

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1983

FORTY-NINTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 9, 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 Father William P. Schimek, retired Pastor St. Theresa, Mapleton, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Sherman was excused.

Halberg was excused until 2:30 p.m. Tunheim was excused until 4:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Rice 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. No. 1259 and S. F. Nos. 641 and 989 have been placed in the members' files.

S. F. No. 989 and H. F. No. 894, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Ellingson moved that the rules be so far suspended that S. F. No. 989 be substituted for H. F. No. 894 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Rice from the Committee on Appropriations to which was referred:

H. F. No. 77, A bill for an act relating to horse racing; creating a Minnesota racing commission and providing for its membership, powers, and duties; authorizing the licensing of persons to operate racetracks, conduct horse racing, engage in certain occupations and conduct pari-mutuel betting on horse racing; prescribing taxes and license fees; establishing a Minnesota breeders fund; providing penalties; appropriating money; amending Minnesota Statutes 1982, sections 38.04; 273.76, by adding a subdivision; 609.75, subdivision 3; and 609.761; proposing new law coded as Minnesota Statutes, chapter 240.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [240.01] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of this act the terms defined in this section have the meanings given them.

Subd. 2. [HORSE RACING.] "Horse racing" is any form of horse racing in which horses carry a rider or pull a sulky.

Subd. 3. [PERSON.] "Person" is an individual, firm, association, partnership, corporation, trustee, or legal representative, and any licensee, participant, or patron.

Subd. 4. [COMMISSION.] "Commission" is the Minnesota racing commission.

Subd. 5. [PARI-MUTUEL BETTING.] "Pari-mutuel betting" is the system of betting on horse races where those who bet on horses that finish in the position or positions for which bets are taken share in the total amounts bet, less deductions required or permitted by law.

Subd. 6. [BREAKAGE.] "Breakage" is the odd cents of all money to be distributed based on each dollar bet exceeding a sum equal to the next lowest multiple of ten.

Subd. 7. [STRAIGHT POOLS AND BETS.] "Straight pool" is a licensed pari-mutuel pool in which each ticket represents a bet to win, place, or show. A "straight bet" is a bet in a straight pool.

Subd. 8. [MULTIPLE POOLS AND BETS.] "Multiple pool" is a licensed pari-mutuel pool other than a straight pool. A "multiple bet" is a bet in a multiple pool.

Subd. 9. [LICENSED RACETRACK.] "Licensed racetrack" is a racetrack at which horse racing is conducted on the premises and which holds a class A or class D license issued by the commission.

Subd. 10. [RACING DAY.] "Racing day" is a day assigned by the commission as a racing day, and on which racing is conducted.

Subd. 11. [RACING MEETING.] "Racing meeting" is a series of days in which racing days are not separated by more than five non-racing days.

Sec. 2. [240.02] [RACING COMMISSION.]

Subdivision 1. [COMMISSION CREATED.] A Minnesota racing commission is established with the powers and duties specified in this act. The commission consists of five members appointed by the governor with the advice and consent of the senate and the house acting separately. Not more than three of the members may belong to the same political party. The governor shall designate the chairman of the commission. Of the members first appointed, three are for terms expiring June 30, 1985, three are for terms expiring June 30, 1987, and three are for terms expiring June 30, 1989. After the expiration of the initial term, appointments are for terms of six years. An appointment

to fill a vacancy in an unexpired term is for the remainder of the term and is with the advice and consent of the senate and the house acting separately.

Subd. 2. [QUALIFICATIONS.] A member of the commission must have been a resident of Minnesota for at least five years before appointment, and must have a background and experience as would qualify for membership on the commission. A member must, before taking his or her place on the commission, file a bond in the principal sum of \$100,000 payable to the state, conditioned upon the faithful performance of his or her duties. No commission member, nor any member of his or her immediate family, may hold a license issued by the commission or have a direct or indirect financial interest in a corporation, partnership, or association which holds a license issued by the commission.

Subd. 3. [COMPENSATION.] The compensation of commission members is \$35 per day spent on commission activities, when authorized by the commission, plus expenses in the same manner and amount as provided in the commissioner's plan adopted according to section 43A.18, subdivision 2.

Subd. 4. [REMOVAL; VACANCIES.] The removal of commission members is as provided in section 15.0575.

Subd. 5. [ACTIONS.] The commission may sue and be sued in its own name, but no action may be brought against the commission or any of its members for actions taken in good faith in the performance of their duties. The attorney general is the legal counsel for the commission.

Subd. 6. [ANNUAL REPORT.] The commission shall once each year report to the governor and legislature on its activities, organizational structure, receipts and disbursements, and recommendations for changes in the laws relating to racing and pari-mutuel betting.

Sec. 3. [240.03] [COMMISSION POWERS AND DUTIES.]

The commission has the following powers and duties:

- (1) to regulate horse racing in Minnesota to ensure that it is conducted in the public interest;*
- (2) to issue licenses as provided in this act;*
- (3) to enforce all laws and rules governing horse racing;*
- (4) to collect and distribute all taxes provided for in this act;*
- (5) to conduct necessary investigations and inquiries and compel the submission of information, documents, and records it deems necessary to carry out its duties;*

- (6) to supervise the conduct of pari-mutuel betting on horse racing;
- (7) to employ and supervise personnel under this act;
- (8) to determine the number of racing dates to be held in the state and at each track;
- (9) to take all necessary steps to ensure the integrity of racing in Minnesota.

Sec. 4. [240.04] [EMPLOYEES.]

Subdivision 1. [EXECUTIVE SECRETARY.] The commission shall appoint an executive secretary, who is its chief administrative officer and who serves at its pleasure in the unclassified service. He shall devote full time to his duties, which are:

(a) to take and preserve records of all proceedings before the commission, maintain its books, documents, and records, and make them available for public inspection as the commission directs;

(b) if so designated by the commission, to act as a hearing officer in hearings which need not be conducted under the Administrative Procedure Act to conduct hearings, receive testimony and exhibits, and certify the record of proceedings to the commission;

(c) to act as the commission's chief personnel officer and supervise the employment, conduct, duties, and discipline of commission employees; and

(d) to perform other duties as directed by the commission.

Subd. 2. [INSPECTOR OF PARI-MUTUELS.] The commission shall employ an inspector of pari-mutuels who serves in the unclassified service at the commission's pleasure. He shall, while employed by the commission, devote full time to his duties, which are:

(a) to supervise all forms of pari-mutuel betting on horse racing in the state;

(b) to inspect all machinery;

(c) to make reports on pari-mutuel betting as the commission directs;

(d) subject to commission approval, to appoint deputy inspectors to perform duties the commission designates; and

(e) to perform other duties as directed by the commission.

Subd. 3. [CHIEF OF SECURITY.] The commission shall appoint a chief of racing security to serve in the unclassified service at the commission's pleasure. He shall devote full time to his duties while employed by the commission. The chief of racing security is responsible for enforcing all laws and commission rules relating to the security and integrity of racing. He and all other persons designated by the commission as security officers have free and open access to all areas of all facilities the commission licenses and may search without a search warrant any part of a licensed racetrack and the person of any licensee of the commission on the premises. The chief of security may order a licensee to take, at the licensee's expense, security measures he determines necessary to protect the integrity of racing, but such an order may be appealed to the commission. Nothing in this act prohibits law enforcement authorities and agents from entering, in the performance of their duties, a premises licensed under this act.

Subd. 4. [MEDICAL SERVICES.] The commission shall appoint a medical officer who shall be a doctor of veterinary medicine and who serves at its pleasure in the unclassified service. He shall, while employed by the commission, devote full time to his duties, which are:

(a) to supervise the formulation, administration, and evaluation of all medical tests the commission's rules require or authorize;

(b) to advise the commission on all aspects of veterinary medicine relating to its powers and duties; and

(c) to supervise all personnel involved in medical testing, subject to the supervision of the executive secretary.

The commission may obtain medical services as required by contract with an institution which teaches animal health sciences within the state. If no medical officer is appointed, his duties may be assigned to the executive secretary.

Subd. 5. [OTHER EMPLOYEES.] Subject to applicable laws, the commission shall employ and assign duties to other officers, employees, and agents as it deems necessary to discharge its functions.

Subd. 6. [COMPENSATION.] The compensation of all commission employees shall be as provided in chapter 43A.

Subd. 7. [ASSISTANCE.] The commission may request assistance from any department or agency of the state in fulfilling

its duties, and shall make appropriate reimbursement for all such assistance.

Sec. 5. [240.05] [LICENSES; CLASSES.]

Subdivision 1. [CLASSES.] The commission may issue four classes of licenses:

(a) class A licenses, for the ownership and operation of a racetrack with horse racing on which pari-mutuel betting is conducted;

(b) class B licenses, for the sponsorship and management of horse racing on which pari-mutuel betting is conducted;

(c) class C licenses, for the privilege of engaging in certain occupations related to horse racing; and

(d) class D licenses, for the conduct of pari-mutuel horse racing by county agricultural societies or associations.

No person may engage in any of the above activities without first having obtained the appropriate license from the commission.

Subd. 2. [FORMS.] All application forms for licenses must contain a statement to the effect that by accepting a license from the commission a licensee consents to having his property or person subject to inspection at any time by the chief of racing security or by security officers designated by the commission.

Subd. 3. [POLICY.] It is the intent of the legislature that authority granted by law to the commission to issue licenses not be construed as requiring the commission to issue any license.

Sec. 6. [240.06] [RACETRACK LICENSES.]

Subdivision 1. [APPLICATION.] The commission may issue one or more class A licenses, but not more than one to any one person. An application for a class A license must be on a form the commission prescribes and must be accompanied by detailed plans and specifications of the track, buildings, fences, and other improvements. The application must contain:

(a) the name and address of the applicant and, if it is a corporation, the names of all officers, directors, and stockholders of the corporation and any of its holding corporations;

(b) if required by the commission, the names of any person or persons holding directly, indirectly, or beneficially an interest of any kind in the applicant or any of its holding corporations,

whether the interest is financial, administrative, policy-making, or supervisory;

(c) a statement of the assets and liabilities of the applicant; and

(d) a sworn statement executed by the applicant setting forth that no officer, director, or other person with a present or future direct or indirect financial or management interest in the racetrack, to the best of the applicant's knowledge:

(1) is in default in the payment of an obligation or debt to the state under this act;

(2) has ever been convicted of a felony in a state or federal court or has a state or federal felony charge pending;

(3) is or has been connected with or engaged in any illegal business;

(4) has ever been found guilty of fraud or misrepresentation in connection with racing or breeding;

(5) has ever been found guilty of a violation of a law or rule in any racing jurisdiction for which a license revocation has been or could have been imposed; or

(6) has ever knowingly violated a rule or order of the commission or a law of Minnesota relating to racing.

Subd. 2. [HEARINGS.] Before granting an initial class A license application the commission shall hold one or more public hearings in the area where the racetrack is or will be located. The commission shall also request comments on the application from the city council of the city where the track is or will be located, or from the county board if it is to be located outside a municipality, and from the appropriate regional development commission or the metropolitan council, as the case may be.

Subd. 3. [INVESTIGATION.] Before granting an initial class A license the commission shall conduct, or request the bureau of criminal apprehension to conduct, a comprehensive background and financial investigation of the applicant and sources of financing. The commission may charge an applicant an investigation fee to cover the cost of the investigation, and shall from this fee reimburse the bureau for its share of the cost of the investigation. The commission has access to all criminal history data compiled by the bureau of criminal apprehension on class A licensees and applicants.

Subd. 4. [LICENSE ISSUANCE.] If after considering the information received at the hearing or hearings and the com-

ments requested under subdivision 2, the commission determines that the license will not adversely affect the public health, welfare, and safety, that the race track will be operated in accordance with all applicable laws and rules, that the license will not create a competitive situation that will adversely affect racing and the public interest, and that the applicant is financially able to operate a licensed racetrack, it may issue a class A license to the applicant. The license is effective until revoked or suspended by the commission or relinquished by the licensee.

Subd. 5. [PROHIBITED LOCATIONS.] A class A license may not be issued to any location where the operation of a racetrack is prohibited by a valid local zoning ordinance.

Subd. 6. [CHANGES IN OWNERSHIP OR MANAGEMENT.] If a change in the officers, directors, stockholders, or other persons with a present or future direct or indirect financial or management interest in the licensee, or a change of ownership of more than five percent of the licensee's stock is made after the initial application or license issuance, the applicant or licensee must notify the commission of the changes within five days of their occurrence and provide the affidavit required by subdivision 1.

Subd. 7. [LICENSE SUSPENSION AND REVOCATION.] The commission may revoke a class A license for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, or for an intentional false statement made in a license application, or for a willful failure to pay any money required to be paid by this act.

The commission may suspend a class A license for up to one year for a violation of law, order, or rule, and may suspend a class A license indefinitely if it determines that the licensee has as an officer, director, stockholder, or other person with a direct, indirect, or beneficial interest a person who is in the commission's opinion inimical to the integrity of horse racing in Minnesota or who cannot be certified under subdivision 1, clause (d).

A license revocation or suspension under this subdivision, or a refusal to renew a class A license, is a contested case under sections 14.57 to 14.70 of the administrative procedure act, and is in addition to criminal penalties imposed for a violation of law or rule.

Subd. 8. [WORK AREAS.] A class A licensee must accept and provide suitable work areas for commission members, officers, employees, and agents who are directed by the commission to supervise and control racing at the licensed racetrack at no cost to the commission.

Sec. 7. [240.07] [RACING LICENSES.]

Subdivision 1. [APPLICATION.] The commission may issue one or more class B licenses for the sponsorship and management of horse racing at licensed racetracks. An application for a class B license must be on a form the commission prescribes, and must be accompanied by a bond in the principal amount of \$500,000 payable to the state of Minnesota conditioned on the licensee's payment of all fees, taxes, and other money due and payable under this act, including horse owner's purses and payouts on winning pari-mutuel tickets.

The application must contain:

(a) the name and address of the applicant and, if it is a corporation or association, the names of all officers, directors, and stockholders, including those of any of its holding companies;

(b) if required by the commission, the names of any person or persons holding, directly, indirectly, or beneficially, an interest of any kind in the applicant or any of its holding companies, whether the interest is financial, administrative, policy-making, or supervisory;

(c) a statement of the assets and liabilities of the applicant; and

(d) a sworn statement of the type described in section 6, subdivision 1, clause (d).

Subd. 2. [HEARINGS; INVESTIGATIONS.] Before granting an initial class B license the commission shall hold at least one public hearing on the license. Comprehensive investigations must be conducted and their costs paid in the manner prescribed by section 6, subdivision 3. The commission has access to all criminal history data compiled by the bureau of criminal apprehension on class B licensees and applicants.

Subd. 3. [LICENSE ISSUANCE.] If after considering the information received from the hearing and investigations, the commission determines that the applicant will conduct horse racing in accordance with all applicable laws and rules, will not adversely affect the public health, welfare, and safety, that the license will not create a competitive situation that will adversely affect racing and the public interest and is fit to sponsor and manage racing, the commission may issue a class B license. The license is for a period of one year.

Subd. 4. [RENEWAL.] The commission may renew a class B license without a hearing unless it determines a hearing to be necessary.

Subd. 5. [CHANGES IN OWNERSHIP.] If a change in the officers, directors, or other persons with a direct or indirect financial or management interest in the licensee, or a change of ownership of more than five percent of the licensee's stock is made after the initial application or license issuance, the applicant or licensee must notify the commission of the changes within five days of their occurrence and provide the affidavit required in subdivision 1.

Subd. 6. [LICENSE SUSPENSION AND REVOCATION.] Suspension, revocation, and refusal to renew a class B license is as provided in section 6, subdivision 7.

Subd. 7. [MULTIPLE LICENSES.] A person may simultaneously hold one class A and one class B license.

Sec. 8. [240.08] [OCCUPATION LICENSES.]

Subdivision 1. [AUTHORITY.] The commission may issue class C occupational licenses to persons who wish to be employed in horse racing where pari-mutuel betting is conducted as:

- (a) horse owners or lessees;*
- (b) jockeys or drivers;*
- (c) exercise workers;*
- (d) grooms;*
- (e) trainers and their assistants;*
- (f) pari-mutuel personnel;*
- (g) security officers;*
- (h) other occupations the commission by rule determines require licensing to ensure the integrity of horse racing in Minnesota.*

Subd. 2. [APPLICATION.] An application for a class C license must be on a form the commission prescribes and must be accompanied by an affidavit of qualification that the applicant:

- (a) is not in default in the payment of an obligation or debt to the state under this act;*
- (b) has never been convicted of a felony in a state or federal court and does not have a state or federal felony charge pending;*
- (c) is not and never has been connected with or engaged in an illegal business;*

(d) has never been found guilty of fraud or misrepresentation in connection with racing or breeding;

(e) has never been found guilty of a violation of law or rule in any racing jurisdiction for which a license revocation has been or could have been imposed;

(f) has never knowingly violated a rule or order of the commission or a law of Minnesota relating to racing.

Subd. 3. [INVESTIGATIONS.] The commission shall investigate each applicant for a class C license to the extent it deems necessary, and may request the assistance of and may reimburse the bureau of criminal apprehension in investigating applicants. The commission may by rule require that an applicant be fingerprinted or furnish his fingerprints. Investigations must be conducted and their costs paid in the manner prescribed by section 6, subdivision 3. The commission may cooperate with national and international organizations and agencies in conducting investigations. The commission may by rule provide for examining the qualifications of an applicant for the license for which he is applying. The commission has access to all criminal history data compiled by the bureau of criminal apprehension on class C applicants and licensees.

Subd. 4. [LICENSE ISSUANCE AND RENEWAL.] If the commission determines that the applicant has sufficient qualifications for the occupation for which licensing is sought and will not adversely affect the public health, welfare, and safety or the integrity of racing in Minnesota, it may issue a class C license to the applicant. If it makes a similar finding for a renewal of a class C license it may renew the license. Class C licenses are effective for one year.

Subd. 5. [REVOCAION AND SUSPENSION.] The commission may revoke a class C license for a violation of law or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, or for an intentional false statement made in a license application.

The commission may suspend a class C license for up to one year for a violation of law, order or rule.

The commission may delegate to its designated agents the authority to impose suspensions of class C licenses, and the suspension may be appealed to the commission according to its rules.

A license revocation or suspension is a contested case under sections 14.57 to 14.70 of the administrative procedure act and is in addition to criminal penalties imposed for a violation of law or rule.

Sec. 9. [240.09] [COUNTY FAIR LICENSES.]

Subdivision 1. [APPLICATION.] The commission may issue class D licenses to county agricultural societies or associations incorporated under chapter 38 or nonprofit corporations in existence on April 21, 1951 and operating fairs, to conduct and manage, on their own fairgrounds, horse racing on which pari-mutuel betting is conducted. An application for a class D license must be on a form the commission prescribes and must be accompanied by a certified copy of a resolution of the county board of the county where racing is to be conducted stating that it has reviewed the license application and does not object to it. An application for a class D license must be accompanied by detailed plans and specifications of the track, buildings, fences, and other improvements.

Subd. 2. [OCCUPATIONAL LICENSES.] A person who participates in the management or conduct of horse racing or pari-mutuel betting for a county fair holding a class C license who is in an occupation listed in section 8, subdivision 1 must have a class C license from the commission except for active members as defined in section 349.12 of nonprofit organizations who act without compensation as concession workers or pari-mutuel clerks.

Subd. 3. [HEARING.] Before granting an initial application for a class D license, the commission must hold at least one public hearing in the county where the license is to be issued, and if the racetrack to be licensed is within a city, it must also request comments on the application from the city council.

Subd. 4. [ISSUANCE.] If after considering the information received at the hearing or hearings and considering the comments requested under subdivision 3, the commission determines that the license will not adversely affect the public health, welfare, and safety and that the racing to be licensed will be conducted in accordance with all applicable laws and rules, it may issue a class D license to the applicant. The license is for a period of one year.

Subd. 5. [RENEWAL.] The commission may renew a class D license without a hearing unless it determines a hearing is necessary.

Subd. 6. [REVOCAION AND SUSPENSION.] Revocation and suspension of class D licenses, and refusals to renew class D licenses, are as provided in section 6, subdivision 7.

Sec. 10. [240.10] [LICENSE FEES.]

The fee for a class A license is \$10,000 per year. The fee for a class B license is \$100 for each assigned racing day on which

racing is actually conducted. The fee for a class D license is \$50 for each assigned racing day on which racing is actually conducted. Fees imposed on class B and class D licenses must be paid to the commission at the same time and in the same manner as payments due under section 15, subdivision 2.

The commission shall by rule establish an annual license fee for each occupation it licenses under section 8 but no annual fee for a class C license may exceed \$100.

License fee payments received must be paid by the commission to the state treasurer for deposit in the general fund.

Sec. 11. [240.11] [LICENSES NONTRANSFERABLE.]

A license issued under this act may not be transferred.

Sec. 12. [240.12] [LICENSE AGREEMENTS.]

The commission may enter into agreements with comparable bodies in other racing jurisdictions for the mutual recognition of occupational licenses issued by each body. The commission may by rule provide for and may charge a fee for the registration of each license issued in another jurisdiction.

Sec. 13. [240.13] [PARI-MUTUEL BETTING.]

Subdivision 1. [AUTHORIZED.] Class B and class D licenses give the licensees authority to conduct pari-mutuel betting on the results of races run at the licensed racetrack, and on other races as authorized by the commission under subdivision 6.

Subd. 2. [REQUIREMENTS.] A licensee conducting pari-mutuel betting must provide at the licensed track:

(a) the necessary equipment for issuing pari-mutuel tickets; and

(b) mechanical or electronic equipment for displaying information the commission requires. All mechanical or electronic devices must be approved by the commission before being used.

Subd. 3. [TYPES OF BETTING.] The commission shall by rule designate those types of pari-mutuel pools which are permitted at licensed racetracks, and no licensee may conduct any type of pari-mutuel pool which has not been so designated.

Subd. 4. [TAKEOUT; DISTRIBUTION OF WINNINGS.] A licensee conducting pari-mutuel betting must deduct from a straight pari-mutuel pool, before payments to holders of winning tickets, an amount equal to 16 percent of the total money in that pool. The licensee must deduct from a multiple pari-

mutuel pool, before payments to the holders of winning tickets, an amount equal to 22 percent of the total money in that pool. The remaining money in each pool must be distributed among the holders of winning tickets in a manner the commission by rule prescribes for each type of pool. Breakage must be computed on the basis of payoffs rounded down to the next lowest increment of 20 cents, with a minimum payoff of \$2.20 on a \$2 ticket, except that the licensee may reduce the minimum payoff to \$2.10 on a \$2 ticket if there is not a sufficient amount in a pool to make a minimum payoff of \$2.20.

Subd. 5. [PURSES.] From the amounts deducted from all pari-mutuel pools by a licensee, an amount equal to five percent of all money in all pools must be set aside by the licensee and used for purses for races conducted by him. The commission may by rule provide for the administration and enforcement of this subdivision.

Subd. 6. [TELEVISED RACES.] The commission may by rule permit a class B or class D licensee to conduct on the premises of the licensed racetrack pari-mutuel betting on horse races run in other states and broadcast by television on the premises. All provisions of law governing pari-mutuel betting apply to pari-mutuel betting on televised races except as otherwise provided in this subdivision or in the commission's rules. Pari-mutuel pools conducted on such televised races may consist only of money bet on the premises and may not be commingled with any other pool off the premises, except that:

(a) the licensee may pay a fee to the person or entity conducting the race for the privileges of conducting pari-mutuel betting on the race, and

(b) the licensee may pay the costs of transmitting the broadcast of the race.

Pari-mutuel betting on a televised race may be conducted only on a racing day assigned by the commission. The takeout and taxes on pari-mutuel pools on televised races are as provided for other pari-mutuel pools. All televised races under this subdivision must comply with the Interstate Horse Racing Act of 1978 or found in United States Code, title 15, section 3001 and the following relevant sections, as amended through December 31, 1983.

Subd. 7. [TIME LIMIT FOR PAYMENTS.] The licensee must pay off on an uncashed ticket presented for payment within 90 days of the end of the racing meeting during which it was issued. A ticket not presented for payment within that period is an unredeemed ticket and shall be reported to the commission as provided in section 15, subdivision 5.

Subd. 8. [PROHIBITED ACTS.] A licensee may not accept a bet from any person under the age of 18 years; and a licensee may not accept a bet of less than \$2.

Sec. 14. [240.14] [RACING DAYS.]

Subdivision 1. [ASSIGNMENT OF RACING DAYS.] The commission shall assign racing days to each racetrack licensee authorized to conduct racing with pari-mutuel betting, and a licensee may conduct racing with pari-mutuel betting only on a racing day assigned by the commission. The commission may assign racing days for up to three years beyond the year in which the assignment is made. Assignments of racing days in any year must be made by July 1 of the previous year, except that it may assign dates after that date to a licensee whose license is issued after that date.

Subd. 2. [HEARING.] A public hearing is required before the commission may:

- (a) make an assignment of racing days;*
- (b) revise the assignment during the year; or*
- (c) assign racing days to a licensee whose license is issued after the initial assignment.*

The commission may without a hearing assign one additional racing day to a licensee for each originally assigned racing day during the same racing meeting on which racing was not conducted for reasons beyond the licensee's control.

Subd. 3. [COUNTY FAIR RACING DAYS.] The commission may assign to a class D licensee only those racing days, not to exceed ten racing days, which coincide with the days on which the licensee's county fair is running or the weekend preceding or following the county fair.

Subd. 4. [RESCINDING OF RACING DAYS.] The commission may, after a public hearing, rescind one or more racing days assigned to a licensee if it determines that the licensee has not met or will not meet the terms of his license. A day or days so rescinded may be reassigned to another licensee.

Sec. 15. [240.15] [PAYMENTS TO STATE.]

Subdivision 1. [TAXES IMPOSED.] (a) There is imposed on the total amount bet on all pari-mutuel pools on each racing day a tax at the following rates:

- (1) For each racing day in a calendar year on which the total amount bet, together with the total amount bet at the same li-*

censed racetrack in all previous racing days in the same calendar year does not exceed \$48,000,000, 1-3/4 percent of the total amount bet in all pari-mutuel pools.

(2) For each racing day in a calendar year after the racing day on which the total amount bet in all pari-mutuel pools at the same licensed racetrack in the same calendar year exceeds \$48,000,000, six percent of the total amount bet in all pari-mutuel pools.

In addition to the above tax, the licensee must designate and pay to the commission a tax for deposit in the Minnesota breeders fund, at the following rates:

(1) For racing days on which the state tax under clause (a) (1) is 1-3/4 percent, one-half percent of the total amount bet in all pari-mutuel pools.

(2) For racing days on which the state tax under clause (a) (2) is six percent, one percent of the total amount bet in all pari-mutuel pools.

The taxes imposed by this clause must be paid from the amounts permitted to be withheld by a licensee under section 13, subdivision 4.

(b) The commission shall impose on each paid admission to each licensed racetrack on a racing day a tax of 40 cents. It may impose an additional admissions tax of not more than ten cents at any licensed racetrack if:

(1) the additional tax is requested by a local unit of government within whose borders the track is located;

(2) a public hearing is held on the request; and

(3) the commission finds that the local unit of government requesting the additional tax is in need of its revenue to meet extraordinary expenses caused by the racetrack.

Subd. 2. [PAYMENT.] The licensee must remit the tax to the commission or its representative within seven days of the day on which it was collected. In addition to the tax and at that time the licensee must pay to the commission or its representative a sum equal to one-half the total breakage for each racing day during the period for which the tax is paid. The payments must be accompanied by a detailed statement of the remittance on a form the commission prescribes. The commission may by rule provide for the direct deposit of required payments in the commission's account in a financial institution within the state

and for determining the time of applicability of different tax rates under subdivision 1.

Subd. 3. [TAX EXCLUSIVE.] *The tax imposed by subdivision 1 is in lieu of any tax or license fee, other than taxes on real property, imposed by a political subdivision and in lieu of any other sales or excise tax imposed by the state on racetrack admissions or pari-mutuel pools or pari-mutuel ticket sales.*

Subd. 4. [REPORTS.] *Within 100 days of the end of a racing meeting a licensee subject to the tax imposed by subdivision 1 must file with the commission a certified statement of receipts from all sources during the racing meeting and of expenses and disbursements, itemized on a form the commission prescribes after consultation with the state auditor, showing the licensee's net revenues from all sources. The statement must be prepared by a certified public accountant in accordance with generally accepted auditing standards.*

Subd. 5. [UNREDEEMED TICKETS.] *Not later than 100 days after the end of a racing meeting a licensee who sells pari-mutuel tickets must remit to the commission or its representative an amount equal to the total value of unredeemed tickets from the racing meeting. The remittance must be accompanied by a detailed statement of the money on a form the commission prescribes.*

Subd. 6. [DISPOSITION OF PROCEEDS.] *The commission shall distribute all money received under this section, and all money received from license fees and fines it collects, as follows: all money designated for deposit in the Minnesota breeders fund must be paid into that fund for distribution under section 18. Revenue from an additional admissions tax imposed under subdivision 1 must be paid to the local unit of government at whose request it was imposed, at times and in a manner the commission determines. All other revenues received under this section by the commission, and all license fees, fines, and other revenue it receives, must be paid to the state treasurer for deposit in the general fund.*

Sec. 16. [240.16] [STEWARDS.]

Subdivision 1. [POWERS AND DUTIES.] *All horse races run at a licensed racetrack must be presided over by a board of three stewards, who must be appointees of the commission or persons approved by it. The commission shall designate one steward as chairman. At least two stewards for all races shall be employees of the commission. The commission may delegate the following duties and powers to a board of stewards:*

(a) *to ensure that races are run in accordance with the commission's rules;*

(b) to supervise the conduct of racing to ensure the integrity of the sport;

(c) to settle disputes arising from the running of horse races, and to certify official results;

(d) to impose on licensees, for violation of law or commission rules, fines not exceeding \$500 and license suspensions not exceeding 30 days;

(e) to recommend to the commission where warranted penalties in excess of those in clause (d);

(f) to otherwise enforce the laws and rules of racing; and

(g) to perform other duties and have other powers assigned by the commission.

Subd. 2. [APPEALS; HEARINGS.] A ruling of a board of stewards may be appealed to the commission or be reviewed by it on its own initiative. The commission may provide for appeals to be heard by less than a quorum of the commission. A hearing on a penalty imposed by a board of stewards must be granted on request.

Subd. 3. [PROCEDURAL POWERS.] A board of stewards has the authority to administer oaths, issue subpoenas, order the production of documents and other evidence, and regulate the course of hearings before it, according to the commission's rules. Hearings held by a board of stewards are not subject to the provisions of the Administrative Procedure Act except those provisions which the commission by rule makes applicable.

Subd. 4. [RULES.] In addition to rules under subdivision 3, the commission may promulgate rules governing the qualifications, appointment, approval, authority, removal, and compensation of stewards.

Subd. 5. [COSTS.] The commission may require that a licensee reimburse it for the costs of providing a state-paid steward or stewards to supervise racing at the licensee's race-track.

Sec. 17. [240.17] [LOCAL OPTION.]

Subdivision 1. [CITIES.] An initial issuance of a class A license for a location in a city is not effective until it has been approved by a majority vote of the city council. Failure to act on a license within 30 days of its referral to a city council by the commission constitutes approval.

Subd. 2. [TOWNS.] An initial issuance of a class A license for a location in a town is not effective until it has been approved by a majority vote of the town board. Failure to act on a license within 30 days of its referral to the town board by the commission constitutes approval.

Subd. 3. [UNORGANIZED TERRITORY.] An issuance of a class A license for a location in unorganized territory is not effective until it has been approved by a majority vote of the county board. Failure to act on a license within 30 days of its referral to the county board by the commission constitutes approval.

Sec. 18. [240.18] [BREEDERS FUND.]

The commission shall establish a Minnesota breeders fund with the money paid to it under section 15, subdivision 1. The commission, after paying the costs of administering the fund, shall distribute the net proceeds as follows:

(1) Twenty percent of the remaining money in the fund must be expended as grants for equine research at public institutions of post-secondary learning within the state.

(2) After deducting the amount for (1), the balance of the fund shall be apportioned into categories corresponding with the various breeds of horses which raced at licensed Minnesota racetracks in the previous year, in proportion to each category's contribution to the fund. The funds in each category may be expended by the commission to:

(a) supplement purses for races held exclusively for Minnesota-bred or Minnesota-owned horses, as those terms are defined by the commission;

(b) pay breeders or owners awards to the breeders or owners of Minnesota-bred horses which win money at licensed racetracks in the state; and

(c) provide other financial incentives to encourage the horse breeding industry in Minnesota.

The commission shall adopt rules governing the distribution of the fund. The commission may establish advisory committees to advise it on the distribution of money under this section, provided that the members of an advisory committee shall serve without compensation.

Sec. 19. [240.19] [CONTRACTS.]

The commission shall by rule require that all contracts entered into by a class A, class B, or class D licensee for the provision

of goods or services, including concessions contracts, be subject to commission approval. The commission may require a contract holder to submit to it documents and records the commission deems necessary to evaluate the contract.

Sec. 20. [240.20] [APPEALS.]

Appeals from a decision of the commission must be made in the manner prescribed by sections 14.63 to 14.68.

Sec. 21. [240.21] [RIGHT OF INSPECTION.]

The commission and its representatives have the right to inspect the licensed premises of a licensee and to examine his books and other records at any time without a search warrant.

Sec. 22. [240.22] [FINES.]

The commission may impose a fine on a licensee for a violation of its rules or of a law relating to horse racing. The fine is in addition to any criminal penalty imposed for the same violation. Fines imposed by the commission must be paid to the commission which shall pay them to the state treasurer for deposit in the general fund.

Sec. 23. [240.23] [RULEMAKING AUTHORITY.]

The commission has the authority, in addition to all other rule-making authority granted elsewhere in this act, to promulgate rules governing:

(a) the conduct of horse races held at licensed racetracks in Minnesota, including but not limited to the rules of racing, standards of entry, operation of claiming races, filing and handling of objections, carrying of weights, and declaration of official results;

(b) wire communications between the premises of a licensed racetrack and any place outside the premises;

(c) information on horse races which is sold on the premises of a licensed racetrack;

(d) liability insurance which it may require of all class A, class B, and class D licensees;

(e) the auditing of the books and records of a licensee by an auditor employed or appointed by the commission;

(f) emergency action plans maintained by licensed racetracks and their periodic review;

(g) *safety, security, and sanitation of stabling facilities at licensed racetracks;*

(h) *entry fees and other funds received by a licensee in the course of conducting racing which the commission determines must be placed in escrow accounts; and*

(i) *any other aspect of horse racing or pari-mutuel betting which in its opinion affects the integrity of racing or the public health, welfare, or safety.*

Except as provided in this act, rules of the commission are subject to chapter 14, the Administrative Procedure Act.

Sec. 24. [240.24] [MEDICATION.]

The commission shall make and enforce rules governing medication and medical testing for horses running at licensed racetracks. The rules must provide that no medication, as the commission defines that term by rule, may be administered to a horse within 48 hours of a race it runs at a licensed racetrack. The commission shall by rule establish the qualifications for laboratories used by it as testing laboratories to enforce its rules under this section.

Sec. 25. [240.26] [PROHIBITED ACTS.]

Subdivision 1. [ILLEGAL BETS.] No person may accept a bet as defined in section 609.75 on the premises of a licensed racetrack other than a bet made within a licensed pari-mutuel system.

Subd. 2. [OFF-TRACK BETS.] No person may, as part of an organized commercial activity, accept a bet off the premises of a licensed racetrack for delivery to a licensed racetrack.

Subd. 3. [INFLUENCING RACES.] No person may influence or attempt to influence a horse race by:

(a) *making threats;*

(b) *offering anything of value to a person involved in the conduct of a race in return for that person's committing an illegal act or failing to perform a duty; or*

(c) *conniving with or seeking or having an understanding or agreement with an owner, jockey, driver, trainer, groom, valet, agent, or other person associated with or interested in a horse or stable of horses.*

Subd. 4. [TAMPERING WITH HORSES.] No person may:

(a) on the premises of a licensed racetrack use, have in his possession with intent to use, or knowingly assist another person in using a battery or buzzer, electrical or mechanical, or other device or appliance, which can be used to affect a horse's racing condition or performance, other than an ordinary whip;

(b) affect or attempt to affect the racing condition or performance of a horse at a race or workout through the use of a drug or medication in violation of the commission's rules; or

(c) use any method, injurious or otherwise, to affect a horse's racing condition or performance at a race or workout in violation of the commission's rules.

Subd. 5. [REPORTING OF INFORMATION.] A person licensed by the commission who has information regarding a violation provision of this section must report that information promptly to the commission or an agent of the commission.

Subd. 6. [FALSE STATEMENT.] No person may knowingly make a false statement in a document or application required to be submitted to the commission or in a sworn statement to or testimony before the commission.

Subd. 7. [ALTERED TICKETS.] No person may knowingly offer for payment any pari-mutuel ticket which has been altered or any counterfeit or forged pari-mutuel ticket.

Sec. 26. [240.27] [PENALTIES.]

Subdivision 1. [FELONIES.] A violation of section 25, subdivision 1, 2, 3, 4, or 7 is a felony.

Subd. 2. [GROSS MISDEMEANORS.] A violation of section 25, subdivision 5 or 6, is a gross misdemeanor.

Subd. 3. [MISDEMEANORS.] A violation of any other provision of this act or of a rule or order of the commission for which another penalty is not provided is a misdemeanor.

Sec. 27. [240.28] [EXCLUSION OF CERTAIN PERSONS.]

Subdivision 1. [PERSONS EXCLUDED.] The commission may exclude from any and all licensed racetracks in the state a person who:

(a) has been convicted of a felony under the laws of any state or the United States;

(b) has had a license suspended, revoked, or denied by the commission or by the racing authority of any other jurisdiction; or

(c) is determined by the commission, on the basis of evidence presented to it, to be a threat to the integrity of racing in Minnesota.

Subd. 2. [HEARING; APPEAL.] An order to exclude a person from any or all licensed racetracks in the state must be made by the commission at a public hearing of which the person to be excluded must have at least five days' notice. If the person is present at the hearing, he must be permitted to show cause why he should not be excluded. An appeal of the order may be made in the same manner as other appeals under section 20.

Subd. 3. [NOTICE TO RACETRACKS.] Upon issuing an order excluding a person from any or all licensed racetracks, the commission shall send a copy of the order to the excluded person and to all racetracks named in it, along with other information as it deems necessary to permit compliance with the order.

Subd. 4. [PROHIBITIONS.] It is a gross misdemeanor for a person named in an exclusion order to enter, attempt to enter, or be on the premises of a racetrack named in the order while it is in effect, and for a person licensed to conduct racing or operate a racetrack knowingly to permit an excluded person to enter or be on the premises.

Subd. 5. [EXCLUSIONS BY RACETRACK.] The holder of a license to conduct racing may eject and exclude from its premises any licensee or any other person who is in violation of any state law or commission rule or order or who is a threat to racing integrity or the public safety. A person so excluded from racetrack premises may appeal his exclusion to the commission and must be given a public hearing on his appeal if he so requests. At the hearing he must be given the opportunity to show cause why he should not be so excluded. If the commission after the hearing finds that the integrity of racing and the public safety do not justify the exclusion, it shall order the racetrack making the exclusion to reinstate or readmit the person. An appeal of a commission order upholding the exclusion is governed by section 20.

Sec. 28. [240.29] [CONFLICT OF INTEREST.]

Subd. 1. [FINANCIAL INTEREST.] No person may serve on the commission or be employed by it who has an interest in any corporation, association, or partnership which holds a license from the commission or which holds a contract to supply goods or services to a licensee or at a licensed racetrack, including concessions contracts. No member or employee of the commission may own, wholly or in part, or have an interest in a horse which

racers at a licensed racetrack in Minnesota. No member or employee of the commission may have a financial interest in or be employed in a profession or business which the commission regulates or which conflicts with the performance of his duties as a member or employee.

Subd. 2. [BETTING.] No member or employee of the commission may bet or cause a bet to be made on a race at a licensed racetrack while serving on or being employed by the commission. No person appointed or approved by the commission as a steward may bet or cause a bet to be made at a licensed racetrack during a racing meeting at which he is serving as a steward. The commission shall by rule prescribe such restrictions on betting by its licensees as it deems necessary to protect the integrity of racing.

Subd. 3. [VIOLATION.] A violation of subdivisions 1 and 2 is grounds for removal from the commission or termination of employment. A bet made directly or indirectly by a steward in violation of subdivision 2 or by a licensee in violation of a rule made by the commission under subdivision 2 is grounds for suspension or revocation of the license.

Sec. 29. [240.30] [MINNESOTA-BRED OR MINNESOTA-OWNED HORSES.]

Each holder of a class B or class D license must declare and schedule on each racing day it conducts at least one race limited to horses which are Minnesota-bred or Minnesota-owned as those terms are defined in the commission rules unless there is not a sufficient number of such horses entered in the declared race to make up an adequate slate of entries, in which case another race may be substituted.

Sec. 30. Minnesota Statutes 1982, section 38.04, is amended to read:

38.04 [ANNUAL MEETINGS; REPORTS.]

Every county agricultural society shall hold an annual meeting for the election of officers and the transaction of other business on or before the third Tuesday in November, each year, at which time its secretary shall make a report of its proceedings for the preceding year; this report shall contain a statement of all transactions at its fairs, the numbers of entries, the amount and source of all moneys received, and the amount paid out for premiums and other purposes, and show in detail its entire receipts and expenditures during the year. The report must contain a separate accounting of any income received from the operation of horse racing on which pari-mutuel betting is conducted, and of the disposition of that income.

The treasurer shall make a comprehensive report of the funds received, paid out, and on hand, and upon whose order paid. Each secretary shall cause a certified copy of his annual report to be filed with the county recorder of the county and the commissioner of agriculture on or before the first day of November, each year.

Sec. 31. Minnesota Statutes 1982, section 273.76, is amended by adding a subdivision to read:

Subd. 9. [LICENSED RACETRACKS; TREATMENT UNDER TAX INCREMENT.] No revenues derived from tax increment shall be used to pay the cost of redevelopment, or providing public improvements or facilities, or other public costs in connection with the construction or development of a licensed racetrack as defined in section 1. If a licensed racetrack is located wholly or partly within the boundaries of a tax increment district, no portion of the assessed value of the racetrack shall be included in the district's captured assessed value. Notwithstanding the provisions of section 273.78, this subdivision shall apply to tax increment district or project, regardless of whether the tax increment was certified before August 1, 1979.

Sec. 32. Minnesota Statutes 1982, section 609.75, subdivision 3, is amended to read:

Subd. 3. [WHAT ARE NOT BETS.] The following are not bets:

(1) A contract to insure, indemnify, guarantee or otherwise compensate another for a harm or loss sustained, even though the loss depends upon chance.

(2) A contract for the purchase or sale at a future date of securities or other commodities.

(3) Offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength, endurance, or quality or to the bona fide owners of animals or other property entered in such a contest.

(4) The game of bingo when conducted in compliance with sections 349.11 to 349.23.

(5) A private social bet not part of or incidental to organized, commercialized, or systematic gambling.

(6) The operation of a gambling device or the conduct of a raffle as defined in section 349.26, by an organization licensed for such operation by a local unit of government pursuant to section 349.26.

(7) *Pari-mutuel betting on horse racing when conducted under chapter 240.*

Sec. 33. Minnesota Statutes 1982, section 609.761, is amended to read:

Notwithstanding sections 609.755 and 609.76, a fraternal, religious, veterans or other nonprofit organization may set up or operate a gambling device or conduct a raffle as defined in section 349.26, if licensed by the local unit of government and conducted (PURSUANT TO) under section 349.26, and a person may manufacture, sell or offer for sale a gambling device to the organization, and *pari-mutuel betting on horse racing may be conducted under chapter 240.*

Sec. 34. [COMPULSIVE GAMBLING.]

The commissioner of public welfare, after consulting with the commissioner of health, the chairman of the racing commission established by section 2, and other persons knowledgeable in the assessment and treatment of compulsive gamblers, shall present to the legislature no later than January 30, 1984, legislation establishing treatment programs for the rehabilitation of compulsive gamblers if the commissioner of public welfare concludes that treatment programs will aid in the rehabilitation of compulsive gamblers. In developing the legislation, the commissioner of public welfare shall include, among other things, consideration of the following issues:

(1) *the nature of compulsive gambling and current practices in diagnosing and treating it;*

(2) *the extent of compulsive gambling in this state and the effect of current and proposed forms of legalized gambling on the incidence of compulsive gambling;*

(3) *existing programs in this state to deal with compulsive gambling;*

(4) *proposals for additional efforts to deal with compulsive gambling by both public and private agencies;*

(5) *coverage of compulsive gambling under existing health insurance policies and proposals to change that coverage;*

(6) *recommendations for a coordinated program of public and private action to deal with compulsive gambling by means of both treatment and public information, with recommended funding levels and implementation strategy; and*

(7) *the estimated annual cost of establishing compulsive gambling treatment programs.*

At a minimum, the legislation must include provisions establishing residential and outpatient treatment programs which address the unique needs of compulsive or pathological gamblers and which allow participants to return to normal lifestyles which do not include gambling. The legislation must also authorize the commissioner of public welfare to provide educational materials to the public regarding the detrimental effects of compulsive gambling on the economic and emotional health and welfare of the family unit.

There is appropriated from the general fund to the commissioner of public welfare the sum of \$35,000, or so much thereof as is necessary, for the purposes of section 34 of this act. This appropriation is available until January 30, 1984.

Sec. 35. [APPROPRIATION.]

Subdivision 1. There is appropriated from the general fund to the Minnesota racing commission, for the purposes of sections 1 to 29, the sum of \$247,000 for the year ending June 30, 1984, and \$344,300 for the year ending June 30, 1985. If the appropriation for either year is insufficient, the appropriation for the other year is available.

Subd. 2. There is appropriated from the general fund to the legislative advisory commission the sum of \$150,000 for the year ending June 30, 1985. The legislative advisory commission may transfer all or part of this appropriation to the Minnesota racing commission on application and a showing that the funds are necessary because of the licensing of one or more class A racetracks and the authorization of racing days in that year.

Sec. 36. [NONAPPLICABILITY.]

The provisions of sections 1 to 24 and 27 to 35 do not apply to horse racing on which pari-mutuel betting is not conducted.

Sec. 37. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to horse racing; creating a Minnesota racing commission and providing for its membership, powers, and duties; authorizing the licensing of persons to operate racetracks, conduct horse racing, engage in certain occupations, and conduct pari-mutuel betting on horse racing; prescribing taxes and license fees; establishing a Minnesota breeders fund; providing penalties; providing for the establishment of treat-

ment programs for compulsive gambling in certain circumstances; appropriating money; amending Minnesota Statutes 1982, sections 38.04; 273.76, by adding a subdivision; 609.75, subdivision 3; and 609.761; proposing new law coded as Minnesota Statutes, chapter 240."

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. 439, A bill for an act relating to crimes; prohibiting possession of fireworks; amending Minnesota Statutes 1982, section 624.21.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 624.21, is amended to read:

624.21 [SALE AND USE OF FIREWORKS PROHIBITED.]

Except as otherwise provided in sections 624.20 to 624.25, it shall be unlawful for any person to offer for sale, expose for sale, sell at retail (,) or wholesale, (OR) *possess*, use, or explode any fireworks. This section shall not be construed to prohibit the use or explosion of fireworks by an engineer licensed pursuant to sections 326.02 and 326.03 or a person under the engineer's direct supervision when undertaking acoustical testing; or sales at wholesale to those persons holding valid permits for a fireworks display from a governmental subdivision of the state; or sales outside the state or sales to licensed professional engineers for acoustical testing purposes only.

Sec. 2. Minnesota Statutes 1982, section 624.23, is amended to read:

624.23 [CONSTRUCTION OF SECTIONS 624.20 TO 624.25.]

Nothing in sections 624.20 to 624.25 shall be construed to prohibit any resident wholesaler, dealer, or jobber, from selling at wholesale (SUCH) fireworks (AS) *which* are not (HEREIN) prohibited; or the sale of any kind of fireworks for shipment directly out of the state; or the use of fireworks by airplanes and railroads, or other transportation agencies for signal

purposes or illumination; or the sale, *possession*, or use of blank cartridges for a show or theater, or for signal or ceremonial purposes in athletics or sports, or for use by military organizations, or for use as a bird or animal *training* or repelling device.

Sec. 3. [624.251] [MANUFACTURE OR POSSESSION OF 25 POUNDS OF FIREWORKS PROHIBITED.]

It is unlawful for any person to knowingly or intentionally possess or manufacture 25 pounds or more of fireworks, as defined in section 624.20, for purposes of sale. A violation of this section is a gross misdemeanor.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day after final enactment. Section 3 is effective August 1, 1983."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "prohibiting the possession or manufacture of 25 pounds or more of fireworks for purposes of sale; providing penalties;"

Page 1, line 3, delete "section" and insert "sections"

Page 1, line 4, before the period insert "; and 624.23; proposing new law coded in Minnesota Statutes, chapter 624."

With the recommendation that when so amended the bill pass.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 452, A resolution memorializing the Postmaster General; urging the issuance of a postal stamp to commemorate the centennial of the first shipment of iron ore from Minnesota.

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

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 800, A resolution memorializing the President and Secretary of State of the United States to protest discrimination

against Soviet Jews and seek an end to restrictions on their emigration.

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

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

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.

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

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1188, A resolution memorializing the United States Congress to conduct an in-depth investigation of the steel industry.

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

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

House Resolution No. 4, A house resolution congratulating the Future Farmers of America on their work and accomplishments.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

House Concurrent Resolution No. 5, A house concurrent resolution commending the University of Minnesota Department of Civil and Mineral Engineering for receipt of the 1983 National

Award for Outstanding Civil Engineering Achievement from the American Society of Civil Engineers.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 77, 439, 452, 800, 1059 and 1188 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 989 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Brinkman, Kalis and Fjoslien introduced:

H. F. No. 1288, A bill for an act relating to weights and measures; exempting certain petroleum pumps and meters from certain inspection fees; establishing a set fee; amending Minnesota Statutes 1982, sections 239.10 and 296.13.

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

Levi, McEachern, Jennings and Anderson, B., introduced:

H. F. No. 1289, A bill for an act relating to education; requiring adoption of standards to measure the mastery of basic skills by pupils; proposing new law coded in Minnesota Statutes, chapter 121.

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

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 Files, herewith returned:

H. F. No. 270, A bill for an act relating to agriculture; providing that certain agricultural operations are not private or public nuisances; amending Minnesota Statutes 1982, section 561.19, subdivision 2; repealing Minnesota Statutes 1982, section 561.19, subdivision 5.

H. F. No. 1111, A bill for an act relating to local government; regulating town levies in Crow Wing County; repealing Laws 1941, chapter 451.

H. F. No. 1171, A bill for an act relating to taxation; clarifying the income tax treatment of certain debt obligations of state and local governments; amending Minnesota Statutes 1982, sections 80A.09, subdivision 1; 115A.69, subdivision 6; 116A.25; 116J.89, subdivision 6; 136.32; 136A.179; 136A.39; 193.146, subdivision 4; 272.02, subdivision 1; 362A.07; 447.35; 447.49; 458.193, subdivision 6; 458A.05, subdivision 6; 458A.09; 462.191, subdivision 3; 462.551; 462A.19, subdivision 1; 472.09, subdivision 4; 473.436, subdivision 6; 473.448; 473.545; and 473.666; repealing Minnesota Statutes 1982, sections 116J.89, subdivision 7; 462A.19, subdivision 2; and 474.12.

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. 672, A bill for an act relating to taxation; sales and use; clarifying the taxability or exempt status of certain items or transactions; providing penalties for certain operators or misuse of exemption certificates; clarifying filing dates and penalties for not timely filing or paying the tax; authorizing the filing of security and the use of sampling; providing restrictions on refunds; clarifying payments required before appeal; eliminating the fee for permits; amending Minnesota Statutes 1982, sections 297A.01, subdivisions 3 and 4; 297A.25, subdivision 1; 297A.27, subdivision 1; 297A.275; 297A.28; 297A.31, subdivision 1; 297A.35, subdivision 1, and by adding a subdivision; 297A.391; and 297B.03; proposing new law coded in Minnesota Statutes, chapter 297A; repealing Minnesota Statutes 1982, sections 297A.05 and 297A.251.

PATRICK E. FLAHAVEN, Secretary of the Senate

Minne moved that the House refuse to concur in the Senate amendments to H. F. No. 672, that the Speaker appoint a Conference Committee of 3 members of the House, and that the

House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

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. 1108, A bill for an act relating to drainage; permitting certain towns to appeal from certain orders of county boards assessing damages or benefits in ditch proceedings.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Welle moved that the House concur in the Senate amendments to H. F. No. 1108 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1108, A bill for an act relating to drainage; permitting a county board to cancel ditch assessments related to vacated town roads; proposing new law coded in Minnesota Statutes, chapter 106.

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

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

Those who voted in the affirmative were:

Anderson, B.	Cohen	Haukoos	Larsen	Omann
Anderson, G.	Coleman	Heap	Levi	Onnen
Anderson, R.	DenOuden	Heinitz	Ludeman	Osthoff
Battaglia	Dimler	Hoberg	Mann	Otis
Beard	Eken	Hoffman	Marsh	Pauly
Begich	Elioff	Hokr	McDonald	Peterson
Bennett	Ehlingson	Jacobs	McEachern	Piepho
Bergstrom	Erickson	Jennings	McKasy	Piper
Bishop	Evans	Jensen	Metzen	Price
Blatz	Findlay	Johnson	Minne	Quinn
Brandl	Fjoslien	Kahn	Munger	Quist
Brinkman	Forsythe	Kalis	Murphy	Redalen
Burger	Frerichs	Kelly	Nelson, D.	Reif
Carlson, D.	Graba	Knickerbocker	Nelson, K.	Rice
Carlson, L.	Greenfield	Knuth	Neuenschwander	Rivencs
Clark, J.	Cruenes	Kostohryz	O'Connor	Rodosovich
Clark, K.	Gustafson	Krueger	Ogren	Rodriguez, C.
Clawson	Gutknecht	Kvam	Olsen	Rodriguez, F.

Rose	Segal	Stadum	Valan	Welle
St. Onge	Shaver	Staten	Valento	Wenzel
Sarna	Shea	Sviggum	Vanasek	Wigley
Schafer	Simoneau	Swanson	Voss	Wynia
Scheid	Skoglund	Thiede	Waltman	Speaker Sieben
Schreiber	Solberg	Tomlinson	Welch	
Seaberg	Sparby	Uphus	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 File, herewith transmitted:

S. F. No. 375.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 375, A bill for an act relating to the city of Bloomington; providing authority for the city to establish and maintain district heating systems.

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

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 672: Minne; Anderson, G., and Evans.

Carlson, D., was excused for the remainder of today's session.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Tomlinson requested immediate consideration of H. F. No. 1259.

H. F. No. 1259 was reported to the House.

Tomlinson, Knuth, Metzen, Riveness, Hoffman, Price, Quinn, Coleman, Kostohryz, Voss and Swanson moved to amend H. F. No. 1259, the first engrossment, as follows:

Page 157, line 27, delete "one and"

Page 157, line 28, delete "mills" and insert "mill"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 81 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	McKasy	Quinn	Staten
Anderson, R.	Ellingson	Metzen	Reif	Swanson
Battaglia	Graba	Minne	Riveness	Tomlinson
Beard	Greenfield	Murphy	Rodosovich	Valento
Begich	Heinitz	Nelson, D.	Rodriguez, C.	Vanasek
Bennett	Himle	Nelson, K.	Rodriguez, F.	Vellenga
Bergstrom	Hoffman	Neuenschwander	Rose	Voss
Berkelman	Jacobs	Norton	St. Onge	Welch
Blatz	Kahn	O'Connor	Sarna	Welle
Brandl	Kalis	Ogren	Scheid	Wenzel
Carlson, L.	Kelly	Olsen	Seaberg	Wynia
Clark, J.	Knickerbocker	Osthoff	Segal	Zaffke
Clark, K.	Knuth	Otis	Shea	Speaker Sieben
Cohen	Krueger	Pauly	Simoneau	
Coleman	Larsen	Peterson	Skoglund	
Dempsey	Levi	Piper	Solberg	
Eken	McEachern	Price	Sparby	

Those who voted in the negative were:

Bishop	Forsythe	Johnson	Redalen	Valan
Burger	Frerichs	Kvam	Schafer	Waltman
DenOuden	Gruenes	Ludeman	Schoenfeld	Welker
Dimler	Gutknecht	McDonald	Schreiber	Wigley
Erickson	Haukoos	Omann	Shaver	
Evans	Heap	Onnen	Stadum	
Findlay	Hokr	Piepho	Sviggum	
Fjoslien	Jennings	Quist	Thiede	

The motion prevailed and the amendment was adopted.

Burger moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 140, after line 26, insert:

"Sec. 21 [TAX REDUCTION FOR JOBS.]

Subdivision 1. [TITLE.] This section may be cited as the Tax Discount For Jobs Act of 1983.

Subd. 2. [STATEMENT OF PURPOSE.] The legislature finds that the taxpayers of this state desire to use their resources to patronize and support new businesses or businesses which are expanding the number of their employees. The legislature finds that an optional tax reduction will provide taxpayers with additional funds which they may use to patronize businesses which the state has certified are employers which are creating new jobs.

Subd. 3. [DEFINITIONS.] (a) "Taxpayer" means every individual, estate, trust, corporation, partnership, or other or-

ganization or association required by law to pay any Minnesota state tax.

(b) "Certified tax discount employer" is any business certified by the secretary of state as lawfully operating in Minnesota; and the number of whose full-time permanent employees on the day the application for certification is filed is at least five percent larger than the number of full time employees employed on the same day in the preceding year, or that has been operating less than one year on the date the application for certification is filed.

Subd. 4. [CERTIFICATION.] Any business wishing to be designated as a certified tax discount employer shall submit an application for certification to the secretary of state along with a \$2 filing fee. The application shall contain the information prescribed by the secretary of state in order for the secretary of state to determine if the business qualifies under the provisions of this section. The secretary of state may require supporting documents, affidavits, or other documentation to determine whether the business should be issued a certification. Within 30 days after receipt of the application and any other information required by the secretary of state, the secretary of state shall issue the certificate or reject the application. If the application is rejected, the secretary of state shall state the reasons for the rejection and the statements shall be mailed to the address stated on the application. For purposes of determining eligibility under this section, entities shall aggregate all permanent full-time employees employed within the state. A separate certificate shall be issued for each place of business within Minnesota listed on the application.

Subd. 5. [USE OF CERTIFICATE.] Once issued, a certificate is valid until July 1, 1985. A certified tax discount employer may display the permit in a conspicuous place in the place of business designated on the permit. A certification is not transferable, is valid only for the person in whose name it is issued, and may be displayed only at the place designated therein. A certified tax discount employer may so represent himself to the public and may so state in any advertising and promotional activities.

Subd. 6. [DISCOUNT.] Every form used to report a state tax in Minnesota shall contain a space labeled: "Optional Discount: 5%." This space shall be adjacent to the space on the form used to show the amount of the net tax due after any credits or other reductions, but not including penalties or interest. On any form where there is no space for the designated optional discount entry, the taxpayer may write in longhand or type "Optional Discount: 5%." If there is no space available on the form, the optional discount entry may be shown and entered on a separate slip of paper and attached to the form.

The taxpayer who timely files any such form may claim on the form or attachment and retain for personal use five percent of the amount of the net tax shown on the form, after any credits or other reductions, but not including penalties or interest. The taxpayer shall file the form as prescribed by law and pay the tax due with or without the optional discount.

Subd. 7. [RULES.] The secretary of state may adopt rules under the administrative procedures act to administrate and enforce the provisions of this section. The secretary of state may adopt temporary rules pursuant to sections 14.29 to 14.36.

Subd. 8. [PENALTY.] Any person representing to the public that he is a certified tax discount employer who is not so certified shall be guilty of a misdemeanor.

Subd. 9. [DURATION.] This section is effective July 1, 1983, and applies to certifications issued after that date for taxes due after issuance of the certificate. This section expires July 1, 1985."

Renumber the sections

Further, amend the title as follows:

Page 2, line 20, after "aids;" insert "providing taxpayers an optional tax discount; providing for certification of tax discount employers; imposing a penalty;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 50 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Bennett	Fjoslien	Johnson	Piepho	Stadum
Bishop	Forsythe	Knickerbocker	Quist	Sviggum
Blatz	Frerichs	Kvam	Redalen	Thiede
Burger	Gutknecht	Ludeman	Reif	Uphus
Dempsey	Haukoos	Marsh	Rose	Valan
DenOuden	Heap	McDonald	Schafer	Valento
Dimler	Heinitz	McKasy	Schoenfeld	Waltman
Erickson	Himle	Olsen	Schreiber	Welker
Evans	Hoberg	Omann	Seaberg	Wigley
Findlay	Jennings	Pauly	Shaver	Zaffke

Those who voted in the negative were:

Anderson, B.	Bergstrom	Clawson	Graba	Kahn
Anderson, G.	Berkelman	Cohen	Greenfield	Kelly
Anderson, R.	Brandl	Coleman	Gustafson	Knuth
Battaglia	Carlson, L.	Eken	Hoffman	Kostohryz
Beard	Clark, J.	Elioff	Jacobs	Krueger
Begich	Clark, K.	Ellingson	Jensen	Larsen

McEachern	Norton	Rice	Segal	Vanasek
Metzen	O'Connor	Riveness	Shea	Vellenga
Minne	Ogren	Rodosovich	Simoneau	Voss
Munger	Osthoff	Rodriguez, C.	Skoglund	Welch
Murphy	Otis	Rodriguez, F.	Sparby	Welle
Nelson, D.	Peterson	St. Onge	Staten	Wenzel
Nelson, K.	Piper	Sarna	Swanson	Wynia
Neuenschwander	Price	Scheid	Tomlinson	Speaker Sieben

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

Ogren moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 13, line 10, delete "only if the"

Page 13, delete lines 11 to 12

Page 13, line 13, delete "tax return"

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Ludeman and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

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 Ogren amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

There were 41 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Battaglia	Elioff	Long	Rice	Solberg
Beard	Ellingson	Minne	Riveness	Staten
Begich	Fjoslien	Murphy	Rodríguez, F.	Vellenga
Bergstrom	Greenfield	Norton	St. Onge	Voss
Carlson, L.	Gustafson	O'Connor	Sarna	Wenzel
Clark, J.	Jacobs	Ogren	Scheid	
Clark, K.	Kelly	Otis	Segal	
Cohen	Knuth	Peterson	Simoneau	
Coleman	Larsen	Piper	Skoglund	

Those who voted in the negative were:

Anderson, B.	Forsythe	Knickerbocker	Onnen	Sparby
Anderson, G.	Frerichs	Kostohryz	Osthoff	Stadum
Anderson, R.	Graba	Krueger	Pauly	Sviggum
Bennett	Gruenes	Kvam	Piepho	Swanson
Berkelman	Gutknecht	Levi	Price	Thiede
Bishop	Halberg	Ludeman	Quinn	Tomlinson
Blatz	Haukoos	Mann	Quist	Uphus
Brandl	Heap	Marsh	Redalen	Valan
Brinkman	Heinitz	McDonald	Reif	Valento
Burger	Himle	McEachern	Rodosovich	Vanasek
Clawson	Hoberg	McKasy	Rodriguez, C.	Waltman
Dempsey	Hoffman	Metzen	Rose	Welch
DenOuden	Hokr	Munger	Schafer	Welker
Dimler	Jennings	Nelson, D.	Schoenfeld	Welle
Eken	Jensen	Nelson, K.	Schreiber	Wigley
Erickson	Johnson	Neuenschwander	Seaberg	Wynia
Evans	Kahn	Olsen	Shaver	Zaffke
Findlay	Kalis	Omann	Shea	Speaker Sieben

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

Onnen, Dimler, Waltman and Johnson moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 70, line 11, reinstate the stricken language

Page 70, line 12, delete the new language and reinstate the stricken language

Page 70, line 13, reinstate the stricken language

Page 70, line 14, reinstate the stricken language

Page 70, line 15, reinstate the stricken language

Page 70, line 35, reinstate the stricken language

Page 70, line 36, reinstate the stricken language

Page 71, line 1, reinstate the stricken language

Page 71, line 14, delete the new language and reinstate the stricken language

Page 71, line 17, reinstate the stricken language

Page 71, line 18, reinstate the stricken language

Page 71, line 19, reinstate the stricken language

Page 71, line 20, reinstate the stricken language

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 56 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Johnson	Piepho	Thiede
Bishop	Frerichs	Knickerbocker	Quist	Uphus
Blatz	Gruenes	Kvam	Redalen	Valan
Burger	Gutknecht	Levi	Reif	Valento
Cohen	Halberg	Ludeman	Rodriguez, C.	Waltman
Dempsey	Haukoos	Marsh	Rose	Welker
DenOuden	Heap	McDonald	Schafer	Wigley
Dimler	Heinitz	McKasy	Schreiber	Zaffke
Erickson	Himle	Olsen	Seaberg	
Evans	Hoberg	Omann	Shaver	
Findlay	Hokr	Onnen	Stadum	
Fjoslien	Jennings	Pauly	Svigum	

Those who voted in the negative were:

Anderson, B.	Eken	Larsen	Otis	Simoneau
Anderson, G.	Elioff	Long	Peterson	Skoglund
Battaglia	Ellingson	Mann	Piper	Solberg
Beard	Graba	McEachern	Price	Sparby
Begich	Greenfield	Metzen	Quinn	Staten
Bennett	Custafson	Minne	Rice	Swanson
Bergstrom	Hoffman	Munger	Riveness	Tomlinson
Berkelman	Jacobs	Murphy	Rodosovich	Vanasek
Brandl	Jensen	Nelson, D.	Rodriguez, F.	Vellenga
Brinkman	Kahn	Nelson, K.	St. Onge	Voss
Carlson, L.	Kalis	Neuenschwander	Sarna	Welch
Clark, J.	Kelly	Norton	Scheid	Welle
Clark, K.	Knuth	O'Connor	Schoenfeld	Wenzel
Clawson	Kostohryz	Ogren	Segal	Wynia
Coleman	Krueger	Osthoff	Shea	Speaker Sieben

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

Dempsey and Johnson moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 84, line 7, reinstate the stricken language

Page 84, line 8, reinstate the stricken language

Page 84, line 9, reinstate the stricken language and delete the new language

Page 84, line 10, delete the new language

Page 86, delete lines 24 to 36

Page 87, delete lines 1 to 13

Re-number as necessary

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

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

There were 55 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Jennings	Onnen	Segal
Bennett	Forsythe	Johnson	Pauly	Sviggnun
Bishop	Frerichs	Knickerbocker	Piepho	Thiede
Blatz	Gruenes	Kvam	Quist	Uphus
Burger	Gutknecht	Levi	Redalen	Valan
Dempsey	Halberg	Ludeman	Reif	Valento
DenOuden	Haukoos	Marsh	Rose	Waltman
Dimler	Heap	McDonald	Schafer	Welker
Erickson	Heinitz	McKasy	Schoenfeld	Wenzel
Evans	Himle	Olsen	Schreiber	Wigley
Findlay	Hoberg	Omann	Seaberg	Zaffke

Those who voted in the negative were:

Anderson, B.	Clawson	Kahn	Munger	Price
Anderson, G.	Cohen	Kalis	Murphy	Quinn
Battaglia	Coleman	Kelly	Nelson, D.	Rice
Beard	Eken	Knuth	Nelson, K.	Riveness
Begich	Elioff	Kostohryz	Neuenschwander	Rodosovich
Bergstrom	Ellingson	Krueger	Norton	Rodriguez, C.
Berkelman	Graba	Larsen	O'Connor	Rodriguez, F.
Brandl	Greenfield	Long	Ogren	St. Onge
Brinkman	Gustafson	Mann	Osthoff	Sarna
Carlson, L.	Hoffman	McEachern	Otis	Scheid
Clark, J.	Jacobs	Metzen	Peterson	Shea
Clark, K.	Jensen	Minne	Piper	Simoneau

Skoglund
Solberg
Sparby

Staten
Swanson
Tomlinson

Vanasek
Vellenga
Voss

Welch
Welle
Wynia

Speaker Sieben

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

DenOuden moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 179, line 1, delete "*except that no on-sales*"

Page 179, delete lines 2 to 4

Page 179, line 5, delete "*specifically prohibited by municipal ordinance*"

Amend the title as follows:

Page 2, delete line 7

Page 2, line 8, delete "during daylight saving time;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

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

There were 95 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Himle	Marsh	Quist
Anderson, G.	Eken	Hoberg	McDonald	Redalen
Battaglia	Elioff	Hokr	McEachern	Riveness
Bennett	Ellingson	Jennings	McKasy	Rodosovich
Berkelman	Erickson	Johnson	Munger	Rodriguez, C.
Bishop	Findlay	Kalis	Murphy	Rose
Blatz	Fjoslien	Kelly	Nelson, D.	Schafer
Brandl	Forsythe	Knickerbocker	Nelson, K.	Scheid
Brinkman	Frerichs	Knuth	Neuenschwander	Schoenfeld
Burger	Graba	Krueger	Norton	Segal
Carlson, L.	Gruenes	Kvam	Olsen	Shaver
Clark, J.	Gutknecht	Larsen	Omman	Simoneau
Clark, K.	Halberg	Levi	Onnen	Skoglund
Clawson	Haukoos	Long	Otis	Solberg
Coleman	Heap	Ludeman	Peterson	Sparby
DenOuden	Heinitz	Mann	Price	Stadum

Sviggum	Uphus	Vanasek	Welch	Wigley
Swanson	Valan	Vellenga	Welker	Wynia
Thiede	Valento	Waltman	Wenzel	Zaffke

Those who voted in the negative were:

Anderson, R.	Greenfield	Metzen	Piper	Schreiber
Beard	Gustafson	Minne	Quinn	Seaberg
Begich	Hoffman	O'Connor	Reif	Shea
Bergstrom	Jacobs	Ogren	Rice	Tomlinson
Cohen	Jensen	Osthoff	Rodriguez, F.	Voss
Dempsey	Kahn	Pauly	St. Onge	Welle
Evans	Kostohryz	Piepho	Sarna	Speaker Sieben

The motion prevailed and the amendment was adopted.

McKasy moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 72, delete lines 8 to 16

Page 72, line 20, delete "6" and insert "5"

Renumber sections as necessary

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion did not prevail.

There were 64 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Hokr	Onnen	Shaver
Anderson, R.	Fjoslien	Jennings	Pauly	Sparby
Bennett	Forsythe	Johnson	Piepho	Stadum
Bishop	Frerichs	Kalis	Quinn	Sviggum
Blatz	Gruenes	Knickerbocker	Quist	Thiede
Burger	Gutknecht	Kvam	Redalen	Uphus
Cohen	Halberg	Levi	Reif	Valan
Dempsey	Haukoos	Ludeman	Rodriguez, C.	Valento
DenOuden	Heap	Marsh	Rose	Waltman
Dimler	Heimitz	McDonald	Schafer	Welker
Elioff	Himle	McKasy	Schoenfeld	Wigley
Erickson	Hoberg	Olsen	Schreiber	Zaffke
Evans	Hoffman	Omann	Seaberg	

Those who voted in the negative were:

Anderson, G.	Beard	Bergstrom	Brandl	Carlson, L.
Battaglia	Begich	Berkelman	Brinkman	Clark, J.

Clark, K.	Knuth	Nelson, K.	Rodosovich	Tomlinson
Clawson	Kostohryz	Neuenschwander	Rodriguez, F.	Vanasek
Coleman	Krueger	Norton	St. Onge	Vellenga
Eken	Larsen	O'Connor	Sarna	Voss
Ellingson	Long	Ogren	Scheid	Welch
Graba	Mann	Osthoff	Segal	Welle
Greenfield	McEachern	Otis	Shea	Wenzel
Gustafson	Metzen	Peterson	Simoneau	Wynia
Jacobs	Minne	Piper	Skoglund	Speaker Sieben
Jensen	Munger	Price	Solberg	
Kahn	Murphy	Rice	Staten	
Kelly	Nelson, D.	Riveness	Swanson	

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

Halberg, Dimler, Johnson and Waltman moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 17, delete lines 19 to 36

Page 18, delete lines 1 to 27

Renumber sections as necessary.

Further, amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

There were 57 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Jennings	Pauly	Sviggum
Bennett	Forsythe	Johnson	Piepho	Thiede
Bishop	Frerichs	Knickerbocker	Quist	Uphus
Blatz	Gruenes	Kvam	Redalen	Valan
Burger	Gutknecht	Levi	Reif	Valento
Cohen	Halberg	Ludeman	Rose	Waltman
Dempsey	Haukoos	Marsh	Schafer	Welker
DenOuden	Heap	McDonald	Schreiber	Wigley
Dimler	Heinitz	McKasy	Seaberg	Zaffke
Erickson	Himle	Olsen	Shaver	
Evans	Hoberg	Omamn	Shea	
Findlay	Hokr	Onnen	Stadum	

Those who voted in the negative were:

Anderson, B.	Battaglia	Begich	Berkelman	Brinkman
Anderson, G.	Beard	Bergstrom	Brandl	Carlson, L.

Clark, J.	Kahn	Murphy	Rice	Sparby
Clark, K.	Kalis	Nelson, D.	Riveness	Staten
Clawson	Kelly	Nelson, K.	Rodosovich	Swanson
Coleman	Knuth	Neuenschwander	Rodriguez, C.	Tomlinson
Eken	Kostohryz	Norton	Rodriguez, F.	Tunheim
Elioff	Krueger	O'Connor	St. Onge	Vanasek
Ellingson	Larsen	Ogren	Sarna	Vellenga
Graba	Long	Osthoff	Scheid	Voss
Greenfield	Mann	Otis	Schoenfeld	Weich
Gustafson	McEachern	Peterson	Segal	Welle
Hoffman	Metzen	Piper	Simoneau	Wenzel
Jacobs	Minne	Price	Skoglund	Wynia
Jensen	Munger	Quinn	Solberg	Speaker Sieben

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

Blatz, Waltman and Johnson moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 17, line 31, reinstate the stricken language and delete the new language

Page 17, line 33, delete the new language

Page 17, delete line 34

Page 18, line 2, delete "8.5" and insert "ten"

Page 18, line 4, delete "4.25" and insert "five"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

There were 56 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Jennings	Pauly	Thiede
Bennett	Forsythe	Johnson	Piepho	Uphus
Berkelman	Frerichs	Knickerbocker	Quist	Valan
Bishop	Gruenes	Kvam	Redalen	Valento
Blatz	Gutknecht	Levi	Reif	Waltman
Burger	Halberg	Ludeman	Rose	Welker
Dempsey	Haukoos	Marsh	Schafer	Wigley
DenOuden	Heap	McDonald	Schreiber	Zaffke
Dimler	Heinitz	McKasy	Seaberg	
Erickson	Himle	Olsen	Shaver	
Evans	Hoberg	Ormann	Stadum	
Findlay	Hokr	Onnen	Sviggum	

Those who voted in the negative were:

Anderson, B.	Ellingson	McEachern	Quinn	Staten
Anderson, G.	Graba	Metzen	Rice	Swanson
Battaglia	Greenfield	Minne	Riveness	Tomlinson
Beard	Custafson	Munger	Rodosovich	Tunheim
Begich	Hoffman	Murphy	Rodriguez, C.	Vanasek
Bergstrom	Jacobs	Nelson, D.	Rodriguez, F.	Vellenga
Brandl	Jensen	Nelson, K.	St. Onge	Voss
Brinkman	Kahn	Neuenschwander	Sarna	Welch
Carlson, L.	Kalis	Norton	Scheid	Welle
Clark, J.	Kelly	O'Connor	Schoenfeld	Wenzel
Clark, K.	Knuth	Ogren	Segal	Wynia
Clawson	Kostohryz	Osthoff	Shea	Speaker Sieben
Cohen	Krueger	Otis	Simoneau	
Coleman	Larsen	Peterson	Skoglund	
Eken	Long	Piper	Solberg	
Elioff	Mann	Price	Sparby	

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

The Speaker called Wynia to the Chair.

Schreiber, Uphus, Omann and Findlay moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 7, line 7, delete the new language

Page 7, line 8, after "(7)" insert "*provided that for a credit allowed in a taxable year beginning after December 31, 1982, one-half of the increase shall be added to federal adjusted gross income*"

Page 11, line 31, after "(7)" insert "*One-half of*" and reinstate the stricken language

Page 11, lines 32 to 35, reinstate the stricken language

Page 11, line 36, reinstate the stricken "(8)"

Page 12, line 11, delete "(8)" and insert "(9)"

Page 12, line 16, delete "(9)" and insert "(10)"

Page 12, line 23, delete "(10)" and insert "(11)"

Page 12, line 28, delete "(11)" and insert "(12)"

Page 12, line 36, delete "(12)" and insert "(13)"

Page 13, line 8, delete "(13)" and insert "(14)"

Page 13, line 18, delete "(14)" and insert "(15)"

Page 13, line 35, delete "(15)" and insert "(16)"

Page 14, line 27, delete "(16)" and insert "(17)"

Page 14, line 30, delete "(17)" and insert "(18)"

Page 14, line 35, delete "(18)" and insert "(19)"

Page 17, delete lines 5 to 13

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

The question was taken on the amendment and the roll was called.

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

There were 60 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frerichs	Johnson	Onnen	Shea
Bennett	Graba	Knickerbocker	Pauly	Stadum
Blatz	Gruenes	Krueger	Piepho	Sviggum
Burger	Gutknecht	Kvam	Quist	Thiede
Dempsey	Halberg	Levi	Redalen	Uphus
DenOuden	Haukoos	Ludeman	Reif	Vaian
Dimler	Heap	Marsh	Rose	Valento
Erickson	Heinitz	McDonald	Schafer	Waltman
Evans	Himle	McKasy	Schoenfelfd	Welker
Findlay	Hoberg	Metzen	Schreiber	Wenzel
Fjoslien	Hokr	Olsen	Seaberg	Wigley
Forsythe	Jennings	Omann	Shaver	Zaffke

Those who voted in the negative were:

Anderson, B.	Eken	Mann	Price	Staten
Anderson, G.	Elioff	McEachern	Quinn	Swanson
Battaglia	Ellingson	Minne	Rice	Tomlinson
Beard	Greenfield	Munger	Riveness	Tunheim
Begich	Gustafson	Murphy	Rodosovich	Vanasek
Bergstrom	Hoffman	Nelson, D.	Rodriguez, C.	Vellenga
Bishop	Jacobs	Nelson, K.	Rodriguez, F.	Voss
Brandl	Jensen	Neuenschwander	St. Onge	Welch
Brinkman	Kahn	Norton	Sarna	Welle
Carlson, L.	Kalis	O'Connor	Scheid	Wynia
Clark, J.	Kelly	Ogren	Segal	Speaker Sieben
Clark, K.	Knuth	Osthoff	Simoneau	
Clawson	Kostohryz	Otis	Skoglund	
Cohen	Larsen	Peterson	Solberg	
Coleman	Long	Piper	Sparby	

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

Himle, Olsen, Blatz, Dimler, Pauly, Frerichs, Waltman, Johnson, Shaver and Levi moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 9, line 8, delete the new language

Page 9, line 9, delete the new language and strike "the amount of"

Page 9, line 10, strike "contributions to an individual retirement account,"

Page 9, line 14, delete the new language

Page 9, delete lines 15 to 21

Renumber the clauses as necessary

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

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

There were 60 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Johnson	Onnen	Shaver
Bennett	Frerichs	Knickerbocker	Pauly	Stadum
Bishop	Gruenes	Knuth	Piepho	Swiggum
Blatz	Gutknecht	Kvam	Quist	Thiede
Burger	Halberg	Levi	Redalen	Uphus
Dempsey	Haukoos	Ludeman	Reif	Valan
DenOuden	Heap	Marsh	Rodriguez, C.	Valento
Dimler	Heinitz	McDonald	Rose	Vellenga
Erickson	Himle	McKasy	Schafer	Waltman
Evans	Hoberg	Nelson, K.	Schreiber	Welker
Findlay	Hokr	Olsen	Seaberg	Wigley
Fjoslien	Jennings	Omann	Segal	Zaffke

Those who voted in the negative were:

Anderson, B.	Clark, J.	Gustafson	Mann	Ogren
Anderson, G.	Clark, K.	Hoffman	McEachern	Osthoff
Battaglia	Clawson	Jacobs	Metzen	Otis
Beard	Cohen	Jensen	Minne	Peterson
Begich	Coleman	Kahn	Munger	Piper
Bergstrom	Eken	Kalis	Murphy	Price
Berkelman	Elioff	Kelly	Nelson, D.	Quinn
Brandl	Ellingson	Kostohryz	Neuenschwander	Rice
Brinkman	Graba	Krueger	Norton	Riveness
Carlson, L.	Greenfield	Larsen	O'Connor	Rodosovich

Rodriguez, F.	Shea	Staten	Voss	Speaker Sieben
St. Onge	Simoneau	Swanson	Welch	
Sarna	Skoglund	Tomlinson	Welle	
Scheid	Solberg	Tunheim	Wenzel	
Schoenfeld	Sparby	Vanasek	Wynia	

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

Redalen moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 87, line 10, delete "*Effective for taxes payable in*"

Page 87, delete lines 11 to 13

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

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

There were 59 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Jennings	Pauly	Stadum
Bennett	Frerichs	Johnson	Piepho	Swiggum
Bishop	Graba	Knickerbocker	Quist	Thiede
Blatz	Gruenes	Kvam	Redalen	Uphus
Burger	Gutknecht	Levi	Reif	Valan
Dempsey	Halberg	Ludeman	Rose	Valento
DenOuden	Haukoos	Marsh	Schafer	Waltman
Dimler	Heap	McDonald	Schoenfeld	Welker
Erickson	Heinitz	McKasy	Schreiber	Wenzel
Evans	Himle	Olsen	Seaberg	Wigley
Findlay	Hoberg	Omann	Shaver	Zaffke
Fjoslien	Hokr	Onnen	Shea	

Those who voted in the negative were:

Anderson, B.	Eken	Long	Peterson	Sparby
Anderson, G.	Elioff	Mann	Piper	Staten
Battaglia	Ellingson	McEachern	Price	Swanson
Beard	Greenfield	Metzen	Quinn	Tomlinson
Begich	Gustafson	Minne	Rice	Tunheim
Bergstrom	Hoffman	Munger	Riveness	Vanasek
Berkelman	Jacobs	Murphy	Rodosovich	Vellenga
Brandl	Jensen	Nelson, D.	Rodriguez, C.	Voss
Brinkman	Kahn	Nelson, K.	Rodriguez, F.	Welch
Carlson, L.	Kalis	Neuenschwander	St. Onge	Welle
Clark, J.	Kelly	Norton	Sarna	Wynia
Clark, K.	Knuth	O'Connor	Segal	Speaker Sieben
Clawson	Kostohryz	Ogren	Simoneau	
Cohen	Krueger	Osthoff	Skoglund	
Coleman	Larsen	Otis	Solberg	

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

Fjoslien moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 72, line 6, reinstate the stricken language

Page 72, line 7, reinstate the stricken language

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

There were 56 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Graba	Kalis	Piepho	Tunheim
Bennett	Gruenes	Knickerbocker	Quist	Uphus
Blatz	Gutknecht	Krueger	Redalen	Valan
Burger	Halberg	Kvam	Reif	Valento
Dempsey	Haukoos	Levi	Schafer	Waltman
DenOuden	Heap	Ludeman	Schoenfeld	Welker
Dimler	Heinitz	McDonald	Seaberg	Wigley
Erickson	Himle	McKasy	Shaver	Zaffke
Evans	Hoberg	Olsen	Shea	
Findlay	Hokr	Omann	Stadum	
Fjoslien	Jennings	Onnen	Sviggum	
Frerichs	Johnson	Pauly	Thiede	

Those who voted in the negative were:

Anderson, B.	Eken	Marsh	Price	Sparby
Anderson, G.	Elioff	McEachern	Quinn	Staten
Battaglia	Ellingson	Metzen	Rice	Swanson
Beard	Forsythe	Minne	Riveness	Tomlinson
Begich	Greenfield	Munger	Rodosovich	Vanasek
Bergstrom	Gustafson	Murphy	Rodriguez, C.	Vellenga
Berkelman	Hoffman	Nelson, D.	Rodriguez, F.	Voss
Bishop	Jacobs	Nelson, K.	Rose	Welch
Brandl	Jensen	Neuenschwander	St. Onge	Welle
Brinkman	Kahn	Norton	Sarna	Wenzel
Carlson, L.	Kelly	O'Connor	Scheid	Wynia
Clark, J.	Knuth	Ogren	Schreiber	Speaker Sieben
Clark, K.	Kostohryz	Osthoff	Segal	
Clawson	Larsen	Otis	Simoneau	
Cohen	Long	Peterson	Skoglund	
Coleman	Mann	Piper	Solberg	

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

Valento, Schreiber, Levi, Johnson, McDonald, Zaffke, Dimler, McKasy, Burger, Olsen, Rose, Thiede, Pauly, Forsythe and Seaberg moved to amend H. F. No. 1259, the first engrossment, as amended, as follows:

Page 153, delete lines 7 to 36

Delete pages 154 to 156

Page 157, delete lines 1 to 33 and insert:

“Sec. 4. Minnesota Statutes 1982, section 477A.01, is amended by adding a subdivision to read:

Subd. 1a. [PURPOSE.] The state shall annually make payments of local government aids to units of local government within the state, through a distribution formula which is fair and equitable, for the purposes of providing property tax relief.

Sec. 5. Minnesota Statutes 1982, section 477A.011, subdivision 2, is amended to read:

Subd. 2. [(MUNICIPALITY) CITY.] (MUNICIPALITY) City means a statutory or home rule charter city, or a town having the powers of a statutory city pursuant to section 368.01 or special law and having a population of 5,000 or more according to the latest federal census.

Sec. 6. Minnesota Statutes 1982, section 477A.011, is amended by adding a subdivision to read:

Subd. 2a. [TOWN.] Town means a town which does not fall under the definition of city in subdivision 2.

Sec. 7. Minnesota Statutes 1982, section 477A.011, subdivision 3, is amended to read:

Subd. 3. [(POPULATION) NUMBER OF HOUSEHOLDS.] (POPULATION) Number of households means the (POPULATION) number of households established by the most recent federal census, by a special census conducted under contract with the United States bureau of the census, by (A POPULATION) an estimate made by the metropolitan council, or by (A POPULATION) an estimate of the state demographer made pursuant to section 116J.42, subdivision 7, clause (10), whichever is the most recent as to the stated date of the count or estimate.

Sec. 8. Minnesota Statutes 1982, section 477A.011, subdivision 4, is amended to read:

Subd. 4. [EQUALIZED MUNICIPAL MILL RATE.] For any calendar year, a municipality's equalized municipal mill rate means (ITS MUNICIPAL MILL RATE FOR TAXES PAYABLE IN THAT YEAR MULTIPLIED BY ITS AGGREGATE SALES RATIO FOR THE PREVIOUS YEAR AS PREPARED BY THE DEPARTMENT OF REVENUE PURSUANT TO SECTION 124.2131) *the sum of its expenditures in the calendar year for general government, public safety, health and welfare, and public works excluding sewage collection and disposal, and including street cleaning but excluding the other components of the sanitation category, according to the uniform chart of accounts developed and maintained by the state auditor, divided by its equalized assessed value for the calendar year.*

Sec. 9. Minnesota Statutes 1982, section 477A.011, subdivision 5, is amended to read:

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

Sec. 10. Minnesota Statutes 1982, section 477A.011, subdivision 8, is amended to read:

Subd. 8. [(PREVIOUS) BASE YEAR AID.] (FOR THE 1982 AID DISTRIBUTION, A MUNICIPALITY'S PREVIOUS) *Base year aid means (ITS) the aid amount initially certified for distribution in 1981 (COMPUTED) pursuant to Minnesota Statutes 1980, Sections 477A.01 and 477A.03 (, NOTWITHSTANDING THE AMOUNT WITHHELD PURSUANT TO SECTION 16A.15 BECAUSE FUNDS IN THE STATE TREASURY WERE INSUFFICIENT. FOR 1983 AND ALL SUBSEQUENT CALENDAR YEAR AID DISTRIBUTIONS, PREVIOUS YEAR AID MEANS AID RECEIVED PURSUANT TO SECTIONS 477A.011 TO 477A.014 IN THE PREVIOUS CALENDAR YEAR).*

Sec. 11. Minnesota Statutes 1982, section 477A.011, subdivision 11, is amended to read:

Subd. 11. [EQUALIZED ASSESSED VALUE.] For any calendar year (AID DISTRIBUTION), a municipality's equalized assessed value means its (PREVIOUS YEAR) taxable valuation *for taxes payable in that year*, adjusted for the contributions and distributions required by chapter 473F in the case of a city or town located within the metropolitan area and less the captured value in any tax increment district, divided by the municipality's aggregate sales ratio (COVERING THE PERIOD ENDING TWO YEARS PRIOR TO THE YEAR OF AID DISTRIBUTION).

Sec. 12. Minnesota Statutes 1982, section 477A.012, is amended to read:

477A.012 [COUNTY GOVERNMENT DISTRIBUTIONS.]

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

Sec. 13. Minnesota Statutes 1982, section 477A.013, subdivision 1, is amended to read:

Subdivision 1. [(MUNICIPALITIES UNDER 2,500 POPULATION) TOWNS.] In each calendar year, each (MUNICIPALITY WHICH IS NOT COVERED BY THE PROVISIONS OF SUBDIVISION 2) town which has an average equalized mill rate of at least two mills shall receive a distribution equal to the proportion that its (PREVIOUS) base year aid (PLUS ITS MINIMUM INCREASE) bears to the total base year aid for all towns which have average equalized mill rates of at least two mills. The total amount of aid distributed pursuant to this subdivision shall be \$12,500,000 for each calendar year.

Sec. 14. Minnesota Statutes 1982, section 477A.013, subdivision 2, is amended to read:

Subd. 2. [(MUNICIPALITIES OVER 2,500 POPULATION) CITIES.] In each calendar year, each (STATUTORY AND HOME RULE CHARTER) city (, AND EACH TOWN HAVING THE POWERS OF A STATUTORY CITY PURSUANT TO SECTION 368.01 OR SPECIAL LAW, WHICH HAS A POPULATION OF 2,500 OR MORE ACCORDING TO THE LATEST FEDERAL CENSUS) shall (RECEIVE A) have a preliminary distribution equal to (THE AMOUNT OBTAINED BY SUBTRACTING THE PRODUCT OF 10 MILLS AND THE MUNICIPALITY'S EQUALIZED ASSESSED VALUE FROM THE LOCAL REVENUE BASE. THIS AMOUNT SHALL THEN BE ADJUSTED, SO THAT IT IS NEITHER LESS THAN THE SUM OF ITS PREVIOUS YEAR AID AND ITS MINIMUM INCREASE, NOR GREATER THAN THE SUM OF ITS PREVIOUS YEAR AID AND ITS MAXIMUM INCREASE) the sum of the amounts determined under clauses (a), (b), and (c) below:

(a) Each city shall receive \$50 per household;

(b) Fifty percent of the remaining money appropriated for local government aid in that calendar year, after distributions pursuant to section 477A.012; 477A.013, subdivision 1; and clause (a) above, shall be distributed to cities in proportion to the factor obtained by multiplying the city's number of households by the ratio of total per household valuation to the sub-

division's per household valuation, relative to the sum of the factors for all cities in the state. As used in this subdivision, "per household valuation" means a city's equalized assessed value for the calendar year two years previous to the aid distribution year, divided by the city's number of households, and "total per household valuation" means the total equalized assessed value for the calendar year two years previous to the aid distribution year for all cities in the state divided by the total number of households for all cities in the state.

(c) An amount equal to the amount distributed through clause (b) shall be distributed to all cities in proportion to the product of its number of households and equalized mill rate relative to that of the other cities in the state.

For the calendar year 1984 distribution, the final aid amount shall be the weighted average of the preliminary distribution, with a weighting factor of 1, and the base year aid, with a weighting factor of 2.

For the calendar year 1985 distribution, the final aid amount shall be the weighted average of the preliminary distribution, with a weighting factor of 2, and the base year aid, with a weighting factor of 1.

For the calendar year 1986 and subsequent year aid distributions, the final aid amount shall be equal to the preliminary aid amount.

Any city which has a population of less than 2,500 according to the 1980 federal census and which receives a distribution pursuant to this section that is less than the distribution it received in 1983, shall receive a supplemental distribution equal to the amount by which the distribution was reduced.

Sec. 15. Minnesota Statutes 1982, section 477A.03, subdivision 1, is amended to read:

Subdivision 1. [(ANNUAL) APPROPRIATION.] (A SUM SUFFICIENT) *The sum of \$_____ for calendar year 1984 and \$_____ for calendar year 1985 to discharge the duties imposed by sections 477A.011 to 477A.014 is (ANNUALLY) appropriated from the general fund to the commissioner of revenue."*

Page 159, line 32, delete "8, and 9," and insert "6, 7, 9 and 10, and 477A.03, subdivision 2,"

Renumber the remaining sections

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

There were 53 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Bennett	Frerichs	Knickerbocker	Pauly	Swiggum
Blatz	Craba	Krueger	Piepho	Thiede
Burger	Gutknecht	Kvam	Quist	Uphus
Dempsey	Halberg	Levi	Redalen	Valan
DenOuden	Heap	Ludeman	Reif	Valento
Dimler	Heinitz	McDonald	Rose	Waltman
Erickson	Himle	McEachern	Schafer	Welker
Evans	Hoberg	McKasy	Schreiber	Wigley
Findlay	Hokr	Olsen	Seaberg	Zaffke
Fjoslien	Jennings	Omann	Shaver	
Forsythe	Johnson	Onnen	Stadum	

Those who voted in the negative were:

Anderson, B.	Coleman	Larsen	Peterson	Skoglund
Anderson, G.	Eken	Long	Piper	Solberg
Anderson, R.	Elioff	Mann	Price	Sparby
Battaglia	Ellingson	Marsh	Quinn	Staten
Beard	Greenfield	Metzen	Rice	Swanson
Begich	Gruenes	Minne	Riveness	Tomlinson
Bergstrom	Gustafson	Munger	Rodosovich	Tunheim
Berkelman	Haukoos	Murphy	Rodriguez, C.	Vanasek
Bishop	Hoffman	Nelson, D.	Rodriguez, F.	Vellenga
Brandl	Jacobs	Nelson, K.	St. Onge	Voss
Brinkman	Jensen	Neuenschwander	Sarna	Welch
Carlson, L.	Kahn	Norton	Scheid	Welle
Clark, J.	Kalis	O'Connor	Schoenfeld	Wenzel
Clark, K.	Kelly	Ogren	Segal	Wynia
Clawson	Knuth	Osthoff	Shea	Speaker Sieben
Cohen	Kostohryz	Otis	Simoneau	

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

H. F. No. 1259, A bill for an act relating to the operation of government in this state; modifying the definition of gross income; adopting federal definitions of itemized deductions; updating the references to the Internal Revenue Code; extending the duration of the temporary income tax surtax and changing its computation; modifying the deduction of federal income taxes; assigning certain gambling winnings by nonresidents to Minnesota; imposing withholding tax on certain gambling winnings and horse racing purses; repealing certain income tax credits for pollution control expenditures; limiting the subtraction for unemployment compensation; providing for timely payment of withholding income taxes; modifying the dependent care credit; providing for certain studies; changing the refund method for the sales tax on electricity used in agricultural pro-

duction; clarifying the uses of funds from the non-game wildlife checkoff; making the six percent sales and use tax rate permanent; increasing the motor vehicle excise tax rate to six percent; modifying the enterprise zone law; providing for state tax incentives in enterprise zones; limiting the number of enterprise zones; reducing the corporate income tax rate; eliminating the deduction for certain income and franchise taxes paid by corporations; changing the deduction for corporate capital gains; providing small business investment credits; providing an additional research credit; modifying the definition of market value; requiring additional information on the certificate of value; mandating that homestead affidavits be filed in all counties; requiring that all contracts for deed be recorded; restricting the use of sales ratio studies as evidence; eliminating the agricultural mill rate credit on farm homes; increasing the agricultural mill rate credit on certain property and providing a maximum credit amount; clarifying the property classification for certain timber property; modifying the wetlands credit; modifying the utility property tax credit; changing certain property tax classification ratios; exempting contracts for deed from the mortgage registry tax and providing penalties for failure to file; exempting cities and towns with populations under 5,000 from levy limitations; modifying the method by which levy limitations are calculated; adding a special levy for certain county purposes; establishing a new homestead credit formula for certain homestead property; modifying the property tax refund formula and increasing the maximum credit; changing the payment dates for the property tax refund; altering the sales tax on liquor, wine, and beer; changing the excise tax credit on fermented malt beverages; delaying the effective date of the rent capitalization method used in assessing agricultural land; repealing the native prairie credit and reimbursement; repealing the wetlands reimbursement; modifying school district cash flow; establishing school aid payment dates for fiscal year 1985 and thereafter; requiring that property taxes be paid 15 days earlier; altering property tax settlement dates; modifying the local government aids distribution formula for counties, cities, and towns; phasing out attached machinery aids and reduced assessment aids; enacting the multi-state tax compact; changing the definition of basic cost of cigarettes for purposes of the unfair cigarette sales act; appropriating money; amending Minnesota Statutes 1982, sections 116J.42, subdivision 7; 124.2137, subdivision 1; 272.02, subdivision 1; 272.03, subdivision 8; 272.115, subdivision 1; 273.11, subdivision 1; 273.115, subdivisions 1, 2, and 3; 273.13, subdivisions 6, 6a, 7, 8a, 9, 11, 14a, 17, 17b, 17c, 20, and by adding a subdivision; 273.1312, subdivisions 2, 3, 4, and 5; 273.1313, subdivisions 1, 2, 3, and 5; 273.138, by adding a subdivision; 273.139, by adding a subdivision; 275.50, subdivision 2, and by adding subdivisions; 275.51, by adding subdivisions; 275.53, by adding a subdivision; 276.09; 276.10; 276.11; 278.01, subdivisions 1 and 2; 278.03; 278.05, subdivisions 4 and 5; 279.01, subdivision 1; 287.05, subdivision 1; 290.01, subdivisions 19, 20, 20a, as amended, 20b, as amended, and 20f; 290.05, subdivision 6; 290.06,

subdivisions 1, 2e, as amended, 11, and 14; 290.067, subdivisions 1 and 2; 290.068, by adding a subdivision; 290.09, subdivisions 1, 2, 3, as amended, 4, 5, 28, and 29; 290.091; 290.14; 290.16, subdivision 4; 290.17, subdivision 2; 290.18, subdivisions 1 and 2; 290.21, subdivisions 1 and 3; 290.23, subdivision 5; 290.31, subdivisions 2 and 3; 290.39, subdivision 2; 290.431; 290.46; 290.92, subdivisions 2a, 6, and by adding subdivisions; 290A.03, subdivisions 3, 6, 8, 11, 13, as amended, and by adding a subdivision; 290A.04, subdivisions 1, 2, 2a, 2b, and 3; 290A.07, subdivision 2a; 290A.16; 290A.18; 290A.19; 297A.02, as amended; 297A.03, subdivision 2, as amended; 297A.14, as amended; 297A.35, subdivision 3; 297B.02, as amended; 325D.32, subdivision 9; 340.14, subdivision 1; 340.47, subdivision 2; 473F.08, subdivision 7a; 477A.011, subdivisions 6, 7, 10, and by adding subdivisions; 477A.012; 477A.013; 477A.014, subdivision 1; and Laws 1981, First Special Session chapter 1, article II, section 25; and Third Special Session chapter 2, article III, section 22, as amended; proposing new law coded in Minnesota Statutes, chapters 116C; 124; 273; 290; 477A; and 507; repealing Minnesota Statutes 1982, sections 273.116; 273.138, subdivisions 1, 2, 3, 4, 5, and 6; 273.139, subdivisions 1 and 2; 273.42, subdivision 2; 273.425; 275.51, subdivisions 3e and 5; 290.01, subdivisions 23, 27, and 28; 290.032, subdivision 5; 290.06, subdivisions 9 and 9a; 290.077, subdivision 2; 290.08, subdivision 25; 290.09, subdivisions 10, 15, 22, and 27; 290.21, subdivision 3a; 290.501; 290A.07, subdivision 3; 340.986; 352C.07; 477A.011, subdivisions 8 and 9; and Laws 1982, chapter 523, article VII, section 3; and Third Special Session chapter 1, article V, section 4.

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

The question was taken on the passage of the bill and the roll was called. There were 74 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Larsen	Otis	Skoglund
Anderson, C.	Elioff	Long	Peterson	Solberg
Battaglia	Ellingson	Mann	Piper	Sparby
Beard	Graba	McEachern	Price	Staten
Begich	Greenfield	Metzen	Quinn	Swanson
Bergstrom	Custafson	Minne	Rice	Tomlinson
Berkelman	Hoffman	Munger	Riveness	Tunheim
Brandl	Jacobs	Murphy	Rodosovich	Vanasek
Brinkman	Jensen	Nelson, D.	Rodriguez, C.	Vellenga
Carlson, L.	Kahn	Nelson, K.	Rodriguez, F.	Welch
Clark, J.	Kalis	Neuenschwander	St. Onge	Welle
Clark, K.	Kelly	Norton	Sarna	Wenzel
Clawson	Knuth	O'Connor	Scheid	Wynia
Cohen	Kostohryz	Ogren	Shea	Speaker Sieben
Coleman	Krueger	Osthoff	Simoneau	

Those who voted in the negative were:

Anderson, R.	Bishop	Burger	DenOuden	Erickson
Bennett	Blatz	Dempsey	Dimler	Evans

Findlay	Himle	McDonald	Rose	Uphus
Fjoslien	Hoberg	McKasy	Schafer	Valan
Forsythe	Hokr	Olsen	Schoenfeld	Valento
Frerichs	Jennings	Omann	Schreiber	Voss
Gruenes	Johnson	Onnen	Seaberg	Waltman
Gutknecht	Knickerbocker	Pauly	Segal	Welker
Halberg	Kvam	Piepho	Shaver	Wigley
Haukoos	Levi	Quist	Stadum	Zaffke
Heap	Ludeman	Redalen	Sviggum	
Heinitz	Marsh	Reif	Thiede	

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

Blatz, Halberg and Stadum were excused for the remainder of today's session.

SPECIAL ORDERS

The Speaker called Wynia to the Chair.

S. F. No. 463 was reported to the House.

Schreiber and others withdrew their amendment, as amended, pending to S. F. No. 463, as reported in the Journal of the House for Thursday, May 5, 1983.

Schreiber moved to amend S. F. No. 463, as follows:

Page 1, after line 12, insert

"Section 1. Minnesota Statutes 1982, section 458.09, subdivision 1, is amended to read:

Subdivision 1. A commission to be known as "Port Authority of _____" (IS HEREBY) *may be established in and for (EVERY) any city of the first class (SITUATED UPON, OR ADJACENT TO, OR EMBRACING WITHIN ITS BOUNDARIES, IN WHOLE OR IN PART, A PORT OR HARBOR LOCATED ON A NAVIGABLE LAKE OR STREAM) or second class, however organized, by resolution of its governing body.* Sections 458.09 to 458.19 are expressly declared to be applicable to all such cities. Those port authorities now or hereafter having jurisdiction over harbors located on the Great Lakes-St. Lawrence seaway system shall be known and are referred to in sections 458.09 to 458.19 as seaway port authorities. A port authority shall be a body politic and corporate in the state of Minnesota with the right to sue and be sued in the names above designated. A port authority shall also be considered a governmental subdivision within the meaning of section 282.01. The exercise by any such authority or commission of any of its powers shall be deemed and held to be essential governmental functions of the state of Minnesota, but any such authority shall not be immune from liability by reason thereof.

Sec. 2. Minnesota Statutes 1982, section 458.17, is amended to read:

458.17 [ADDITIONAL POWERS.]

The port authority, in its own name, shall have full power and authority to acquire, purchase, construct, lease, or operate any bulkheads, jetties, piers, wharves, docks, landing places, warehouses, storehouses, elevators, cold storage plants, terminals, bridges, and such other terminal or transportation facilities as may be necessary or convenient for storing, handling, or transporting freight, for the handling of passenger traffic, and for the establishment of rail and water transfer within the district; to make rules, regulations, and charges for the use thereof, and for any service rendered; for such purposes to own, hold, lease, or operate real and personal property, to borrow money and to secure the same by bonds or mortgages upon any property held or to be held by it, and in the case of any seaway port authority only to issue and sell negotiable revenue bonds of the port authority for such purposes, or any of the purposes outlined in this chapter for the development of a seaport, such bonds to be issued, sold and secured in the same manner as provided below for the construction of a vehicular toll bridge or tunnel, except that a trust indenture may but is not required to be executed, and in and by the resolutions and indenture, if any, authorizing the bonds the port authority shall define the facilities whose net revenues are to be pledged thereto, and may in its discretion mortgage such facilities to a trustee for the bondholders, which facilities may be all of those owned by the authority (except any vehicular bridge or tunnel), and all subsequent additions thereto and betterments thereof, or may be restricted to one or more described facilities, including or not including the facilities financed by the bonds, and may be facilities which are either operated by the authority or are leased to others, and the authority may establish such covenants and restrictions regarding the issuance of additional bonds payable from net revenues of the same facilities, the subsequent amendment of the bond resolutions or indenture, the remedies and priorities of the bondholders in the event of default and, without limitation, all such other matters pertinent to the security of the bonds, as the authority may determine to be necessary for the marketing of the bonds to the best advantage; to sell, convey, and exchange any real or personal property owned or held by it in such manner and on such terms as it may see fit, save that no real property owned by the authority shall be so sold, exchanged, or the title thereto transferred without the unanimous approval of the members of the port authority in attendance when such a sale, conveyance, exchange or transfer of real property is authorized, provided that no such sale, conveyance, exchange or transfer of real property shall be considered at any meeting unless all commissioners have been given at least ten days written notice that such a sale, conveyance, exchange or transfer will be voted upon at a special or regular meeting, which notice shall contain a complete descrip-

tion of the affected real estate, and provided further that such authorization shall not be given unless there is at least a quorum present. The port authority is hereby empowered to acquire by condemnation any property, corporeal or incorporeal, within the port district which may be needed by it for public use; and the fact that the property so needed has been acquired by the owner under the power of eminent domain or is already devoted to a public use shall not prevent its acquisition by the port authority by the exercise of the right of eminent domain hereby conferred. No property now or hereafter vested in or held by the state of Minnesota, or any city, county, school district, town, or other municipality, shall be so taken or acquired by the port authority without the consent of the state, municipality, or governmental subdivision. The necessity of the taking of any property by the port authority shall be determined by resolution duly adopted by the commissioners, which shall describe the property as nearly as may be and state the use and purpose to which it is to be devoted. The acquisition of such property shall be thereafter accomplished by proceedings by law, as in taking land for public use by right of eminent domain under the laws of the state.

In addition to the power and authority heretofore conferred upon the port authority, the port authority, in its own name, shall have full power and authority to acquire and thereafter operate and maintain any existing vehicular toll bridge across any waters which form a common boundary between any city of the first class or *second class, however organized*, in the state and any other city either within or without the state and to reconstruct, improve, and repair such existing bridge; and to construct, maintain, and operate an additional vehicular toll bridge and approaches across these waters at a point suitable to the interests of navigation, and to reconstruct, repair, and improve the same; and to construct, maintain, and operate a tunnel under these waters and to reconstruct, repair, and improve the same; and to issue and sell the negotiable revenue bonds of the port authority for such purposes. Such bonds shall be authorized by resolutions as the port authority may determine from time to time, such resolutions to contain such provisions with respect to the form thereof and maturity, interest rate, sinking fund, redemption, and refunding as are customary and usual; and such bonds shall be issued under a trust indenture from the port authority to a corporate trustee, which indenture shall contain the usual and customary provisions with respect to the issuance of bonds, the application of the revenues of such bridge or tunnel for the creation of a sinking fund to provide for the payment of such bonds and interest thereon, and for the holding of the proceeds of the bonds in a special trust for the purpose of acquiring or constructing such bridge or tunnel, and for the pledge and assignment by the port authority to the trustee under such trust indenture of the revenues of such bridge or tunnel over and above the cost of operation and maintenance thereof as security for the payment of the principal of and interest on such bonds. The port authority shall establish, maintain, and collect tolls for transit over such bridge or through such tunnel acquired or con-

structed hereunder sufficient at all times to pay the cost of the operation and maintenance thereof and to pay the principal of and interest on the bonds issued hereunder; and such bonds and the coupons evidencing interest thereon shall constitute an irrevocable contract between the holders thereof and the port authority that such tolls shall always be sufficient therefor. No bonds issued hereunder shall bear interest at a rate exceeding eight percent per annum and all such bonds so issued hereunder shall be sold for not less than par and accrued interest to the date of delivery and payment and may be sold at private sale without prior publication of notice thereof. All such bonds issued hereunder shall never constitute an indebtedness of any such city of the first class or *second class* chargeable to its debt limit or payable from ad valorem taxes, but such bonds shall be payable solely and only from the toll revenues earned by such bridge or tunnel pledged to the payment thereof.

When the port authority determines to acquire any of these existing bridges, or to construct the additional bridge or tunnel, the port authority shall have all rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use such real estate and other property as may be needed for the location, construction, operation, and maintenance of such bridge or tunnel and approaches thereto as are possessed by railroad corporations for railroad purposes, or by bridge corporations for bridge purposes in the state in which such real estate or other property is situated, upon making just compensation therefor to be ascertained and paid according to the laws of the state in which such property may be located and the proceedings therefor shall be the same as in condemnation or expropriation of property for public purposes in such state.

The port authority shall also have full right and power to cause to be made a survey or investigation relating to the proper uses, operations, improvement, and development of the port district, the stimulation of employment by reason thereof, and the benefit to the city and county in which such district lies and to the state of Minnesota. The port authority may also cause to be prepared a plan for future construction, development, and improvement of the port, which plan may be integrated into any existing or future city plans of any city in the port district. Upon completion of the plan, and after public hearing, such port authority may adopt the same as its official plan for the port district. Thereafter such plan may be extended, modified, or amended after hearing. Upon the adoption of any such plan, all improvements made by such port authority shall conform thereto.

Any seaway port authority may also operate its port terminal facilities constructed on their premises as terminal operators and as such, may contract with a warehouse operator or operators performing other terminal services on an agency basis. They may enter into such a contract which may provide that the agent will be paid a compensation on a monthly basis to operate

the facilities and that said agent may hire the necessary personnel to carry all the functions assumed in said contract, and that any and all employees engaged by said agent shall be considered employees of such agent and not of the port authority, and he shall be responsible for the payment of their compensation and in compliance with all local ordinances, state or federal laws in regard to employees. Such seaway port authority may also contract with any other agent or agents for the performing of any and all functions that the port authority has power by law to execute in a like manner. In contracting with so-called managing agent, but in remaining the terminal operator, the seaway port authority may contract to retain power over the setting of all rates for any services to be performed in any terminal facility owned, leased, or operated by said seaway port authority.

Sec. 3. Minnesota Statutes 1982, section 458.191, subdivision 2, is amended to read:

Subd. 2. It is hereby declared to be the public policy of the legislature of the state of Minnesota that it is in the public interest to empower the port authority to employ the power of eminent domain, and for such port authority to advance and expend public moneys for the purposes contained in Laws 1957, Chapter 812, and to provide for means by which marginal area properties may be developed or redeveloped in accordance with the legislative policies hereinafter stated.

(1) A sound development of the economic security of the peoples of the city of the first class *or second class, however organized*, in which is situated such port authority is dependent upon proper development and redevelopment of marginal properties, and the general welfare of the inhabitants of the port districts in which they exist require the remedying of such injurious conditions to which marginal properties are now subject; and

(2) The development and redevelopment of such marginal area properties cannot be accomplished by private enterprise alone without public participation and assistance in the acquisition of land and planning and in the financing of land assembly in the work of clearance, development and redevelopment, and in the making of improvements necessary therefor.

(3) To protect and promote sound development and redevelopment of marginal lands as hereinafter defined, and the general welfare of the inhabitants of the port districts in which they exist, to remedying such injurious conditions through the employment of all appropriate means.

(4) That whenever the development or redevelopment of such marginal lands cannot be accomplished by private enterprise alone, without public participation and assistance in the acquisition of land and planning and in financing of land as-

sembly in the work of clearance, development and redevelopment, and in the making of improvements necessary therefor, it is in the public interest to employ the power of eminent domain, to advance and expend public moneys for those purposes, and to provide for means by which such marginal lands may be developed or redeveloped.

(5) That the development or redevelopment of such marginal lands and the provision of appropriate continuing land use constitute public uses and purposes for which public moneys may be advanced or expended and private property acquired, and are governmental functions and are of state concern in the interest of health, safety and welfare of the peoples of the state of Minnesota and of the communities in which such areas exist.

(6) That the necessity in the public interest for the provision of Laws 1957, Chapter 812, is declared to be a matter of legislative determination.”

Renumber sections in sequence

Page 2, after line 6, insert:

“Sec. 7. Minnesota Statutes 1982, section 458.193, subdivision 1, is amended to read:

Subdivision 1. In anticipation of the receipt by the port authority of payments, appropriations, rents and profits and of income from any other source and for the purpose of securing funds as needed by such port authority for the payment of the cost of property acquired and for other purposes as herein authorized, the port authority is hereby authorized to issue bonds in such principal amount as shall be authorized by the governing body of the city of the first class or *second class, however organized*, in which such port authority is situated. Such bonds shall be in such amount and form and bear interest at such rate as the said governing body of such city of the first class shall prescribe and shall be sold by such port authority to the highest bidder therefor after notice of the time and the place for the receiving of the bids has been published once at least two weeks prior to the date of receiving bids. Except as otherwise provided in Laws 1957, Chapter 812, the issuance of the bonds herein authorized by such port authority shall be governed by provisions of Minnesota Statutes, Chapter 475, and such port authority when issuing such bonds shall be deemed to be embraced within the meaning of the term “municipal corporation” as said term is used in Minnesota Statutes, Chapter 475. Notwithstanding any provision to the contrary included within the charter of any such city or any general or special law of the state of Minnesota, such bonds may be issued and sold without submission of the question thereof to the electors of such city of the first class or

second class, provided, however, that the ordinance of the governing body of such city authorizing issuance of such bonds by such port authority shall be subject to any provisions in the charter of such city pertaining to the procedure for referendum of ordinances enacted by such governing body. Any such bonds issued by any such port authority of any city of the first class or *second class* shall not be included in computing the net indebtedness of (SUCH) *the city (OF THE FIRST CLASS)* under any applicable law or charter provision. The receipt and expenditure of any moneys received hereunder shall not be included within the definition of any limitation imposed on per capita taxing or spending in the charter of any such city of the first class or *second class*, and such exemption from such limitation shall apply to such port authority. The taxing powers granted to cities of the first class or *second class* in connection with Laws 1957, Chapter 812, in any manner shall be in addition to all taxing powers now possessed by them.

Sec. 8. Minnesota Statutes 1982, section 458.193, subdivision 4, is amended to read:

Subd. 4. The bonds shall be secured by the pledge of the full faith, credit and resources of the city of the first class or *second class, however organized*, in which said port authority has been created. Said port authority is hereby authorized to pledge such full faith, credit and resources of said city only upon the specific authorization of the governing body of said city that said port authority may so do. The propriety of the issuance of bonds in any specific case and the amount thereof shall be a matter of decision for such governing body in the first instance. The specific consent to the pledge of such full faith, credit and resources of the city of the first class or *second class* shall be conclusively presumed from formal action of the governing body of such city, taken by ordinance. Such bonds shall be paid, both in the principal amount thereof and the interest thereon, by the port authority from tax levies as hereinafter provided for the purpose of repayment, the earnings and all income received by such port authority from whatever source it may be derived."

Renumber sections in sequence

Page 2, after line 35, insert:

"Sec. 11. Minnesota Statutes 1982, section 458.194, subdivision 6, is amended to read:

Subd. 6. Revenue bonds issued under the provisions of this section shall not be deemed to constitute a debt of the city of the first class or *second class, however organized*, in which such authority is located and for which it has been created, nor a pledge of the full faith and credit of any such city of the first class, but

such bonds shall be payable solely from the funds herein provided therefor from revenues of the projects. All such revenue bonds shall contain on the face thereof a statement to the effect that neither the port authority nor the city of the first class or second class in which the port authority has been created shall be obligated to pay the same or the interest thereon except from revenues, and that neither the faith and credit nor the taxing power of such city of the first class or second class is pledged to the payment of the principal of or the interest on such bonds."

Renumber remaining section in sequence

Page 3, after line 9, insert:

"Sec. 12. Minnesota Statutes 1982, section 458.195, subdivision 6, is amended to read:

Subd. 6. It shall have the power in carrying out the provisions for which said industrial development district has been created, to develop and improve the lands within such industrial development district to make the same suitable and available for industrial uses and purposes; to dredge, bulkhead, fill, grade and protect such property; to do any and all things necessary after the acquisition of such property to put the said property in such condition as is necessary and expedient to make it suitable and attractive as an industrial tract for industrial development thereon; to execute leases of such lands or property or any part thereof; to establish local improvement districts within such industrial development district which may, but need not be, coextensive with the boundaries thereof and generally to exercise, with respect to and within such industrial development districts all the powers now or hereafter conferred by law upon port authorities of cities of the first class or second class, however organized."

Renumber remaining section in sequence

Page 3, after line 34, insert:

"Sec. 13. Minnesota Statutes 1982, section 458.199, is amended to read:

458.199 [CITY OF FIRST CLASS OR SECOND CLASS MAY LEVY TAXES FOR BENEFIT OF PORT AUTHORITY.]

To enable such port authority efficiently and in the public interest to carry out the aims and purposes of Laws 1957, Chapter 812, in the creation and development of industrial development districts as herein provided, any such city of the first class or second class in which such port authority has been created and is existing shall have the power, upon request of such port au-

thority and in addition to all other powers now possessed thereby, and in addition to and in excess of any limitation upon the amount it is otherwise permitted by law to levy as taxes, to levy taxes for the benefit of and for expenditure by such port authority, not exceeding in any one year an amount equal to 7/60 of one mill upon the dollar of the assessed valuation thereof, upon all the taxable property in such city, excluding money and credits; and any money levied for such purpose shall be paid over by the county treasurer to the treasurer of the port authority for expenditure by it as in its judgment best serves the public interest in the carrying on and the execution of its duties in the creation and development of such industrial development districts. The levy herein provided shall be in addition to that provided for in Minnesota Statutes, Section 458.14.

Sec. 14. Minnesota Statutes 1982, section 458.1991, is amended to read:

458.1991 [POWERS AS TO WORK, LABOR AND SUPPLIES.]

The provisions of Section 15 of Chapter 341, Laws of the State of Minnesota for 1933, shall apply to all construction work and every purchase of equipment, supplies, or materials necessary in carrying out the provisions of Laws 1957, Chapter 812. The powers there granted to, and the duties imposed upon the board of trustees of the corporation therein referred to are hereby granted to and imposed upon the members of any such port authority. The port authority is hereby given the power and authority to use the facilities of the purchasing department of any city of the first class or second class, however organized, in which such port authority is created and existing in connection with construction work and every purchase of equipment, supplies or materials, as such port authority sees fit to use such facilities.

Sec. 15. [458.1992] [NOTICE TO SECRETARY OF STATE.]

A certified copy of a resolution establishing a port authority pursuant to section 458.09, shall, after its adoption, be filed with the secretary of state as a public record.

Sec. 16. [EXISTING PORT AUTHORITIES.]

The requirements of a resolution by the governing body of a city for the establishment of a port authority pursuant to section 1 of this act shall not affect a city where a port authority has been established before the effective date of this act."

Renumber remaining section in sequence

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing the establishment of port authorities for cities of the first and second class"

Page 1, line 7, after "sections" insert "458.09, subdivision 1; 458.17; 458.191, subdivision 2;"

Page 1, line 8, before "458.194," insert "458.193, subdivisions 1 and 4;"

Page 1, line 9, after "3" insert "and 6"

Page 1, line 9, delete the second "and" before "458.195,"

Page 1, line 9, after "458.195," insert "subdivision 6, and"

Page 1, line 10, before the period insert "; 458.199 and 458.1991; and proposing new law coded in Minnesota Statutes, chapter 458"

A roll call was requested and properly seconded.

CALL OF THE HOUSE LIFTED

Sarna moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

The question recurred on the Schreiber amendment and the roll was called. There were 42 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Gutknecht	Levi	Quist	Swanson
Burger	Heinitz	Marsh	Redalen	Thiede
Carlson, L.	Himle	McKasy	Reif	Valan
Ellingson	Hoberg	Minne	Rose	Valento
Findlay	Hokr	Norton	Scheid	Voss
Fjoslien	Jacobs	Olsen	Schreiber	Wenzel
Forsythe	Knickerbocker	Pauly	Seaberg	
Frerichs	Knuth	Piepho	Segal	
Gruenes	Kvam	Quinn	Shaver	

Those who voted in the negative were:

Anderson, B.	Clark, J.	Elioff	Jensen	Mann
Anderson, G.	Clark, K.	Erickson	Johnson	McDonald
Battaglia	Clawson	Evans	Kahn	McEachern
Beard	Cohn	Graba	Kalis	Metzen
Begich	Coleman	Greenfield	Kelly	Munger
Berkelman	Dempsey	Gustafson	Kostohryz	Murphy
Bishop	DenOuden	Haukoos	Larsen	Nelson, D.
Brandl	Dinler	Hoffman	Long	Nelson, K.
Brinkman	Eken	Jennings	Ludeman	Neueaschwander

O'Connor	Price	Schafer	Swiggum	Wigley
Ogren	Rice	Schoenfeld	Tomlinson	Wynia
Omann	Riveness	Shea	Uphus	Zaffke
Onnen	Rodosovich	Simoneau	Vanasek	Speaker Sieben
Osthoff	Rodriguez, C.	Skoglund	Vellenga	
Otis	Rodriguez, F.	Solberg	Welch	
Peterson	St. Onge	Sparby	Welker	
Piper	Sarna	Staten	Welle	

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

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

Norton moved to amend S. F. No. 463, as follows:

Page 3, after line 24, insert:

"Sec. 8. [458.1992] [PROGRAMS TO AID STRUCTURALLY UNEMPLOYED.]

Subdivision 1. A port authority or municipality exercising the powers of a port authority is authorized and encouraged to adopt policies and programs, consistent with its other statutory duties and purposes, that target and maximize the number of new jobs created for structurally unemployed individuals through its redevelopment and development activities. These policies and programs may include, but need not be limited to, first source agreements which require developers or other benefiting businesses to make jobs available initially to structurally unemployed individuals. For purposes of this section, "structurally unemployed individual" includes qualified economically disadvantaged persons as defined in the federal Job Training Partnership Act of 1982, 96 Statutes at Large 1322 and the members of targeted groups under section 51(d) of the Internal Revenue Code of 1954, as amended through January 1, 1983.

Subd. 2. The port authority and a municipality exercising the powers of a port authority shall collect and maintain data on (1) the number of permanent jobs created by its projects, including the issuance of industrial revenue bonds, the use of tax increment financing, and other development subsidies, (2) the average and median wages paid for these jobs, and (3) a statistical profile of the individuals hired to fill the jobs, including the number of structurally unemployed individuals hired. The data collected shall annually be reported to the legislature on or before February 15."

Further amend the title as follows:

Page 1, line 6, after the semicolon insert "authorizing port authority programs to encourage the employment of structurally unemployed individuals;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 74 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Metzen	Quinn	Solberg
Battaglia	Ellingson	Minne	Quist	Sparby
Beard	Greenfield	Munger	Rice	Staten
Begich	Gustafson	Murphy	Riveness	Swanson
Berkelman	Hoffman	Nelson, D.	Rodosovich	Tomlinson
Brandl	Jacobs	Neuenschwander	Rodriguez, C.	Tunheim
Brinkman	Jensen	Norton	Rodriguez, F.	Vanasek
Burger	Kahn	O'Connor	St. Onge	Vellenga
Carlson, L.	Kelly	Ogren	Sarna	Voss
Clark, J.	Knuth	Onnen	Scheid	Welch
Clark, K.	Kostohryz	Osthoff	Seaberg	Welle
Clawson	Larsen	Otis	Segal	Wenzel
Cohen	Long	Peterson	Shea	Wynia
Coleman	Mann	Piper	Simoneau	Speaker Sieben
Eken	McEachern	Price	Skoglund	

Those who voted in the negative were:

Anderson, G.	Forsythe	Kalis	Olsen	Shaver
Bishop	Frerichs	Knickerbocker	Pauly	Swiggum
Dempsey	Graba	Krueger	Piepho	Thiede
DenOuden	Cutknecht	Kvam	Redalen	Uphus
Dimler	Haukoos	Levi	Rose	Waltman
Erickson	Heberg	Ludeman	Schafer	Welker
Findlay	Jennings	Marsh	Schoenfeld	Wigley
Fjoslien	Johnson	McDonald	Schreiber	Zaffke

The motion prevailed and the amendment was adopted.

S. F. No. 463, A bill for an act relating to port authorities; authorizing revenue bond financing of certain facilities; eliminating the interest rate limit on revenue bonds and authorizing private sale; clarifying contractual and operational authority of port authorities; amending Minnesota Statutes 1982, sections 458.192, subdivisions 1, 4, and by adding a subdivision; 458.194, subdivisions 2, 3, and by adding a subdivision; and 458.195, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 75 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Carlson, L.	Cohen	Elioff
Anderson, G.	Begich	Clark, J.	Coleman	Ellingson
Anderson, R.	Berkelman	Clark, K.	Dempsey	Evans
Battaglia	Brandl	Clawson	Eken	Greenfield

Gustafson	Mann	Ogren	Rodosovich	Staten
Himle	McEachern	Oris	Rodriguez, C.	Swanson
Hoffman	McKasy	Pauly	Rodriguez, F.	Tomlinson
Jensen	Metzen	Peterson	St. Ongc	Vanasek
Kahn	Munger	Piepho	Sarna	Vellenga
Kalis	Murphy	Piper	Schoenfeld	Vess
Kelly	Nelson, D.	Price	Segal	Welch
Knuth	Nelson, K.	Quinn	Simoneau	Welle
Larsen	Neuenschwander	Reif	Skoglund	Wenzel
Levi	Norton	Rice	Solberg	Wynia
Long	O'Connor	Riveness	Sparby	Speaker Sieben

Those who voted in the negative were:

Bennett	Frerichs	Krueger	Schafer	Valan
Bergstrom	Gruenes	Ludeman	Scheid	Valento
Bishop	Gutknecht	Minne	Schreiber	Waltman
Burger	Haukoos	Olsen	Seaberg	Welker
DenOuden	Heap	Omann	Shaver	Wigley
Dimler	Hoberg	Onnen	Shea	Zalike
Erickson	Hokr	Osthoff	Sviggum	
Findlay	Jennings	Quist	Thiede	
Fjoslien	Knickerbocker	Redalen	Tunheim	
Forsythe	Kostohryz	Rose	Uphus	

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

S. F. No. 800 was reported to the House:

Brandl moved to amend S. F. No. 800, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 144.335, subdivision 2, is amended to read:

Subd. 2. [PATIENT ACCESS.] Upon request a provider shall supply to a patient complete and current information possessed by that provider concerning any diagnosis, treatment and prognosis of the patient in terms and language the patient can reasonably be expected to understand.

Upon a patient's written request, a provider at a reasonable cost to the patient shall furnish to the patient: ((A)) copies of the patient's health record, including but not limited to laboratory reports, x-rays, prescriptions, and other technical information used in assessing the patient's health condition (; (B)). *With the consent of the patient, the provider may instead furnish only the pertinent portion of the record relating to a specific condition (;) or ((C)) a summary of the record. The provider shall respond within two weeks of receipt of the appropriate written request.*

If a provider, as defined in subdivision 1, clause (b) (1), reasonably determines that the information is detrimental to the

(PHYSICAL OR) mental health of the patient, or is likely to cause the patient to harm himself or another, he may withhold the information from the patient. The information may be supplied to an appropriate third party or to another provider, as defined in subdivision 1, clause (b) (1). The provider or third party may release the information to the patient.

Sec. 2. Minnesota Statutes 1982, section 145.32, is amended to read:

145.32 [OLD RECORDS MAY BE DESTROYED.]

Subdivision 1. [HOSPITAL RECORDS.] The superintendent or other chief administrative officer of any (SUCH) public or private hospital, by and with the consent and approval of (SUCH) the board of directors or other governing body thereof, (IS AUTHORIZED TO) may divest the files and records of (SUCH) that hospital of any (SUCH) individual case records bearing dates more than three years prior to the date of (SUCH) the divestiture and, with (SUCH) that consent and approval, to destroy the same. (SUCH) The records shall first have been transferred and recorded as authorized in section 145.30.

Portions of individual hospital medical records that comprise an individual permanent medical record, as defined by the commissioner of health, shall be retained as authorized in section 145.30. Other portions of the individual medical record, including any miscellaneous documents, papers, and correspondence in connection with them, may be divested and destroyed after seven years without transfer to photographic film.

All portions of individual hospital medical records of minors shall be maintained for seven years following the age of majority.

Nothing in this section shall be construed to prohibit the retention of hospital medical records beyond the periods described in this section. Nor shall anything in this section be construed to prohibit patient access to hospital medical records as provided in section 144.335.

Subd. 2. [RESPONSIBILITIES OF THE COMMISSIONER OF HEALTH.] The commissioner of health shall define the term "individual permanent medical record" by enumerating the specific types of records or other information which, at a minimum, must be maintained on a permanent basis by the hospital. The commissioner of health shall propose the definition by publishing it in the state register and allowing a period of 60 days from the date of publication for interested persons to submit written comments to the commissioner. Within 60 days after the close of the comment period, and, after considering any comments received, the commissioner shall adopt the definition in final form. The definition is exempt from the definition of "rule"

in section 14.02, subdivision 4, and has the force and effect of law upon compliance with section 14.38, subdivision 7. The effective date of the definition occurs as prescribed in section 14.38, subdivision 8."

Delete the title and insert:

"A bill for an act relating to health; changing requirements for release of records; providing for retention and destruction of certain medical records; amending Minnesota Statutes 1982, sections 144.335, subdivision 2; and 145.32."

The motion prevailed and the amendment was adopted.

S. F. No. 800, A bill for an act relating to health; providing for retention and destruction of certain medical records; amending Minnesota Statutes 1982, section 145.32.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Rodriguez, F., was excused for the remainder of today's session.

S. F. No. 1003 was reported to the House.

Brandl moved to amend S. F. No. 1003, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [256B.71] [SOCIAL HEALTH MAINTENANCE ORGANIZATION DEMONSTRATION.]

Subdivision 1. [PURPOSE.] The commissioner of public welfare may participate in social health maintenance organization demonstration projects to determine if prepayment combined with the delivery of alternative services is an effective method of delivering services while containing costs.

Subd. 2. [CASE MANAGEMENT.] Each participating provider approved by the commissioner shall serve as case manager for recipients enrolled in its plan. Each participating provider:

(1) may provide the full range of services listed in section 256B.02, subdivision 8, in order to ensure appropriate health care is delivered to enrollees; and

(2) shall authorize all services provided to enrollees.

Subd. 3. [ENROLLMENT OF MEDICAL ASSISTANCE RECIPIENTS.] Medical assistance recipients may voluntarily enroll in the social health maintenance organization projects. However, once a recipient enrolls in a project, he or she must remain enrolled for a period of six months.

Subd. 4. [PAYMENT FOR SERVICES.] Notwithstanding section 256.966 and chapter 256B, the method of payment utilized for the social health maintenance organization projects shall be the method developed by the commissioner of public welfare in consultation with local project staff and the federal Department of Health and Human Services, Health Care Financing Administration, Office of Demonstrations. This subdivision applies only to the payment method for social health maintenance organization projects.

Subd. 5. [PRE-ADMISSION SCREENING.] Except as applicable to the projects' operation, the provisions of section 256B.091 are waived for the purposes of this section for recipients enrolled with participating providers.

Sec. 2 [EFFECTIVE DATE.]

This act is effective the day following final enactment."

The motion prevailed and the amendment was adopted.

S. F. No. 1003, A bill for an act relating to public welfare; establishing a medical assistance social health maintenance organization demonstration project; proposing new law coded in Minnesota Statutes, chapter 256B.

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

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Frerichs	Ludeman	Schafer	Welker
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The bill was passed, as amended, and its title agreed to.

H. F. No. 1090 was reported to the House.

Ogren moved that H. F. No. 1090 be continued on Special Orders for one day. The motion prevailed.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to Rule 1.9, designated the following bills as Special Orders to be added to Special Orders pending for today, May 9, 1983:

S. F. No. 598; H. F. No. 765; S. F. No. 292; H. F. Nos. 435 and 495; S. F. No. 297; H. F. No. 547; S. F. No. 752; and H. F. Nos. 782 and 855.

SPECIAL ORDERS, Continued

S. F. No. 598, A bill for an act relating to insurance premium finance companies; authorizing finance charges based on the federal discount rate; amending Minnesota Statutes 1982, sections 59A.09, subdivisions 3, 4 and 6; and 59A.12, subdivisions 1 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 91 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Levi	Pauly	Skoglund
Anderson, G.	Elioff	Long	Peterson	Solberg
Anderson, R.	Ellingson	Mann	Price	Sparby
Battaglia	Evans	Marsh	Quinn	Staten
Beard	Greenfield	McEachern	Redalen	Swanson
Begich	Gruenes	McKasy	Reif	Tomlinson
Bennett	Heap	Metzen	Rice	Tunheim
Bergstrom	Hoberg	Minne	Riveness	Valan
Berkelman	Hoffman	Munger	Rodosovich	Vellenga
Bishop	Jacobs	Murphy	Rodriguez, C.	Voss
Brandl	Jensen	Nelson, D.	Rose	Waltman
Brinkman	Kahn	Nelson, K.	St. Onge	Welch
Burger	Kalis	Neuenschwander	Sarna	Welle
Carlson, L.	Kelly	Norton	Scheid	Wenzel
Clark, J.	Knickerbocker	Ogren	Schoenfeld	Speaker Sieben
Clark, K.	Knuth	Olsen	Seaberg	
Clawson	Kostohryz	Onnen	Segal	
Cohen	Kvam	Osthoff	Shaver	
Coleman	Larsen	Otis	Simoneau	

Those who voted in the negative were:

Dempsey	Frerichs	Hokr	Omann	Valento
DenOuden	Graba	Jennings	Piepho	Welker
Erickson	Gustafson	Johnson	Schafer	Wigley
Findlay	Gutknecht	Krueger	Thiede	Wynia
Fjoslien	Haukoos	Ludeman	Uphus	Zaffke

The bill was passed and its title agreed to.

H. F. No. 765 was reported to the House.

Reif moved to amend H. F. No. 765, the first engrossment, as follows:

Page 2, line 10, after "insurer" insert

“, provided that each insurer shall annually file with the commissioner summary data regarding the financial reimbursement offered to providers so designated.”

The motion prevailed and the amendment was adopted.

Swanson moved to amend H. F. No. 765, the first engrossment, as amended, as follows:

Page 2, line 10, after the period insert:

“Any insurer which proposes to offer an arrangement authorized under this clause shall disclose prior to its initial offering and annually thereafter as a supplement to its annual statement submitted to the commissioner pursuant to section 60A.13, subdivision 1, the following information:

(a) The name which the arrangement intends to use and its business address;

(b) The name, address and nature of any separate organization which administers the arrangement on the behalf of the insurer; and

(c) The names and addresses of all providers designated by the insurer under this clause and the terms of the agreements with designated health care providers.

The commissioner shall maintain a record of arrangements proposed under this clause, including a record of any complaints submitted relative to the arrangements.”

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 70 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Larsen	Osthoff	Skoglund
Battaglia	Elioff	Long	Otis	Selberg
Beard	Ellingson	Mann	Peterson	Sparby
Begich	Graba	McEachern	Piper	Staten
Bergstrom	Greenfield	Metzen	Price	Swanson
Brandl	Gustafson	Minne	Quinn	Tomlinson
Brinkman	Hoffman	Munger	Rice	Tunheim
Burger	Jacobs	Murphy	Riveness	Vanasek
Carlson, L.	Jensen	Nelson, D.	Rodosovich	Vellenga
Clark, J.	Kahn	Nelson, K.	Rodriguez, C.	Voss
Clark, K.	Kelly	Neuenschwander	St. Onge	Weich
Clawson	Knuth	Norton	Sarna	Wenzel
Cohen	Kostohryz	O'Connor	Scheid	Wynia
Coleman	Krueger	Ogren	Schoenfeld	Speaker Sieben

Those who voted in the negative were:

Anderson, R.	Forsythe	Knickerbocker	Piepho	Thiede
Bennett	Frerichs	Kvam	Redalen	Uphus
Bishop	Gruenes	Levi	Reif	Valan
Dempsey	Gutknecht	Ludeman	Rose	Valento
DenOuden	Haukoos	Marsh	Schafer	Waltman
Dimler	Heap	McKasy	Schreiber	Welker
Erickson	Himle	Olsen	Seaberg	Welle
Evans	Hoberg	Omann	Segal	Wigley
Findlay	Jennings	Onnen	Shaver	Zaffke
Fjoslien	Johnson	Pauly	Svigum	

The motion prevailed and the amendment was adopted.

H. F. No. 765, A bill for an act relating to insurance; permitting differing benefit payments for services by designated health care providers; amending Minnesota Statutes 1982, section 72A.20, subdivision 15.

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

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

Those who voted in the affirmative were:

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

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

The Speaker resumed the Chair.

Eken moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

GENERAL ORDERS

Eken moved that the bills on General Orders for today be continued one day. The motion prevailed.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 218, A bill for an act relating to crimes; expanding the rights of victims of crime; affirming the right of victims to bring civil actions against offenders; establishing the right of a victim to request restitution; providing for implementation of victim and witness rights by law; providing penal sanctions and judicial mechanisms to deter intimidation of witnesses; requiring development of a plan for notifying crime victims about available financial assistance and social services; providing for victim participation in the criminal process; providing penalties; amending Minnesota Statutes 1982, sections 241.26, subdivisions 5 and 6; 243.23, subdivision 3; 571.55, by adding a subdivision; 609.115, subdivision 1; 609.498; and 631.425, subdivision 5; proposing new law coded as Minnesota Statutes, chapter 611A.

PATRICK E. FLAHAVER, Secretary of the Senate

Eken moved that the House refuse to concur in the Senate amendments to H. F. No. 218, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

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. 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; 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; 163.72, subdivision 1; 300.025; and 300.20; proposing new law coded in Minnesota Statutes, chapter 47.

PATRICK E. FLAHAVEN, Secretary of the Senate

Berkelman moved that the House refuse to concur in the Senate amendments to H. F. No. 521, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

MOTIONS AND RESOLUTIONS

Olsen moved that the names of Valento and McDonald be added as authors on House Advisory No. 16. The motion prevailed.

House Resolution No. 4 was reported to the House.

Erickson moved that House Resolution No. 4 be now adopted.

HOUSE RESOLUTION NO. 4

A house resolution congratulating the Future Farmers of America on their work and accomplishments.

Whereas, the Future Farmers of America was founded in 1928 and is now made up of almost 500,000 members in 8,313 local chapters in all 50 states and Puerto Rico; and

Whereas, the Future Farmers of America was organized under the National Vocational Education Act to foster character development, agricultural leadership, responsible citizenship, and to supplement training opportunities for students preparing for careers in farming and agribusiness; and

Whereas, the Future Farmers of America was organized in Minnesota on July 25, 1930, when 22 chapters were granted charters; and

Whereas, the laudable motto of the Future Farmers of America is "Learning to do, doing to learn, earning to live and living to serve"; and

Whereas, the Future Farmers of America, both on the national level and in Minnesota, have lived up to their motto; and

Whereas, the Future Farmers of America will hold their state meeting in St. Paul on April 24-26, 1983; *Now, Therefore,*

Be It Resolved by the House of Representatives of the State of Minnesota that it congratulates the Future Farmers of America upon the merit of their activities and public service. It extends its best wishes to them to continue these activities and services in the future.

Be It Further Resolved that the Chief Clerk is directed to enroll a copy of this resolution, to be authenticated by his signature and that of the Speaker, and present it to the State President of the Future Farmers of America at their annual state meeting.

The motion prevailed and House Resolution No. 4 was adopted.

House Concurrent Resolution No. 5 was reported to the House.

Norton moved that House Concurrent Resolution No. 5 be now adopted.

HOUSE CONCURRENT RESOLUTION NO. 5

A house concurrent resolution commending the University of Minnesota Department of Civil and Mineral Engineering for receipt of the 1983 National Award for Outstanding Civil Engineering Achievement from the American Society of Civil Engineers.

Whereas, the American Society for Civil Engineers is one of the largest and most prestigious national professional organizations; and

Whereas, that Society specifically stated in the award citation the special significance of the close working relationship between the Department of Civil and Mineral Engineering and the Minnesota Legislature in developing the proposal and securing financing for the new building; and

Whereas, the same building earned the national Owens-Corning Fiberglass Award for Energy Conservation Through Efficient Building Design; and

Whereas, the role of the Underground Space Center in the Department of Civil and Mineral Engineering was unique in facilitating the design and engineering of the building as an example of contractor-contractee cooperation; and

Whereas, the building represents a nationally significant technical advancement in the use of underground space; and

Whereas, because of these national awards the earth sheltered Civil and Mineral Engineering building is recognized as a nationally outstanding example of excellence for both energy conservation and design; *Now, Therefore*,

Be It Resolved by the House of Representatives of the State of Minnesota, the Senate concurring, that the Legislature of the State of Minnesota congratulates Dr. Charles Fairhurst and the faculty and staff of the Department of Civil and Mineral Engineering of the University of Minnesota, and Mr. David Bennett and the architectural firm of Bennett, Ringrose, Walsfeld (BRW) and their associated contractors, for their outstanding achievements in the design and construction of this new building.

Be It Further Resolved that the Legislature of the State of Minnesota congratulates the Department of Civil and Mineral Engineering faculty and staff for developing such a good working relationship with key legislative groups.

Be It Further Resolved, that the Chief Clerk of the House of Representatives is instructed to prepare enrolled copies of this resolution, to be authenticated by his signature and those of the Speaker of the House, the President of the Senate, and the Secretary of the Senate and present them to the head of the Department of Civil and Mineral Engineering, to the BRW firm, and to the President and each member of the Board of Regents of the University of Minnesota.

The motion prevailed and House Concurrent Resolution No. 5 was adopted.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 218:

Kelly, Cohen and Bishop.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 521:

Berkelman, Wynia and Kvam.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 92:

Nelson, K.; McEachern; Kostohryz; Anderson, B., and Levi.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 1:00 p.m., Tuesday, May 10, 1983. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Tuesday, May 10, 1983.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

