz	McDonald	Piepho
Anderson, G.	Dempsey	Himle	McEachern	Piper
Anderson, R.	DenOuden	Hoffman	McKasy	Price
Battaglia	Dimler	Hokr	Metzen	Quist
Beard	Eken	Jacobs	Minne	Redalen
Begich	Elioff	Jennings	Munger	Reif
Bennett	Ellingson	Jensen	Murphy	Rice
Bergstrom	Erickson	Johnson	Nelson, D.	Riveness
Berkelman	Evans	Kahn	Nelson, K.	Rodosovich
Bishop	Findlay	Kalis	Neuenschwander	Rodriguez, C.
Blatz	Fjoslien	Kelly	Norton	Rodriguez, F.
Brandl	Frerichs	Knuth	O'Connor	Rose
Brinkman	Graba	Kostohryz	Ogren	St. Onge
Burger	Greenfield	Krueger	Olsen	Sarna
Carlson, D.	Gruenes	Kvam	Omann	Schafer
Carlson, L.	Gustafson	Larsen	Onnen	Scheid
Clark, J.	Gutknecht	Levi	Osthoff	Schoenfeld
Clark, K.	Halberg	Ludeman	Otis	Schreiber
Clawson	Haukoos	Mann	Pauly	Seaberg
Cohen	Heap	Marsh	Peterson	Shaver

Shea	Stadum	Tunheim	Waltman	Wynia
Sherman	Staten	Uphus	Welch	Zaffke
Simoneau	Swiggum	Valan	Welker	Speaker Sieben
Skoglund	Swanson	Valento	Welle	
Solberg	Thiede	Vanasek	Wenzel	
Sparby	Tomlinson	Vellenga	Wigley	

The bill was passed and its title agreed to.

H. F. No. 523, A bill for an act relating to public utilities; defining scope of independent telephone companies accountable under chapter 237; amending Minnesota Statutes 1982, section 237.01, 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 123 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kvam	Piper	Sparby
Anderson, G.	Erickson	Larsen	Price	Stadum
Anderson, R.	Evans	Levi	Quist	Staten
Battaglia	Findlay	Ludeman	Redalen	Swiggum
Beard	Fjoslien	Mann	Reif	Swanson
Begich	Frerichs	Marsh	Rice	Thiede
Bennett	Graba	McDonald	Riveness	Tomlinson
Bergstrom	Gruenes	McEachern	Rodosovich	Tunheim
Berkelman	Gustafson	McKasy	Rodriguez, C.	Uphus
Bishop	Gutknecht	Metzen	Rodriguez, F.	Valan
Blatz	Halberg	Munger	Rose	Valento
Brinkman	Haukoos	Murphy	St. Onge	Vanasek
Burger	Heap	Nelson, D.	Sarna	Vellenga
Carlson, D.	Heinitz	Nelson, K.	Schafer	Voss
Carlson, L.	Himle	Neuenschwander	Scheid	Waltman
Clark, J.	Hoffman	Norton	Schoenfeld	Welch
Clark, K.	Jacobs	O'Connor	Schreiber	Welker
Clawson	Jennings	Ogren	Seaberg	Welle
Cohen	Jensen	Olsen	Segal	Wenzel
Coleman	Johnson	Omann	Shaver	Wigley
Dempsey	Kahn	Onnen	Shea	Wynia
DenOuden	Kalis	Otis	Sherman	Zaffke
Dimler	Knuth	Pauly	Simoneau	Speaker Sieben
Eken	Kostohryz	Peterson	Skoglund	
Elioff	Krueger	Piepho	Solberg	

Those who voted in the negative were:

Greenfield	Kelly	Minne	Osthoff
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The bill was passed and its title agreed to.

H. F. No. 529, A bill for an act relating to crimes; providing that acquittal or conviction of the crime of kidnapping does not bar conviction for any other crime committed during the time of the victim's confinement; amending Minnesota Statutes 1982, sections 609.035 and 609.25.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Peterson	Sparby
Anderson, G.	Evans	Kvam	Piepho	Stadum
Anderson, R.	Findlay	Larsen	Piper	Staten
Battaglia	Fjoslien	Levi	Price	Sviggum
Beard	Frerichs	Ludeman	Quist	Swanson
Begich	Graba	Mann	Redalen	Thiede
Bennett	Greenfield	Marsh	Reif	Tomlinson
Bergstrom	Gruenes	McDonald	Riveness	Tunheim
Berkelman	Gustafson	McEachern	Rodosovich	Uphus
Bishop	Gutknecht	McKasy	Rodriguez, C.	Valan
Blatz	Halberg	Metzen	Rodriguez, F.	Valento
Brandl	Haukoos	Minne	Rose	Vanasek
Brinkman	Heap	Munger	St. Onge	Vellenga
Burger	Heinitz	Murphy	Sarna	Voss
Carlson, D.	Himle	Nelson, D.	Schafer	Waltman
Carlson, L.	Hoffman	Nelson, K.	Scheid	Welch
Clark, J.	Hokr	Neuenschwander	Schoenfeld	Welker
Clark, K.	Jacobs	Norton	Schreiber	Welle
Cohen	Jennings	O'Connor	Seaberg	Wenzel
Coleman	Jensen	Ogren	Segal	Wigley
Dempsey	Johnson	Olsen	Shaver	Wynia
DenOuden	Kahn	Omamn	Shea	Zaffke
Dimler	Kalis	Onnen	Sherman	Speaker Sieben
Eken	Kelly	Osthoff	Simoneau	
Elioff	Knuth	Otis	Skoglund	
Ellingson	Kostohryz	Pauly	Solberg	

The bill was passed and its title agreed to.

H. F. No. 530, A bill for an act relating to crimes; providing that prosecution or acquittal of a crime in another jurisdiction is not a bar to prosecution in this state when the act or omission constitutes a crime in the other jurisdiction and this state; amending Minnesota Statutes 1982, section 609.045.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bishop	Clark, K.	Elioff	Greenfield
Anderson, G.	Blatz	Clawson	Ellingson	Gruenes
Anderson, R.	Brandl	Cohen	Erickson	Gustafson
Battaglia	Brinkman	Coleman	Evans	Gutknecht
Beard	Burger	Dempsey	Findlay	Halberg
Begich	Carlson, D.	DenOuden	Fjoslien	Haukoos
Bennett	Carlson, L.	Dimler	Frerichs	Heap
Berkelman	Clark, J.	Eken	Graba	Heinitz

Himle	Marsh	Otis	Schoenfeld	Uphus
Hoffman	McDonald	Pauly	Schreiber	Valan
Hokr	McEachern	Peterson	Seaberg	Valento
Jacobs	McKasy	Piepho	Segal	Vanasek
Jennings	Metzen	Piper	Shaver	Vellenga
Jensen	Minne	Price	Shea	Voss
Johnson	Munger	Quist	Sherman	Waltman
Kahn	Murphy	Redalen	Simoneau	Welch
Kalis	Nelson, D.	Reif	Skoglund	Welker
Kelly	Nelson, K.	Riveness	Solberg	Welle
Knuth	Neuenschwander	Rodosovich	Sparby	Wenzel
Kostohryz	Norton	Rodriguez, C.	Stadum	Wigley
Krueger	O'Connor	Rodriguez, F.	Staten	Wynia
Kvam	Ogren	Rose	Sviggum	Zaffke
Larsen	Olsen	St. Onge	Swanson	Speaker Sieben
Levi	Omann	Sarna	Thiede	
Ludeman	Onnen	Schafer	Tomlinson	
Mann	Osthoff	Scheid	Tunheim	

The bill was passed and its title agreed to.

Anderson, B., was excused for the remainder of today's session.

H. F. No. 617 was reported to the House and given its third reading.

POINT OF ORDER

Welker raised a point of order pursuant to rule 5.7 that H. F. No. 617 be re-referred to the Committee on Appropriations. The Speaker ruled the point of order not well taken.

H. F. No. 617, A bill for an act relating to the pollution control agency; authorizing the collection of permit fees; clarifying the agency's enforcement authorities relating to air contamination; authorizing the use of certain federal funds; extending the authorization of the state wastewater treatment facility construction grants program; amending Minnesota Statutes 1982, sections 116.07, subdivision 9, and by adding a subdivision; 116.16, subdivision 10; and 116.18, subdivision 1.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 86 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Blatz	Cohen	Gruenes	Kahn
Anderson, R.	Brandl	Coleman	Gustafson	Kalis
Battaglia	Burger	Dimler	Halberg	Kelly
Beard	Carlson, D.	Eken	Heap	Knuth
Begich	Carlson, L.	Elioff	Hoffman	Kostohryz
Bennett	Clark, J.	Ellingson	Hokr	Larsen
Bergstrom	Clark, K.	Evans	Jacobs	Mann
Berkelman	Clawson	Greenfield	Jensen	McEachern

McKasy	Onnen	Rodosovich	Shea	Vanasek
Metzen	Osthoff	Rodriguez, C.	Sherman	Vellenga
Minne	Otis	Rodriguez, F.	Simoneau	Welle
Munger	Pauly	Rose	Skoglund	Wenzel
Murphy	Peterson	Sarna	Solberg	Wynia
Nelson, D.	Piper	Scheid	Sparby	Speaker Sieben
Nelson, K.	Price	Schoenfeld	Staten	
Neuenschwander	Reif	Schreiber	Swanson	
Norton	Rice	Seaberg	Tomlinson	
Ogren	Riveness	Segal	Tunheim	

Those who voted in the negative were:

Bishop	Frerichs	Krueger	Redalen	Valan
Brinkman	Graba	Kvam	Schafer	Valento
Dempsey	Gutknecht	Ludeman	Shaver	Waltman
DenOuden	Haukoos	Marsh	Stadum	Welker
Erickson	Heinitz	McDonald	Sviggum	Zaffke
Findlay	Jennings	Piepho	Thiede	
Fjoslien	Johnson	Quist	Uphus	

The bill was passed and its title agreed to.

H. F. No. 694, A bill for an act relating to Ramsey County; providing for the membership, terms, and procedures of the medical center commission; amending Minnesota Statutes 1982, section 383A.41, subdivisions 2, 3, and 4.

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

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Knuth	Pauly	Skoglund
Anderson, R.	Erickson	Kostohryz	Peterson	Solberg
Battaglia	Evans	Krueger	Piepho	Sparby
Beard	Findlay	Kvam	Piper	Stadum
Begich	Fjoslien	Larsen	Price	Staten
Bennett	Frerichs	Levi	Quist	Sviggum
Bergstrom	Graba	Ludeman	Redalen	Swanson
Berkelman	Greenfield	Mann	Reif	Thiede
Bishop	Gruenes	McDonald	Rice	Tomlinson
Blatz	Gustafson	McEachern	Riveness	Tunheim
Brandl	Gutknecht	McKasy	Rodsoovich	Uphus
Brinkman	Halberg	Metzen	Rodriguez, C.	Valan
Burger	Haukoos	Minne	Rodriguez, F.	Valento
Carlson, D.	Heap	Munger	Rose	Vanasek
Carlson, L.	Heinitz	Murphy	Sarna	Vellenga
Clark, J.	Himle	Nelson, K.	Schafer	Waltman
Clark, K.	Hoffman	Neuenschwander	Scheid	Welch
Clawson	Hokr	Norton	Schoenfeld	Welker
Cohen	Jacobs	O'Connor	Schreiber	Welle
Coleman	Jennings	Ogren	Seaberg	Wenzel
Dempsey	Jensen	Olsen	Segal	Wigley
DenOuden	Johnson	Omann	Shaver	Wynia
Dimler	Kahn	Onnen	Shea	Zaffke
Eken	Kalis	Osthoff	Sherman	Speaker Sieben
Elioff	Kelly	Otis	Simoneau	

Those who voted in the negative were:

St. Onge

The bill was passed and its title agreed to.

S. F. No. 50, A bill for an act relating to crimes; providing for new crimes relating to abuse of children; establishing willful and unlawful restraint as a crime; establishing malicious punishment as a crime; establishing neglect as a crime; providing penalties; amending Minnesota Statutes 1982, sections 260.315; 609.255; and 626.556, subdivision 12; 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Krueger	Peterson	Sparby
Anderson, R.	Evans	Kvam	Piepho	Stadum
Battaglia	Findlay	Larsen	Piper	Staten
Beard	Fjoslien	Levi	Price	Sviggum
Begich	Frerichs	Ludeman	Quist	Swanson
Bennett	Graba	Mann	Redalen	Thiede
Bergstrom	Greenfield	Marsh	Reif	Tomlinson
Berkelman	Gruenes	McDonald	Rice	Tunheim
Bishop	Gustafson	McEachern	Riveness	Uphus
Blatz	Gutknecht	McKasy	Rodosovich	Valan
Brandl	Halberg	Metzen	Rodriguez, C.	Valento
Brinkman	Haukoos	Minne	Rodriguez, F.	Vanasek
Burger	Heap	Munger	Rose	Vellenga
Carlson, D.	Heinitz	Murphy	St. Onge	Voss
Carlson, L.	Himle	Nelson, D.	Sarna	Waltman
Clark, J.	Hoffman	Nelson, K.	Schafer	Welch
Clark, K.	Hokr	Neuenschwander	Scheid	Welker
Clawson	Jacobs	Norton	Schoenfeld	Welle
Cohen	Jennings	O'Connor	Schreiber	Wenzel
Coleman	Jensen	Ogren	Seaberg	Wigley
Dempsey	Johnson	Olsen	Segal	Wynia
DenOuden	Kahn	Omman	Shaver	Zaffke
Dimler	Kalis	Onnen	Sherman	Speaker Sieben
Eken	Kelly	Osthoff	Simoneau	
Elioff	Knuth	Otis	Skoglund	
Ellingson	Kostohryz	Pauly	Solberg	

The bill was passed and its title agreed to.

S. F. No. 269, A bill for an act relating to trusts; clarifying the time limits and applicable interest rates for certain employee trusts; amending Minnesota Statutes 1982, sections 334.01; and 501.11.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Krueger	Piper	Stadum
Anderson, R.	Evans	Kvam	Price	Staten
Battaglia	Findlay	Larsen	Quist	Sviggunn
Beard	Fjoslien	Levi	Redalen	Swanson
Begich	Frerichs	Ludeman	Reif	Thiede
Bennett	Graba	Marsh	Rice	Tomlinson
Bergstrom	Greenfield	McDonald	Riveness	Tunheim
Berkelman	Gruenes	McEachern	Rodosovich	Uphus
Bishop	Gustafson	McKasy	Rodriguez, C.	Valan
Blatz	Gutknecht	Metzen	Rodriguez, F.	Valento
Brandl	Halberg	Minne	Rose	Vanasek
Brinkman	Haukoos	Munger	St. Onge	Vellenga
Burger	Heap	Murphy	Sarna	Voss
Carlson, D.	Heinitz	Nelson, D.	Schafer	Waltman
Carlson, L.	Himle	Nelson, K.	Scheid	Welch
Clark, J.	Hoffman	Neuenschwander	Schoenfeld	Welker
Clark, K.	Hokr	Norton	Schreiber	Welle
Clawson	Jacobs	Ogren	Seaberg	Wenzel
Cohen	Jennings	Olsen	Segal	Wigley
Coleman	Jensen	Omamn	Shaver	Wynia
Dempsey	Johnson	Onnen	Shea	Zaffke
DenOuden	Kahn	Osthoff	Sherman	Speaker Sieben
Dimler	Kalis	Otis	Simoneau	
Eken	Kelly	Pauly	Skoglund	
Elioff	Knuth	Peterson	Solberg	
Ellingson	Kostohryz	Piepho	Sparby	

The bill was passed and its title agreed to.

GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole with Sieben 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 THE 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:

S. F. No. 589 which it recommended to pass.

H. F. Nos. 91, 588, 123 and 89 which it recommended progress retaining their places on General Orders.

S. F. No. 96 which it recommended to pass with the following amendment offered by Begich:

Page 6, line 2, delete "*governor with the*"

Page 6, line 3, delete "*advice of the*" and before "*iron*" delete "*the*"

Page 6, line 4, delete "*board*"

Page 6, line 5, strike "no" and insert "*one or*" and strike "than nine"

Page 6, line 6, strike "the" and "of finance, banking,"

Page 6, strike lines 7 to 10

Page 6, line 11, strike "evaluated by the technical advisory committee"

Page 6, line 13, before the new period insert "*related to the objectives of the proposal*"

Page 6, line 17, after "committee" insert "*or until 15 days have elapsed since the proposal was transmitted to the advisory committee, whichever occurs first*"

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

ROLL CALLS IN COMMITTEE OF THE WHOLE

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

Begich moved to amend S. F. No. 96, the unofficial engrossment, as follows:

Page 6, line 2, delete "*governor with the*"

Page 6, line 3, delete "*advice of the*" and before "*iron*" delete "*the*"

Page 6, line 4, delete "*board*"

Page 6, line 5, strike "no" and insert "*one or*" and strike "than nine"

Page 6, line 6, strike "the" and "of finance, banking,"

Page 6, strike lines 7 to 10

Page 6, line 11, strike "evaluated by the technical advisory committee"

Page 6, line 13, before the new period insert "*related to the objectives of the proposal*"

Page 6, line 17, after "committee" insert "*or until 15 days have elapsed since the proposal was transmitted to the advisory committee, whichever occurs first*"

The question was taken on the amendment and the roll was called. There were 65 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	McDonald	Piper	Skoglund
Battaglia	Graba	McEachern	Price	Solberg
Beard	Gustafson	Metzen	Redalen	Sparby
Begich	Gutknecht	Minne	Reif	Staten
Berkelman	Hoffman	Munger	Rice	Swanson
Brandl	Jacobs	Murphy	Riveness	Tomlinson
Brinkman	Jensen	Nelson, D.	Rodosovich	Tunheim
Carlson, L.	Kalis	Neuenschwander	Rodriguez, F.	Vanasek
Clark, J.	Knuth	Norton	St. Onge	Voss
Clark, K.	Kostohryz	O'Connor	Sarna	Welle
Cohen	Krueger	Ogren	Shea	Wenzel
Eken	Larsen	Otis	Sherman	Wynia
Elioff	Mann	Peterson	Simoneau	Speaker Sieben

Those who voted in the negative were:

Anderson, R.	Findlay	Hokr	Osthoff	Sviggum
Bennett	Fjoslien	Jennings	Pauly	Thiede
Bishop	Frerichs	Johnson	Piepho	Uphus
Burger	Greenfield	Kahn	Quist	Vafan
Carlson, D.	Gruenes	Luderman	Rose	Valento
Dempsey	Halberg	Marsh	Scheid	Vellenga
DenOuden	Haukoos	McKasy	Schreiber	Waltman
Dimler	Heap	Olsen	Seaberg	Wigley
Erickson	Heinitz	Omann	Shaver	Zaffke
Evans	Himle	Onnen	Stadum	

The motion prevailed and the amendment was adopted.

Carlson, D., moved to amend S. F. No. 96, the unofficial engrossment, as amended, as follows:

Page 4, line 15, after the period insert "*Voting on approval of a project must be done by secret ballot if requested by a member of the board.*"

The question was taken on the amendment and the roll was called. There were 44 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Johnson	Pauly	Sviggum
Bishop	Frerichs	Krueger	Piepho	Thiede
Carlson, D.	Gruenes	Levi	Quist	Uphus
Dempsey	Haukoos	Marsh	Reif	Valan
DenOuden	Heap	McDonald	Schafer	Valento
Dimler	Heinitz	McKasy	Seaberg	Waltman
Erickson	Himle	Olsen	Shaver	Welker
Evans	Hokr	Omann	Sherman	Wigley
Findlay	Jennings	Onnen	Stadum	

Those who voted in the negative were:

Anderson, C.	Eken	McEachern	Price	Swanson
Battaglia	Elioff	Metzen	Rice	Tomlinson
Beard	Ellingson	Minne	Riveness	Tunheim
Begich	Graba	Munger	Rodosovich	Vanasek
Bennett	Greenfield	Murphy	Rodriguez, F.	Voss
Bergstrom	Gustafson	Nelson, D.	St. Onge	Welch
Berkelman	Hoffman	Nelson, K.	Sarna	Welle
Blatz	Jacobs	Neuenschwander	Scheid	Wenzel
Brandl	Jensen	Norton	Segal	Wynia
Brinkman	Kalis	O'Connor	Shea	Zaffke
Burger	Knuth	Ogren	Simoneau	Speaker Sieben
Carlson, L.	Kostohryz	Osthoff	Skoglund	
Clark, J.	Larsen	Otis	Solberg	
Clark, K.	Ludeman	Peterson	Sparby	
Cohen	Mann	Piper	Staten	

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

The question was taken on the motion to recommend passage of S. F. No. 96, as amended, and the roll was called. There were 78 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Cohen	Krueger	Otis	Skoglund
Anderson, R.	Coleman	Larsen	Peterson	Solberg
Battaglia	Dempsey	Mann	Piper	Sparby
Beard	Dimler	McDonald	Price	Staten
Begich	Eken	McEachern	Redalen	Swanson
Bergstrom	Elioff	Metzen	Rice	Tomlinson
Berkelman	Ellingson	Minne	Riveness	Tunheim
Bishop	Graba	Munger	Rodosovich	Vanasek
Blatz	Greenfield	Murphy	Rodriguez, F.	Voss
Brandl	Gustafson	Nelson, D.	St. Onge	Welch
Brinkman	Hoffman	Nelson, K.	Sarna	Welle
Burger	Jacobs	Neuenschwander	Schoenfeld	Wenzel
Carlson, L.	Jensen	Norton	Seaberg	Wynia
Clark, J.	Kalis	O'Connor	Segal	Speaker Sieben
Clark, K.	Knuth	Ogren	Shea	
Clawson	Kostohryz	Olsen	Simoneau	

Those who voted in the negative were:

Bennett	Erickson	Fjoslien	Halberg	Heinitz
Carlson, D.	Evans	Frerichs	Haukoos	Himle
DenOuden	Findlay	Gruenes	Heap	Hokr

Jennings	McKasy	Reif	Sviggum	Welker
Johnson	Omann	Rose	Thiede	Wigley
Kahn	Onnen	Schafer	Uphus	Zaffke
Levi	Osthoff	Schreiber	Valan	
Ludeman	Piepho	Shaver	Valento	
Marsh	Quist	Stadum	Waltman	

The motion prevailed.

MOTIONS AND RESOLUTIONS

Voss moved that H. F. No. 751 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Taxes. The motion prevailed.

Swanson moved that H. F. No. 544, now on Technical General Orders, be re-referred to the Committee on Health and Welfare. The motion prevailed.

Tomlinson moved that H. F. No. 13 be recalled from the Committee on Taxes and be re-referred to the Committee on Regulated Industries. The motion prevailed.

Brinkman moved that H. F. No. 925 be recalled from the Committee on Judiciary and be re-referred to the Committee on Commerce and Economic Development. The motion prevailed.

Gustafson moved that S. F. No. 552 be recalled from the Committee on Judiciary and together with H. F. No. 578, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Krueger moved that H. F. No. 595 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Rodriguez, F., moved that the name of Sarna be added as an author on H. F. No. 601. The motion prevailed.

Battaglia moved that the name of Minne be added as an author on H. F. No. 909. The motion prevailed.

Osthoff moved that the name of Welle be added as an author on H. F. No. 254. The motion prevailed.

Kostohryz moved that the names of Reif, Valento, Osthoff and Kelly be added as authors on House Resolution No. 6. The motion prevailed.

Simoneau moved that the name of Jennings be stricken as an author on H. F. No. 422. The motion prevailed.

Sparby moved that the name of Tunheim be added as an author on H. F. No. 1031. The motion prevailed.

Sparby moved that the name of Stadum be added as an author on H. F. No. 1031. The motion prevailed.

Long moved that the name of Anderson, R., be added as an author on H. F. No. 1074. The motion prevailed.

Berkelman moved that the name of Segal be added as an author on H. F. No. 1040. The motion prevailed.

Levi moved that the names of Kahn, Vanasek, Voss and Norton be added as authors on H. F. No. 1053. The motion prevailed.

McDonald moved that the names of Levi, Hoffman and Price be added as authors on H. F. No. 777. The motion prevailed.

Sparby moved that the name of Neuenschwander be added as an author on H. F. No. 1008. The motion prevailed.

Clark, K., moved that the names of Larsen, Neuenschwander, St. Onge and Bennett be added as authors on H. F. No. 817. The motion prevailed.

Norton moved that the names of Sarna, Kahn and Kalis be added as authors on H. F. No. 1025. The motion prevailed.

Segal moved that the names of Sparby and Olsen be added as authors on H. F. No. 1018. The motion prevailed.

Wenzel moved that the name of Sparby be added as an author on H. F. No. 1015. The motion prevailed.

Rodriguez, C., moved that the name of Blatz be added as an author on H. F. No. 1068. The motion prevailed.

Sparby moved that the names of Evans and Segal be added as authors on H. F. No. 1007. The motion prevailed.

Blatz moved that the name of Riveness be added as an author on H. F. No. 372. The motion prevailed.

Ogren moved that the name of Segal be added as an author on H. F. No. 1049. The motion prevailed.

Krueger moved that the name of Evans be added as an author on H. F. No. 1057. The motion prevailed.

Price and Beard introduced:

House Resolution No. 7, A house resolution congratulating the Woodbury Royals boys basketball team for winning the 1983 Class AA State High School Boys Basketball Tournament.

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

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, April 4, 1983. 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, April 4, 1983.

EDWARD A. BURDICK, Chief Clerk, House of Representatives