

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

SEVENTY-FIFTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 11, 1984

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

Prayer was offered by Reverend Robert W. Wesolek, O.S.C., Church of St. Stephen, Anoka, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Eken and Stadum were excused.

Halberg was excused until 1:30 p.m.

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

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 702, 1601, 1820, 1923, 2148, 2258, 1635, 1757, 1421, 2016 and 2314 and S. F. Nos. 1235, 214, 1349, 1750 and 1810 have been placed in the members' files.

REPORTS OF STANDING COMMITTEES

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

H. F. No. 688, A bill for an act relating to the disposal and reuse of waste tires; defining terms; establishing a waste tire recycling account in the state treasury; providing for the expenditure of money in the account; granting certain powers to counties relative to tire dumps and the disposal of waste tires; defining duties and responsibilities of the pollution control agency; authorizing certain studies; providing for the licensure and regulation of waste tire processors; imposing an excise tax supplemental to the general sales tax on the sale at retail of new tires; imposing a registration and transfer tax on certain vehicles; providing for certain tax credits; appropriating money; amending Minnesota Statutes 1982, sections 86.11, by adding a subdivision; and 290.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 168B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [115A.90] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 12.

Subd. 2. [AGENCY.] "Agency" means the pollution control agency.

Subd. 3. [COLLECTION SITE.] "Collection site" means a permitted site, or a site exempted from permit, used for the storage of waste tires.

Subd. 4. [COMMISSIONER.] "Commissioner" means commissioner of energy and economic development.

Subd. 5. [PERSON.] "Person" has the meaning given in section 116.06, subdivision 8.

Subd. 6. [PROCESSING.] "Processing" means producing or manufacturing usable materials, including fuel, from waste tires including necessary incidental temporary storage activity.

Subd. 7. [TIRE.] "Tire" means a pneumatic tire or solid tire for motor vehicles as defined in section 169.01.

Subd. 8. [TIRE COLLECTOR.] "Tire collector" means a person who owns or operates a site used for the storage, collection, or the deposit of more than 50 waste tires.

Subd. 9. [TIRE DUMP.] "Tire dump" means an establishment, site, or place of business without a required permit under section 2 that is maintained, operated, used, or allowed to be used for storing, keeping, or depositing unprocessed waste tires.

Subd. 10. [TIRE PROCESSOR.] "Tire processor" means a person engaged in the processing of waste tires.

Subd. 11. [WASTE TIRE.] "Waste tire" means a tire that is no longer suitable for its original intended purpose because of wear, damage, or defect.

Sec. 2. [115A.902] [PERMIT.]

Subdivision 1. [PERMIT REQUIRED.] A tire collector or tire processor with more than 500 waste tires shall obtain a permit from the agency unless exempted in subdivision 2. The agency may by rule require tire collectors or tire processors with less than 500 waste tires to obtain permits unless exempted by subdivision 2.

Subd. 2. [EXEMPTIONS.] A permit is not required for:

(1) a retail tire seller for the retail selling site if no more than 500 waste tires are kept on the business premises;

(2) an owner or operator of a tire retreading business for the business site if no more than 3,000 waste tires are kept on the business premises;

(3) an owner or operator of a business who, in the ordinary course of business, removes tires from motor vehicles if no more than 500 waste tires are kept on the business premises;

(4) a permitted landfill operator with less than 10,000 waste tires stored above ground at the permitted site; or

(5) a person using waste tires for agricultural purposes if the waste tires are kept on the site of use.

Subd. 3. [LOCAL AUTHORITY.] The issuance of an agency permit does not replace a permit or license required under section 400.16 or 473.811.

Sec. 3. [115A.904] [LAND DISPOSAL PROHIBITED.]

The disposal of waste tires in the land is prohibited after July 1, 1985. This does not prohibit the storage of unprocessed waste tires at a collection or processing facility.

Sec. 4. [115A.906] [WASTE TIRE NUISANCE; ABATEMENT.]

Subdivision 1. [NUISANCE.] A tire dump unreasonably endangers the health, safety, and comfort of individuals and the public and is a nuisance.

Subd. 2. [ABATEMENT.] The agency may, after notice and hearing, abate a tire dump nuisance by entering the property where the tire dump is located, taking tires into public custody, and providing for their processing and removal. The tire collector responsible for the tire dump is liable for the costs of abatement. The attorney general may bring an action to recover amounts spent by the agency for abatement. Amounts recovered, including money paid under an agreement, stipulation, or settlement shall be credited to the general fund.

Subd. 3. [OTHER ABATEMENT.] This section does not change the existing authority of a person or political subdivision to abate a tire dump nuisance. The agency may reimburse a person or political subdivision for the costs of abatement.

Subd. 4. [PRIORITIES FOR SPENDING.] In spending the appropriation the following criteria shall be applied to establish priorities: (1) tire dumps or collection sites determined by the agency to contain more than 1,000,000 tires; (2) abatement of fire hazard nuisances; (3) abatement of nuisance in densely populated areas; and (4) collection and clean up of waste tires including abatement of tire dumps.

Subd. 5. [CONTRACTS WITH COUNTIES.] The agency may contract with counties for the abatement of waste tire nuisances.

Sec. 5. [115A.914] [RULES; COUNTY PLANNING; ORDINANCES.]

Subdivision 1. [RULES.] The agency and the commissioner shall adopt rules for administration of sections 2 and 4.

Subd. 2. [COUNTY PLANNING; ORDINANCES.] Counties shall include collection and processing of waste tires in the solid waste management plan prepared under sections 115A.42 to 115A.46 and shall adopt ordinances under sections 400.16 and 473.811 for management of waste tires that embody, but may be more restrictive than, agency rules.

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

Subd. 8a. [WASTE TIRE RECYCLING LOAN.] "Waste tire recycling loan" means a loan to a business to finance acquisition of land, buildings, or equipment, installation of equipment, construction of buildings, and capital improvements for waste tire processing as defined in section 1, subdivision 6.

Sec. 7. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:

Subd. 2a. [WASTE TIRE RECYCLING LOANS AND GRANTS.] The authority may make waste tire recycling loans to businesses. Applications for the loans are not complete unless the waste tire recycling project for which the loan is to be made is certified to be technically feasible by the director of the pollution control agency. The authority may make grants for studies necessary to demonstrate the technical and economic feasibility of a proposed waste tire recycling project. A grant must be less than \$30,000 and may not exceed 75 percent of the costs of the study.

Sec. 8. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4, is amended to read:

Subd. 4. It may adopt, amend, and repeal permanent or temporary rules not inconsistent with the provisions of sections (116J.88) 116J.875 to 116J.91 as necessary to effectuate its purposes.

Sec. 9. [COLLECTION AND INCINERATION STUDY.]

(a) The director of the agency shall make a study, report, and recommendations of the following:

(1) the number and geographical distribution of waste tires generated and existing tire dumps and collection sites;

(2) financial responsibility requirements needed to cover tire collectors and processors;

(3) the optimum location of collection sites to facilitate tire processing;

(4) alternative methods to collect waste tires in small tire dumps and to collect tires from waste tire generators, including costs;

(5) the options for waste tire recycling, their current use, and the feasibility of future use;

(6) methods to establish reliable sources of waste tires for waste tire users; and

(7) the types of facilities in Minnesota that can utilize waste tires as a fuel source, the cost of equipment needed to modify existing types of facilities, the cost of test burns, the feasibility of operating each type of facility utilizing waste tires as a fuel source, and the location of those facilities.

(b) The report shall include recommendations for establishing a statewide waste tire collection system.

(c) The director of the agency shall submit an interim report to the legislature and the governor by December 31, 1984, and a final report by April 1, 1985.

Sec. 10. [USE OF WASTE TIRES AS LONG-TERM FUEL SOURCE; TEST BURNS REPORT.]

The director of the agency, with the commissioner of the department of administration, shall identify existing public and private facilities most suitable for utilizing waste tires as a fuel source by October 1, 1984. The director of the agency shall solicit expressions of interest by private industry for utilizing waste tires as a fuel source. The selected facilities shall assist in conducting test burns, making measurements, and preparing a report describing the test results and the feasibility of using waste tires as a long-term fuel source for various types of facilities. The report shall identify the collection, transportation, and processing of waste tires needed to use the facilities. The director of the agency shall submit the report to the legislature and the governor by December 31, 1984.

Sec. 11. [APPROPRIATIONS.]

Subdivision 1. [AGENCY.] The sum of \$..... is appropriated from the general fund to the pollution control agency to be available until June 30, 1985:

(1) for establishing rules and administrative costs under sections 2, 4, and 9 \$.....

(2) for planning and eliminating fire hazards of tire dumps \$.....

(3) for the collection and incineration study under section 9 \$

(4) for the use of waste tires as a long-term fuel source, test burns, and report under section 10 \$

The complement of the agency is increased by . . . positions.

Subd. 2. [COMMISSIONER.] The sum of \$ is appropriated from the general fund to the commissioner of energy and economic development to be available until June 30, 1985:

(1) for administrative costs and establishing rules under section 7 \$

(2) for grants and loans under sections 6, 7, and 8 \$

Sec. 12. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to natural resources; requiring tire collectors and tire processors to obtain a permit; declaring tire dumps a nuisance and providing for abatement; prohibiting land disposal of waste tires; requiring counties to include waste tire collection and processing in their plans; authorizing certain studies; appropriating money; amending Minnesota Statutes 1982, sections 116J.88, by adding a subdivision; 116J.90, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 115A."

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

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1260, A bill for an act relating to real property; providing for the effect of payment of taxes on a claim of title by adverse possession; amending Minnesota Statutes 1982, section 541.02.

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

The report was adopted.

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

H. F. No. 1318, A bill for an act relating to health; directing the commissioner of health and the director of the pollution control agency to study the relationship between hazardous waste contamination of metropolitan water supplies and the incidence of cancer; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [FEASIBILITY STUDY.]

The commissioner of health shall evaluate the feasibility of conducting epidemiologic studies to assess the health effect of hazardous waste contamination of metropolitan water supplies in St. Louis Park and New Brighton. The commissioner of health shall report to the legislative commission on waste management by January 1, 1986, on whether the studies are feasible. If the report includes a recommendation that a study be conducted in either or both communities, the report shall include a protocol indicating methods and costs of the study.

Sec. 2. [APPROPRIATION.]

The sum of \$93,000 is appropriated from the general fund to the commissioner of health for purposes of this act and are available until expended.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment.”

Delete the title and insert:

“A bill for an act relating to health; directing the commissioner of health to assess the feasibility of studies of the health effects of contamination of metropolitan water supplies; appropriating money.”

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

The report was adopted.

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

H. F. No. 1865, A bill for an act relating to natural resources; making changes in certain forestry laws; amending Minnesota Statutes 1982, sections 88.065; 90.031, subdivision 3; 90.041, subdivision 2; 90.251, subdivision 1; and 90.301, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 88.065, is amended to read:

88.065 [EQUIPMENT FURNISHED.]

Subject to applicable provisions of state laws respecting purchases, the commissioner of natural resources may purchase for and furnish to any governmental subdivisions of the state authorized to engage in forest fire prevention or suppression materials or equipment therefor, and *may repair and renovate forest fire prevention and suppression materials and equipment for governmental subdivisions of the state. The commissioner may use (FOR THAT PURPOSE) any funds available for the purchase of forest fire prevention or suppression equipment or for its repair and renovation under federal grants, if permitted by the terms thereof, or under state appropriations, unless otherwise expressly provided. Except as otherwise authorized or permitted by federal or state laws or regulations, the governmental subdivision receiving any such materials or equipment or repair or renovation services shall reimburse the state for the cost (THEREOF). All moneys received in (SUCH) reimbursement shall be credited to the fund from which the purchase, repair, or renovation was made, and are hereby reappropriated annually and shall be available for the same purpose as the original appropriation.*

Sec. 2. Minnesota Statutes 1982, section 90.031, subdivision 3, is amended to read:

Subd. 3. The executive council may compromise and settle, with the approval of the attorney general, upon (SUCH) terms as it may deem just, any claim of the state for casual and involuntary trespass upon state lands or timber where the full (STUMPAGE) value of such timber or other materials so taken in trespass (WOULD NOT EXCEED \$1,000) *exceeds \$5,000*; provided, that no (SUCH) claim shall be settled (IN ANY CASE) for less than the full (STUMPAGE) value of all timber (SO) or other materials taken in casual trespass or the full amount of all actual damage or loss suffered by the state as a

result (THEREOF). The executive council may make settlement for not less than the full (STUMPAGE) value of any timber cut by lessees of state lands holding under section 92.50.

Sec. 3. Minnesota Statutes 1982, section 90.041, subdivision 2, is amended to read:

Subd. 2. The commissioner may compromise and settle, with the approval of the attorney general, upon terms the commissioner deems just, any claim of the state for casual and involuntary trespass upon state lands or timber where the full value of the timber or other materials taken in trespass is \$5,000 or less; provided that no claim shall be settled for less than the full value of all timber or other materials taken in casual trespass or the full amount of all actual damage or loss suffered by the state as a result. The commissioner shall advise the executive council of any information acquired by him concerning any trespass on state lands, giving all details and names of witnesses and all compromises and settlements made under this subdivision.

Sec. 4. [90.193] [EXTENSION OF TIMBER PERMITS.]

The commissioner may, in the case of an exceptional circumstance beyond the control of the timber permit holder which makes it unreasonable, impractical, and not feasible to complete cutting and removal under the permit within the time allowed, grant an extension of one year in addition to those provided in sections 90.121, 90.151, and 90.191. A request for the extension must be received by the commissioner 15 days before the permit expires. The request must state the reason the extension is necessary and be signed by the permit holder. The value of the timber remaining to be cut will be recalculated using current stumpage rates. Any timber cut during the period of extension or remaining uncut at the expiration of the extension shall be billed for at the stumpage rates determined at the time of extension provided that in no event shall stumpage rates be less than those in effect at the time of the original sale. Interest will be charged as provided in section 90.151 for the period of extension.

Sec. 5. Minnesota Statutes 1982, section 90.251, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall institute (SUCH) scaling and check scaling procedures for state timber (AS WILL) sufficient to protect the interest of the state. This will include the assignment of a trained timber scaling specialist in the classified service to be responsible for check scaling and to develop scaling and check scaling techniques and standards. (SUCH) *The scaling and check scaling techniques and standards shall be approved by the commissioner. Check scaling shall also be accomplished by other forestry supervisors with (SUCH)*

reports forwarded to the timber scaling specialist. The timber scaling specialist shall report any scaling deficiencies or trespass to the commissioner. Any (SUCH) deficiencies requiring the attention of the attorney general or state executive council will be forwarded to these offices by the commissioner. All timber cut on lands in the charge of the commissioner, except as expressly provided otherwise by the commissioner shall be scaled. No timber may be scaled until (SUCH TIMBER) *it* is first marked with M I N or as otherwise properly identified as specified in the permit. All scaling shall be done upon the land from which the timber was cut; provided that the state appraiser, subject to the approval of the commissioner, may designate in writing to a permit holder another location where such timber may be scaled, counted or measured; all logs individually scaled shall be numbered consecutively, and the number of each entered upon the minutes of the scaler; (SUCH) allowance shall be made for defects (THEREIN AS WILL) *to* make (SUCH) *the* timber equivalent to merchantable timber. No state timber shall be removed from the land where it was cut until it has been so scaled or counted except as herein provided. Any person removing (ANY SUCH) timber from the land where it was cut, or from the place designated, before it has been so scaled or counted shall be guilty of (A GROSS MISDEMEANOR) *theft under section 609.52.*

Sec. 6. Minnesota Statutes 1982, section 90.301, is amended by adding a subdivision to read:

Subd. 6. [TICKET FOR THEFT VIOLATIONS.] The commissioner may design and issue a ticket in the form, and having the effect, of a summons and complaint, for use in cases of theft of state timber or other state property, where the value of the property is within the limits established by section 609.52, subdivision 3, clause (5). The ticket shall provide for the name and address of the person charged with the violation, the offense charged, the time and place the person is to appear before a court, and any other necessary information.

Sec. 7. [CERTAIN LAWS MADE RETROACTIVE.]

Laws 1983, chapter 301, section 88, is retroactive to July 1, 1982. The commissioner of finance shall adjust the amount of receipts credited to the state forest suspense account during fiscal year 1983 and the total costs incurred by the state for forest management purposes during fiscal year 1983 to reflect this retroactivity.

Sec. 8. Laws 1981, chapter 305, section 11, as amended by Laws 1982, chapter 511, section 35, and Laws 1983, chapter 111, section 1, is amended to read:

Sec. 11. [EXTENSION OF CERTAIN TIMBER PERMITS.]

The commissioner of natural resources may extend for an additional period of not to exceed one year any timber permit issued pursuant to Minnesota Statutes, chapter 90, which expires between January 1, (1982) 1984 and (DECEMBER 31, 1983) June 30, 1984. This extension shall be in addition to any extension previously granted pursuant to chapter 90 or pursuant to this section; shall be made without additional charge, and shall otherwise be subject to the requirements of chapter 90.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 6 are effective July 1, 1984. Sections 7 and 8 are effective the day following final enactment.

Amend the title as follows:

Page 1, line 6, before the period insert “; Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90”

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1945, A bill for an act relating to airports; metropolitan government; requiring reports to pollution control agency concerning noise abatement for the Minneapolis-St. Paul airport; amending Minnesota Statutes 1982, section 473.612.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 473.612, is amended to read:

473.612 [NOISE ABATEMENT PLAN.]

By December 31, 1981 the commission shall submit to the legislature a noise abatement plan for the Minneapolis-St. Paul International Airport, containing annual *programmatic goals, numerical goals, and objectives* until December 31, (1987) 1989, for reduction of aircraft noise within the metropolitan area. The plan shall *also* contain (DEFINITE PROPOSALS FOR

SPECIFIC ANNUAL REDUCTIONS), *but not be limited to, documentation of annual change in the maximum hourly noise levels, such as defined by Minnesota pollution control agency rules, (6 MCAR 4.2001 (15) AND (16)) Minnesota Rules, chapter 7010, based on the typically worst noise condition on an hourly basis received in (POPULATED) residential areas representing the noise-impacted region of the metropolitan area. The pollution control agency shall participate in the selection and review of the monitoring of such residential areas. By December 31, 1982, and each year thereafter until December 31, (1987) 1989, the commission shall submit to the legislature and the pollution control agency a draft report detailing the (REDUCTION OF AIRCRAFT NOISE IN MEETING THE ANNUAL OBJECTIVES) accomplishment of programmatic goals and objectives and the annual change in noise levels as outlined in the above noise abatement plan. By December 31, 1984, and each year thereafter until December 31, 1989, the commission shall submit to the legislature a report which includes any comments provided by the pollution control agency and the commission's response to the comments. In addition, the commission shall provide as part of the annual reports its best estimate, in the form of numerical goals, of noise abatement to be achieved by December 31, 1989, in residential areas representing the noise-impacted region of the metropolitan area. The goals shall be updated annually."*

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2041, A bill for an act relating to eminent domain; providing for relocation benefits for persons displaced by acquisitions when federal funding is not provided; amending Minnesota Statutes 1982, section 117.52.

Reported the same back with the following amendments:

Page 1, line 25, delete "*may be applied to displaced*" and insert a period

Page 2, delete lines 1 to 3

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 282, A bill for an act relating to housing and re-development authorities; increasing the per diem compensation for attendance of commissioners at meetings; amending Minnesota Statutes 1982, section 462.441.

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

The report was adopted.

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

S. F. No. 881, A bill for an act relating to local and urban government; providing for the inventory, classification, and protection of aggregate deposits or resources within the state; proposing new law coded in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Page 1, line 11, delete "section" and insert "act"

Page 1, line 15, delete "section" and insert "act"

Page 1, line 22, after "473.121" delete the new language

Page 1, line 23, delete everything before the comma

Page 2, line 2, delete "within"

Page 2, line 3, delete everything before "areas" and insert "in"

Page 2, line 23, delete everything after "shall"

Page 2, delete line 24

Page 2, line 25, delete everything before the period and insert "*consider the protection of identified and important aggregate resources in their land use decisions*"

Page 2, delete lines 26 to 34 and insert:

"Sec. 2. [METROPOLITAN AREA APPLICATION.]

Subdivision 1. [ADVISORY COMMITTEE.] An advisory committee on aggregate resources within the metropolitan area,

as defined in section 473.121, is created. There shall be 15 members of the advisory committee who shall be appointed by the metropolitan council after consultation with appropriate metropolitan interest groups. At least two members of the advisory committee shall be members of municipalities that use aggregate resources, two members shall be from municipalities that produce aggregate resources, three members shall be from metropolitan county government, three members from the aggregate resource industry, the commissioner of natural resources or his or her designee, the commissioner of the department of transportation or his or her designee, and the chairman of the metropolitan council or his or her designee who shall be the chairman and shall provide administrative support to the advisory committee. Members of the advisory committee shall serve without per diem compensation.

Subd. 2. [REPORT REQUIRED.] By December 31, 1985, the advisory committee shall submit a report to the legislature that:

(1) identifies whether currently available information on the quality, quantity, and distribution of the aggregate resource is adequate to allow reasoned decisions on the need to introduce aggregate resource protection into local comprehensive planning and land use controls;

(2) recommends a procedure for identifying the degree of protection desirable for the long term availability of aggregate resources; and

(3) recommends a method to protect aggregate resources for the long term."

Amend the title as follows:

Page 1, line 4, after the semicolon insert "creating an advisory committee within the metropolitan area;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 1048, A bill for an act relating to natural resources; strengthening certain laws regarding the transportation of wild animals; including conservation officer in the definition of peace officer for purpose of laws relating to fleeing a peace officer; amending Minnesota Statutes 1982, sections 65B.605, subdivision 2; 97.45, subdivisions 1, 3, 4, 6, 7, and 12, and by

adding a subdivision; and 609.487, subdivision 2; repealing Minnesota Statutes 1982, section 97.45, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 97.45, subdivision 1, is amended to read:

Subdivision 1. No person shall transport any wild animals taken, bought, sold or possessed in violation of chapters 97 to 102. *When transported, any wild animals, or any package, container, or receptacle in which they are contained, shall be tagged, sealed, or otherwise marked and identified as prescribed by law or commissioner's order. A licensed resident may transport during any one open season and the next following two days, or at any time thereafter under conditions which the commissioner may prescribe by order, one deer, one bear, and one moose which have been lawfully taken and possessed.*

Sec. 2. Minnesota Statutes 1982, section 97.45, subdivision 3, is amended to read:

Subd. 3. (ANY) *A licensed resident (, EXCEPT AGENTS OR EMPLOYEES OF A COMMON CARRIER WHILE ENGAGED IN THE PERFORMANCE OF THEIR DUTIES, MAY CARRY WITH HIM IN ANY VEHICLE OR AS BAGGAGE ON A COMMON CARRIER, TO ANY PLACE WITHIN THE STATE,) who accompanies the shipment may transport wild animals lawfully taken and possessed, including undressed game birds and dressed or undressed fish, (LAWFULLY IN HIS POSSESSION AND SUBJECT TO ALL OTHER APPLICABLE RESTRICTIONS, AND) to any place in the state in any vehicle or as baggage on a common carrier. A licensed resident who accompanies the shipment may transport the head or hide of a deer, bear, or moose, lawfully taken and possessed, to any place within or outside the state for the purpose of mounting or tanning. A common (CARRIERS) carrier may transport (SUCH) wild animals as baggage (WITHIN THE LIMITS PRESCRIBED) as provided in this subdivision when accompanied by the licensed resident shipper except an employee of the common carrier while engaged in the performance of his duties.*

Sec. 3. Minnesota Statutes 1982, section 97.45, subdivision 4, is amended to read:

Subd. 4. (ANY) *A licensed resident who does not accompany the shipment may transport by common carrier to any point in the (COUNTY OF HIS RESIDENCE) state, consigned to himself only, the following wild animals lawfully taken and possessed: (a) not more than three separate shipments of undressed*

birds, (EACH) *each* of which *shipment* may contain (ALL) *the number* of (THE) birds which could lawfully be taken within the state on any single day, but not (TO CONTAIN) more than a single day's limit of any species (. SUCH RESIDENT MAY TRANSPORT DURING ANY ONE OPEN SEASON AND THE NEXT FOLLOWING TWO DAYS, OR AT ANY TIME THEREAFTER UNDER CONDITIONS WHICH THE COMMISSIONER MAY PRESCRIBE, ONE DEER AND ONE MOOSE, WHICH HAS BEEN LAWFULLY TAKEN AND POSSESSED, AND) ; (b) *big game animals as prescribed in subdivision 1. The licensed resident may transport the head or hide of (SUCH) the deer, bear, or moose (FOR MOUNTING OR TANNING PURPOSES) to a (POINT) place within or (WITHOUT) outside the state (; BUT IF SUCH DEER OR MOOSE IS NOT TRANSPORTED BY COMMON CARRIER, THE LICENSEE MUST ACCOMPANY SUCH DEER OR MOOSE) for the purpose of mounting or tanning; and (c) dressed or undressed fish.*

Sec. 4. Minnesota Statutes 1982, section 97.45, is amended by adding a subdivision to read:

Subd. 4a. A big game animal which has been registered by the licensee in accordance with requirements established by the commissioner may be transported by the most direct route from one location to another by a person other than the licensee provided there is a tag attached to the animal marked in ink containing the address, license number, and signature of the licensee, and the locations from which and to which the animal is being transported.

Sec. 5. Minnesota Statutes 1982, section 97.45, subdivision 6, is amended to read:

Subd. 6. (1) A licensed nonresident who does not accompany the shipment may transport by common carrier to a (POINT) place within or (WITHOUT) outside this state (IN ANY ONE SEASON) one shipment (CONTAINING) of fish lawfully taken and possessed in any one licensing year upon obtaining a shipping permit from the commissioner or his agent. The shipment may contain: (a) not more than 25 pounds of undressed fish (OR) ; (b) one undressed fish of any size (LAWFULLY TAKEN AND POSSESSED BY HIM IN THIS STATE, OR CONTAINING) ; or (c) not more than 15 pounds of filleted or dressed game fish (SO TAKEN AND POSSESSED, IF PACKAGED AS HEREINAFTER PROVIDED. A SHIPPING COUPON DESIGNED FOR THE PURPOSES OF THIS SUBDIVISION MAY BE ISSUED FOR EACH INDIVIDUAL NONRESIDENT FISHING LICENSE, AND TWO COUPONS FOR A COMBINATION NONRESIDENT FISHING LICENSE, SUCH COUPONS). A shipping permit shall be issued upon request and without payment of a fee, and (SUCH COUPONS) shall be cancelled as prescribed by the commissioner by the agent of the carrier to whom the shipment is first

delivered. *In the case of a nonresident combination angling license, each licensee shall be eligible for one shipping permit for each licensing year.*

(2) (SUCH) A licensed nonresident (MAY CARRY WITH HIM) who accompanies the shipment may transport dressed or undressed fish lawfully taken or possessed in any vehicle or on a common carrier to any (POINT) place within or (WITHOUT) outside the state (UNDRESSED FISH LAWFULLY TAKEN BY HIM, NOT EXCEEDING THE LIMIT, WHICH HE IS AUTHORIZED TO POSSESS WITHIN THE STATE, PROVIDED THAT BULLHEADS MAY BE SO TRANSPORTED EITHER DRESSED OR UNDRESSED, OR MAY SO CARRY WITH HIM FILLETED OR DRESSED FISH LAWFULLY TAKEN BY HIM, NOT EXCEEDING THE POSSESSION LIMIT NOR CONTAINING MORE THAN 15 POUNDS, IF PACKAGED AS HEREINAFTER PROVIDED).

(3) (FOR THE PURPOSES OF THE FOREGOING PROVISIONS OF THIS SUBDIVISION UNDRESSED FISH OF ANY SPECIES MAY HAVE THE HEADS REMOVED.)

((4)) A licensed nonresident who does not accompany the shipment may transport filleted or dressed game fish (MAY BE TRANSPORTED) by common carrier only if (THE) shipped in a container which bears the name and license number of the shipper (,); the name of the person preparing the container for shipment (, HIS) and the license number of that person as issued under section 98.46, subdivision 5 (,); and the number (AND), species and net weight of the fish (CONTAINED, AND THE NET WEIGHT THEREOF) in the container.

((5)) (4) Each licensee authorized to prepare dressed game fish for shipment shall maintain a permanent record of the name, address and license number of each licensed fisherman making (SUCH) a shipment, the name and address of the consignee, the number (AND), species and net weight of fish contained in the shipment (, THE NET WEIGHT THEREOF, AND SUCH). The records shall be available (TO) for inspection by (STATE) conservation officers at all times.

((6)) (5) Notwithstanding any law to the contrary, a nonresident under the age of 16 may take fish by angling without procuring a license, if (THEIR) the nonresident's parent or guardian has obtained (A NONRESIDENT) the appropriate fishing license. Fish so taken shall be included in the daily and possession limit of the parent or legal guardian.

Sec. 6. Minnesota Statutes 1982, section 97.45, subdivision 7, is amended to read:

Subd. 7. (ANY) (a) A licensed nonresident (LICENSEE) who accompanies the shipment may transport (BY) the follow-

ing wild animals, other than fish, lawfully taken and possessed in any (MEANS, CONSIGNED TO HIMSELF ONLY,) vehicle or as baggage on a common carrier to any (POINT) place within or (WITHOUT) outside this state (, NOT TO EXCEED): (1) the number of undressed game birds which he is entitled to possess at any one time (, AND); (2) one deer (, LAWFULLY TAKEN AND POSSESSED WITHIN THIS STATE, AND PROVIDED THAT THE NONRESIDENT LICENSEE SHALL ACCOMPANY SUCH GAME BIRDS OR DEER EXCEPT WHEN THEY ARE BEING TRANSPORTED BY COMMON CARRIER) and one bear; and (3) other wild animals lawfully taken and possessed in Minnesota. A common (CARRIERS ARE HEREBY PERMITTED TO) carrier may carry (SUCH) wild animals as baggage as provided in this clause.

(b) A licensed nonresident who does not accompany the shipment may transport the wild animals, other than fish, as described in clause (a) by common carrier to any place within or outside the state when the shipment is consigned to the licensed nonresident, provided that a shipping permit must be obtained from the commissioner or his agent for the transportation of any undressed game birds. The permit shall be issued upon request and without payment of a fee, and canceled as prescribed by the commissioner by the agent of the carrier to whom the shipment is first delivered. Deer and bear may be transported only during the time provided in subdivision 4, clause (b).

Sec. 7. Minnesota Statutes 1982, section 97.45, subdivision 9, is amended to read:

Subd. 9. Undressed game birds, lawfully taken and possessed in adjacent states, may be brought into the state, and may then be shipped by common carrier to any point within the state by residents of this state, or by nonresidents to any point without the state, provided each such shipment shall be tagged or sealed by a state conservation officer in the manner prescribed by the commissioner. Licensed residents or nonresidents may ship game birds or one fish lawfully in their possession to any point within or without the state to any person upon procuring a permit so to do from the commissioner or his authorized agent under such regulations as the commissioner may prescribe.

Sec. 8. Minnesota Statutes 1982, section 97.45, subdivision 12, is amended to read:

Subd. 12. All (SHIPMENTS OF) protected wild animals transported by common carrier, (OR) including shipments carried as baggage, shall have attached a statement signed by the licensee showing his name, address and license number and the number and species of wild animals contained in the shipment, including fish. (IF FISH ARE CONTAINED, THE STATEMENT ALSO SHALL SHOW THE NUMBER OF POUNDS

THEREOF AND) The shipment shall have attached to it any tag, shipping coupon or permit required by law or commissioner's order.

Sec. 9. Minnesota Statutes 1982, section 97.48, subdivision 1, is amended to read:

Subdivision 1. The commissioner may extend protection to any species of wild animal in addition to that accorded by chapters 97 to 102, by further limiting or closing open seasons, areas of the state, or by reducing limits with respect to any or all areas of the state, whenever he finds such action necessary to guard against undue depletion or extinction, or to promote the propagation and reproduction of such animals, provided he shall not restrict or prohibit the taking of game fish or any species thereof by angling or spearing through the ice so as to close at any given time not more than 50 percent of the named lakes or streams of any county (, NOR SHALL HE LIMIT OR CLOSE ANY REGULAR STATUTORY SEASON FOR THE TAKING OF ANY SPECIES OF GAME FISH BY SPEARING THROUGH THE ICE IN ANY DESIGNATED WATERS UNLESS IN THE SAME ORDER HE LIMITS OR CLOSES THE NEXT FOLLOWING REGULAR STATUTORY SEASON FOR THE TAKING OF SAID SPECIES BY ANGLING IN THE SAME WATERS IN THE SAME PROPORTION, NOR SHALL HE REDUCE THE LIMITS FOR THE TAKING OR POSSESSION OF SUCH SPECIES BY SPEARING THROUGH THE ICE IN ANY DESIGNATED WATERS DURING ANY REGULAR STATUTORY SEASON THEREFOR BELOW THE LIMITS PRESCRIBED FOR THE TAKING OR POSSESSION OF SAID SPECIES BY ANGLING IN THE SAME WATERS DURING THE NEXT FOLLOWING REGULAR STATUTORY SEASON THEREFOR).

Sec. 10. Minnesota Statutes 1982, section 97.4842, is amended to read:

97.4842 [TROUT AND SALMON STAMP.]

Subdivision 1. [STAMP REQUIRED.] No person over the age of (18) 16 and under the age of 65 years who is otherwise required to possess a Minnesota fishing license shall angle in any stream designated by the commissioner as a trout stream, in any lake designated by the commissioner as a trout lake, or in Lake Superior, without first purchasing a stamp and having the stamp in his possession while angling (FOR TROUT) in any designated trout stream, designated trout lake, or Lake Superior. Each stamp shall be validated by the signature of the licensee written across its face. The commissioner shall determine the form of the stamp and shall furnish and distribute stamps to county auditors for sale by them and their authorized subagents as prescribed by order of the commissioner. The

commissioner shall encourage the purchase of stamps by any persons who are interested in the improvement of trout *and salmon streams and lakes*.

Subd. 2. [FEE.] A stamp shall be issued to each fishing license applicant or other person interested in improvement of trout *and salmon streams and lakes* upon the payment of a fee of \$3. Stamps shall be issued annually and shall be valid from March 1 through the last day of the following February.

Subd. 3. [USE OF REVENUE.] The commissioner shall approve projects for the following purposes:

(a) Development, restoration, maintenance or preservation of trout streams *and lakes*; (AND)

(b) *Rearing and stocking of trout and salmon in trout streams and lakes and Lake Superior; and*

(c) Necessary related administrative costs in an amount not to exceed ten percent of the annual deposits into the game and fish fund attributable to the sale of stamps.

Sec. 11. Minnesota Statutes 1983 Supplement, section 97.86, subdivision 1, is amended to read:

Subdivision 1. [LICENSE SURCHARGE.] A surcharge of \$2.50 shall be added to the annual license fee for each license issued pursuant to section 98.46, subdivision 2, clauses (4) and (5), subdivision 2a, subdivision 5, (CLAUSES (1), (2), AND clause (3), and subdivision 15. The proceeds of the surcharge shall be credited to the game and fish fund.

The commissioner may spend the proceeds of the surcharge for the following purposes:

(a) Rehabilitation and improvement of marginal fish producing waters administered on a cost sharing basis under agreements between the commissioner and other parties interested in sport fishing.

(b) Expansion of fishing programs including, but not limited to, aeration, stocking of marginal fishing waters in urban areas, shore fishing areas, and fishing piers. In the expenditure of funds pursuant to this clause, preference shall be given to local units of government and other parties willing and able to share costs.

(c) Upgrading of fish propagation capabilities in order to improve the efficiency of fish production, expansion of walleyed pike production from waters subject to winter kill for stocking

in more suitable waters, introduction of new species where deemed biologically appropriate by the commissioner, and purchase of fish from private hatcheries for stocking purposes.

(d) Financing the preservation and improvement of fish habitat. First priority shall be given to expansion of habitat improvement programs approved by the commissioner and implemented in cooperation with other interested parties.

(e) Increasing enforcement through use of covert operations, workteams, and added surveillance, communication, and navigational equipment.

(f) Purchase by the commissioner of the walleyed pike quota of commercial fishermen as prescribed in section 102.26, subdivision 3d.

(g) Not more than ten percent of the money available under this subdivision may be used for administrative or permanent personnel costs.

Sec. 12. [98.457] [LAKE SUPERIOR FISHING GUIDE LICENSE.]

No person shall for compensation engage in the business or occupation of operating charter boats and guiding anglers in seeking to take fish on Lake Superior without an annual license from the commissioner. The commissioner shall promulgate rules governing qualification for and the issuance of licenses. The annual fee for a Lake Superior fishing guide license shall be \$25 for a resident licensee and \$100 for a nonresident, except that if the state of residence of a nonresident charges a greater fee for a Minnesota resident for an identical license, the nonresident fee shall be equal to that greater fee.

Sec. 13. Minnesota Statutes 1983 Supplement, section 98.46, subdivision 5, is amended to read:

Subd. 5. Fees for the following licenses, to be issued to residents only, shall be:

(1) To spear fish from a dark house, \$7.50;

(2) For any fish house or dark house used during the winter fishing season, \$5 for each fish house or dark house not rented or offered for hire, and \$15 for each fish house or dark house rented or offered for hire. Each fish house or dark house shall have attached to the outside a metal tag at least two inches in diameter with a 3/16 inch hole in the center, which will be issued with a license. Each metal tag shall be stamped with a number to correspond with the fish house or dark house license and also

shall be stamped with the year of issuance. The metal tag shall be attached to the fish house or dark house as designated by commissioner's order;

(3) To net whitefish, tullibees or herring from inland lakes or international waters, for domestic use only, for each net, \$3;

(4) To conduct a taxidermist business, for three consecutive years for residents 18 years of age and older, \$40; for residents under the age of 18, \$25;

(5) To maintain fur and game farms, including deer, \$15;

(6) To take, transport, purchase and possess for sale unprocessed turtles and tortoises within the state, \$50;

(7) (TO PREPARE DRESSED GAME FISH SHIPMENTS FOR NONRESIDENTS AS PROVIDED BY SECTION 97.45, SUBDIVISION 6, AS AMENDED, \$13;)

((8)) Minnow dealer, \$70 plus \$10 for each vehicle;

((9)) (8) Minnow dealer's helper, \$5 for each helper. Minnow dealer's helpers' licenses shall be issued to the minnow dealer and are transferable by the dealer at will to his own helpers;

((10)) (9) Exporting minnow dealer, \$250, plus \$10 for each vehicle.

Each vehicle license shall cover a specified vehicle. The serial number, license number, make, and model shall be specified on the license which must be conspicuously posted in the vehicle licensed.

Sec. 14. [REPEALER.]

Minnesota Statutes 1982, section 97.45, subdivision 5, is repealed.

Sec. 15. [EFFECTIVE DATE.]

This act is effective the day following final enactment, except that section 10 is effective March 1, 1985."

Delete the title and insert:

"A bill for an act relating to natural resources; strengthening certain laws regarding the transportation of wild animals; amending Minnesota Statutes, 1982, sections 97.45, subdivisions 1, 3, 4, 6, 7, 9, and 12, and by adding a subdivision; 97.48, subdivision 1; 97.4842; and Minnesota Statutes 1983 Supplement, sections 97.86, subdivision 1; and 98.46, subdivision 5; proposing new law coded in Minnesota Statutes, chapter 98; repealing Minnesota Statutes 1982, section 97.45, subdivision 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 2145, A bill for an act relating to Olmsted County; allowing contracts for solid waste management property, facilities, and services to be let without advertisement for bids.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2317, 1865, 1945 and 2041 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 282, 881, 1048 and 2145 were read for the second time.

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. 1485, A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, subdivision 1.

H. F. No. 1491, A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1486, A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.14; and 629.62.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 559, A bill for an act relating to courts; providing for interest rates on judgments; amending Minnesota Statutes 1982, section 549.09, subdivision 1.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1405, A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Blatz moved that the House refuse to concur in the Senate amendments to H. F. No. 1405; that the Speaker appoint a Con-

ference 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 Senate File, herewith transmitted:

S. F. No. 1559.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1913.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1365.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 1435, 1495 and 1784.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 1398, 1526, 1654, 1659, 1768 and 1823.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 1520 and 1759.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1832.

PATRICK E. FLAHAVER, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1559, A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

The bill was read for the first time.

Otis moved that S. F. No. 1559 and H. F. No. 1499, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1913, A bill for an act relating to state departments; providing statutory changes requested by commissioner of administration required by reorganization orders; amending Minnesota Statutes 1982, sections 60A.15, subdivisions 1, 2, 8, 9, 10, and by adding a subdivision; 69.021, subdivision 2; 69.031, subdivision 6; 116C.03, subdivision 4; 116J.64, subdivisions 5 and 7; and 161.20, subdivision 4; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivision 12; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.42, subdivisions 4 and 9; 161.465; and 299A.04; Laws 1983, chapter 289, section 115, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1982, section 116C.-04, subdivisions 5 and 6.

The bill was read for the first time.

Coleman moved that S. F. No. 1913 and H. F. No. 2062, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1365, A bill for an act relating to crimes and criminals; specifying the crime of theft of telecommunications service; amending Minnesota Statutes 1982, section 609.52, subdivision 2.

The bill was read for the first time.

Kelly moved that S. F. No. 1365 and H. F. No. 1473, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1435, A bill for an act relating to motor vehicles; authorizing operation of farm truck with class C drivers' license by employee operating truck during harvest; amending Minnesota Statutes 1982, section 171.02, subdivision 2.

The bill was read for the first time.

Sparby moved that S. F. No. 1435 and H. F. No. 1449, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1495, A bill for an act relating to labor; providing for occupational safety and health; regulating infectious agents; amending Minnesota Statutes 1983 Supplement, section 182.653, subdivisions 4b, 4c, and 4f; and 182.654, subdivision 11.

The bill was read for the first time.

Clark, K., moved that S. F. No. 1495 and H. F. No. 1527, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1784, A bill for an act relating to traffic regulations; defining term; setting speed limit for alleyway; amending Minnesota Statutes 1982, section 169.01, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 169.

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

S. F. No. 1398, A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 10:00 p.m. and 8:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

The bill was read for the first time.

Olsen moved that S. F. No. 1398 and H. F. No. 1556, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1526, A bill for an act relating to energy; directing the legislative commission on energy to prepare a policy statement on the expenditure of federal money for energy programs; requiring review of state plans to spend federal energy money; amending Minnesota Statutes 1982, section 3.351, by adding subdivisions.

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

S. F. No. 1654, A bill for an act relating to the city of Roseville; authorizing additional on-sale intoxicating liquor licenses.

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

S. F. No. 1659, A bill for an act relating to the city of Duluth; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth.

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

S. F. No. 1768, A bill for an act relating to public utilities; amending the definition of public utility; amending Minnesota Statutes 1983 Supplement, section 216B.02, subdivision 4.

The bill was read for the first time.

Kelly moved that S. F. No. 1768 and H. F. No. 2258, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1823, A bill for an act relating to county humane societies; allowing for an increase in the appropriation a county may give to a county humane society in any year; amending Minnesota Statutes 1982, section 343.11.

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

S. F. No. 1520, A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks;

increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; eliminating certain provisions relating to motor vehicle brokers; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; allowing certain vehicles to operate with an extended bug deflector; requiring protective headgear to comply with standards established by the commissioner of public safety; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9 and 13; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.10, subdivisions 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.27, subdivisions 2 and 3; 168.29; 168.31, subdivision 4; 168.33, subdivision 2; 168A.08; 169.01, subdivisions 10, 11, and 50; and 169.743; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision 1e; 168.12, subdivision 2; 169.73; and 169.974, subdivisions 2 and 6; repealing Minnesota Statutes 1982, sections 168.27, subdivision 5; 169.672 and 169.755.

The bill was read for the first time.

Kalis moved that S. F. No. 1520 and H. F. No. 1845, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1759, A bill for an act relating to motor vehicles; changing display period for license plates on certain motor vehicles; changing period of time when registration tax is payable for certain motor vehicles; abolishing the penalty for late or delayed registration or payment of the registration tax; amending Minnesota Statutes 1982, sections 168.09, subdivisions 2 and 3; 168.10, subdivision 1; and 168.31, subdivision 1; repealing Minnesota Statutes 1982, section 168.31, subdivision 3.

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

S. F. No. 1832, A bill for an act relating to corrections; clarifying the effect of punitive segregation confinement on the scheduled release date of certain inmates; amending Minnesota Statutes 1982, section 244.04, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 244.05, subdivision 1.

The bill was read for the first time.

Clark, J., moved that S. F. No. 1832 and H. F. No. 1772, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSENT CALENDAR

S. F. No. 2148, A bill for an act relating to local government; permitting a land transfer between Ramsey County and the city of Shoreview.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1809 was reported to the House.

There being no objection H. F. No. 1809 was temporarily laid over on the Consent Calendar.

H. F. No. 2301 was reported to the House.

Osthoff moved that H. F. No. 2301 be continued on the Consent Calendar for one day. The motion prevailed.

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

H. F. No. 2148 was reported to the House.

There being no objection H. F. No. 2148 was continued on the Consent Calendar for one day.

S. F. No. 868, A bill for an act relating to natural resources; designating the morel as the official state mushroom; proposing new law coded in Minnesota Statutes, chapter 1.

The bill was read for the 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 101 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Erickson	Kostohryz	Piper	Swanson
Battaglia	Evans	Krueger	Price	Thiede
Beard	Findlay	Kvam	Quist	Tunheim
Begich	Fjoslien	Larsen	Redalen	Uphus
Bennett	Forsythe	Levi	Reif	Valento
Bergstrom	Graba	Mann	Riveness	Vanasek
Bishop	Greenfield	Marsh	Rodosovich	Vellenga
Blatz	Gruenes	McDonald	Rodriguez, F.	Voss
Boo	Gutknecht	Metzen	Rose	Waltman
Brinkman	Haukoos	Minne	St. Onge	Welch
Burger	Heap	Munger	Schafer	Welker
Carlson, D.	Heinitz	Murphy	Seaberg	Welle
Carlson, L.	Himle	Nelson, K.	Segal	Wenzel
Clark, J.	Hoberg	Ogren	Shaver	Wigley
Clark, K.	Hoffman	Olsen	Shea	Wynia
Cohen	Jacobs	Omamn	Sherman	Zaffke
Coleman	Jennings	Onnen	Simoneau	Speaker Sieben
Dempsey	Jensen	Otis	Skoglund	
Dimler	Johnson	Pauly	Solberg	
Elioff	Kelly	Peterson	Sparby	
Ellingson	Knuth	Piepho	Sviggum	

Those who voted in the negative were:

Brandl	McEachern	O'Connor	Sarna	Tomlinson
Knickerbocker				

The bill was passed and its title agreed to.

H. F. No. 1809 which was temporarily laid over earlier today was again reported to the House.

H. F. No. 1809, A bill for an act relating to crimes; authorizing aggregation of thefts in medicaid fraud cases; extending the statute of limitations in medicaid fraud cases; amending Minne-

sota Statutes 1982, section 628.26; Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

SUSPENSION OF RULES

Jennings moved that the rules be so far suspended that House Resolution No. 29 be now considered and be placed upon its adoption. The motion prevailed.

Jennings, Sieben and Eken introduced:

House Resolution No. 29, A house resolution commending the Honorable Dwaine Hoberg for his service in the House of Representatives to the people of Minnesota.

HOUSE RESOLUTION NO. 29

A house resolution commending the Honorable Dwaine Hoberg for his service in the House of Representatives to the people of Minnesota.

Whereas, the Honorable Dwaine Hoberg has been a state representative since 1978 and is a productive contributor to the House of Representatives; and

Whereas, Dwaine has been a source of inspiration to his fellow legislators and to the people of Minnesota; and

Whereas, Dwaine has announced that he will not run for reelection to the House and he will be greatly missed during the coming sessions of the Legislature; and

Whereas, Dwaine is the former Mayor of Moorhead, an avid skier, a former Navy Commander, a gourmet cook, a talented painter, a university professor, a navigator, a politician, a statesman, a husband, and a father, and is appreciated and admired for each of these qualities; *Now, Therefore*,

Be it resolved by the House of Representatives of the State of Minnesota that today, April 11, 1984, the members of the House and staff wish to express thanks and gratitude for his dedicated services and contributions to the Minnesota Legislature and to the people of the State of Minnesota.

Be it further resolved that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and present it to Representative Hoberg.

Jennings moved that House Resolution No. 29 be now adopted. The motion prevailed and House Resolution No. 29 was adopted.

CALENDAR

H. F. No. 1421, A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, subdivision 2.

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

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

Those who voted in the affirmative were:

Anderson, B.	Blatz	Clark, K.	Ellingson	Gruenes
Anderson, C.	Boo	Clawson	Erickson	Gustafson
Anderson, R.	Brandl	Cohen	Evans	Gutknecht
Battaglia	Brinkman	Coleman	Fjoslien	Haukoos
Beard	Burger	Dempsey	Forsythe	Heap
Begich	Carlson, D.	DenOuden	Frerichs	Heinitz
Bennett	Carlson, L.	Dimler	Graba	Himle
Bergstrom	Clark, J.	Elioff	Greenfield	Hoberg

Hoffman	McDonald	Otis	Sarna	Tomlinson
Hokr	McEachern	Pauly	Schafer	Tunheim
Jacobs	McKasy	Peterson	Scheid	Valan
Jennings	Metzen	Piepho	Schreiber	Valento
Jensen	Minne	Piper	Seaberg	Vellenga
Johnson	Munger	Price	Segal	Voss
Kahn	Murphy	Quinn	Shaver	Waltman
Kalis	Nelson, D.	Quist	Shea	Welch
Kelly	Nelson, K.	Redalen	Sherman	Welker
Knuth	Neuenschwander	Reif	Simoneau	Welle
Kostohryz	Norton	Rice	Skoglund	Wenzel
Kvam	O'Connor	Riveness	Solberg	Wigley
Larsen	Ogren	Rodosovich	Sparby	Wynia
Long	Olson	Rodriguez, C.	Staten	Zaffke
Ludeman	Omann	Rodriguez, F.	Sviggum	Speaker Sieben
Mann	Onnen	Rose	Swanson	
Marsh	Osthoff	St. Onge	Thiede	

The bill was passed and its title agreed to.

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

S. F. No. 1810, A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy non-renewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dempsey	Johnson	Nelson, K.	Rodriguez, C.
Anderson, G.	DenOuden	Kahn	Neuenschwander	Rodriguez, F.
Anderson, R.	Elioff	Kalis	Norton	Rose
Battaglia	Ellingson	Kelly	O'Connor	St. Onge
Beard	Erickson	Knickerbocker	Ogren	Sarna
Begich	Evans	Knuth	Olson	Scheid
Bennett	Findlay	Kostohryz	Onnen	Schreiber
Bergstrom	Forsythe	Krueger	Osthoff	Seaberg
Bishop	Graba	Kvam	Otis	Segal
Blatz	Greenfield	Larsen	Pauly	Shea
Boo	Cruenes	Levi	Peterson	Sherman
Brandt	Gustafson	Long	Piepho	Simoncau
Brinkman	Gutknecht	Mann	Piper	Skoglund
Burger	Haukoos	Marsh	Price	Solberg
Carlson, D.	Heap	McEachern	Quinn	Sparby
Carlson, L.	Himle	McKasy	Quist	Staten
Clark, J.	Hoffman	Metzen	Redalen	Sviggum
Clark, K.	Hokr	Miane	Reif	Swanson
Clawson	Jacobs	Munger	Rice	Tomlinson
Cohen	Jennings	Murphy	Riveness	Tunheim
Coleman	Jensen	Nelson, D.	Rodosovich	Valan

Valento	Voss	Welch	Wenzel	Wynia
Vanasek	Waltman	Welle	Wigley	Speaker Sieben
Vellenga				

Those who voted in the negative were:

Dimler	Heinitz	McDonald	Schafer	Welker
Fjoslien	Ludeman	Omann	Thiede	Zaffke
Frerichs				

The bill was passed and its title agreed to.

H. F. No. 1606, A bill for an act relating to elections; prohibiting certain inquiries of voters at or near the polls; amending Minnesota Statutes 1982, section 204C.06, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bennett	Jennings	Schafer	Welker	Zaffke
Frerichs	Ludeman			

The bill was passed and its title agreed to.

S. F. No. 1750, A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota Statutes 1983 Supplement, Sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1635 was reported to the House.

Peterson moved that H. F. No. 1635 be continued on the Calendar for one day. The motion prevailed.

H. F. No. 1651, A bill for an act relating to crimes; including conservation officers as peace officers authorized to enforce the crime of fleeing a peace officer and related laws; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, sections 65B.605, subdivision 2; and 609.487, subdivisions 2 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Tomlinson requested immediate consideration of H. F. No. 2016.

H. F. No. 2016 was reported to the House.

Tomlinson moved to amend H. F. No. 2016, the first engrossment, as follows:

Page 77, after line 18, insert:

“ARTICLE 5

INTEREST RATE ON REFUNDS

Section 1. [270.76] [INTEREST ON REFUNDS.]

When any tax payable to the commissioner of revenue or to the department of revenue is overpaid and an amount is due the taxpayer as a refund of the overpayment, the overpayment shall bear interest from the date of payment of the tax until the date the refund is paid or credit is made, unless another period for computing interest is provided by law. The interest rate per annum on overpayments shall be 80 percent of the interest rate contained in section 270.75, the rate shall be adjusted annually and become effective as provided in section 270.75, subdivision 5, and the result of the adjustment in the rate shall be rounded to the nearest full percent. The determination of the commissioner pursuant to this subdivision shall not be considered a “rule” and shall not be subject to the Administrative Procedure Act contained in chapter 14.

Sec. 2. Minnesota Statutes 1982, section 270A.07, subdivision 5, is amended to read:

Subd. 5. [INTEREST ON REFUNDS.] Any refund wrongfully or incorrectly applied to a debt and transferred to a claimant agency shall be paid by the agency to the debtor. The sum wrongfully or incorrectly withheld shall bear interest at (SIX PERCENT PER YEAR) *the rate specified in section 270.76, computed from the date when the refund would begin to bear interest under section 290.92, subdivision 13, clause (1), regardless of whether the refund is payable under chapter 290 or 290A. If the claimant agency is a state agency, the payment shall be made out of the agency's appropriation.*

Sec. 3. Minnesota Statutes 1982, section 271.12, is amended to read:

271.12 [WHEN ORDER EFFECTIVE.]

No order for refundment by the commissioner of revenue, the appropriate unit of government, or the tax court shall take effect until the time for appeal therefrom or review thereof by all parties entitled thereto has expired. Otherwise every order of the commissioner, the appropriate unit of government, or the tax court shall take effect immediately upon the filing thereof, and no appeal therefrom or review thereof shall stay the execution

thereof or extend the time for payment of any tax or other obligation unless otherwise expressly provided by law; provided, that in case an order which has been acted upon, in whole or in part, shall thereafter be set aside or modified upon appeal, the determination upon appeal or review shall supersede the order appealed from and be binding upon all parties affected thereby, and such adjustments as may be necessary to give effect thereto shall be made accordingly. If it be finally determined upon such appeal or review that any person is entitled to refundment of any amount which has been paid for a tax or other obligation, such amount, unless otherwise provided by law, shall be paid to him by the state treasurer, or other proper officer, out of funds derived from taxes of the same kind, if available for the purpose, or out of other available funds, if any, with interest at (SIX PERCENT) *the rate specified in section 270.76* from the date of payment of the tax, unless a different rate of interest is otherwise provided by law, in which case such other rate shall apply, upon certification by the commissioner of revenue, the appropriate unit of government, the tax court or the supreme court. If any tax, assessment, or other obligation be increased upon such appeal or review, the increase shall be added to the original amount, and may be enforced and collected therewith.

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.50, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURE, TIME LIMIT.] (a) A taxpayer who has paid or from whom there has been collected an amount of tax for any year in excess of the amount legally due for that year, may file with the commissioner a claim for a refund of such excess. Except as otherwise provided in this section, no claim or refund shall be allowed or made after three and one-half years from the date prescribed for filing the return (plus any extension of time granted for filing the return, but only if filed within the extended time) or after two years from the date of overpayment, whichever period is longer, unless before the expiration of the period a claim is filed by the taxpayer. For this purpose an income tax return or amended return claiming an overpayment shall constitute a claim for refund.

(b) If no claim was filed, the credit or refund shall not exceed the amount which would be allowable if a claim was filed on the date the credit or refund is allowed.

(c) If a claim relates to an overpayment on account of a failure to deduct a loss due to a bad debt or to a security becoming worthless, the claim shall be allowed if filed within seven years from the date prescribed in section 290.42 for the filing of the return, and the refund or credit shall be limited to the amount of overpayment attributable to the loss.

(d) For purposes of this section, the prepayment of tax made through the withholding of tax at the source, or payment

of estimated tax, prior to the due date of the tax are considered as having been paid on the last day prescribed by law for the payment of the tax by the taxpayer. A return filed before the due date shall be considered as filed on the due date.

(e) Except as provided in sections 290.92, subdivision 13, 290.93, subdivision 9, and 290.936, interest on the overpayment refunded or credited to the taxpayer shall be allowed at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* computed from the date of payment of the tax until the date the refund is paid or credit is made to the taxpayer. However, to the extent that the basis for the refund is a net operating loss carryback or a capital loss carryback, interest shall be computed only from the end of the taxable year in which the loss occurs.

(f) If a taxpayer reports a change in his federal gross income, items of tax preference, deductions, credits, or a renegotiation, or files a copy of his amended federal return, within 90 days as provided by section 290.56, subdivision 2, a refund may be made of any overpayment within one year after such report or amended return is filed except as provided in subdivision 2.

(g) There is hereby appropriated from the general fund to the commissioner of revenue the amounts necessary to make payments of refunds allowed pursuant to this section.

Sec. 5. Minnesota Statutes 1982, section 290.92, subdivision 11, is amended to read:

Subd. 11. [REFUNDS.] Where there has been an overpayment of tax imposed by this section, refund of such overpayment or credit shall be made to the employer in accordance with regulations prescribed by the commissioner, but only to the extent that the amount of such overpayment was not deducted and withheld under subdivision 2a or subdivision 3 by the employer. Any overpayment which is refunded shall bear interest at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76*, computed from the date of payment until the date the refund is paid to the employer. The commissioner of finance shall cause any such refund of tax and interest to be paid out of the general fund in accordance with the provisions of section 290.62 and so much of said fund as may be necessary is hereby appropriated for that purpose. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

Sec. 6. Minnesota Statutes 1983 Supplement, section 290.92, subdivision 13, is amended to read:

Subd. 13. [REFUNDS.] (1) Where the amount of the tax withheld at the source under subdivision 2a or subdivision 3

exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the employee taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the employee-taxpayer. If the amount of such excess is less than \$1 the commissioner shall not be required to refund that amount. Where any amount of such excess to be refunded exceeds \$10, such amount on the original return shall bear interest at the rate (OF SIX PER CENT PER ANNUM) specified in section 270.76, computed from 90 days after (a) the due date of the return of the employee taxpayer or (b) the date on which his return is filed, whichever is later, to the date the refund is paid to the taxpayer. A return shall not be treated as filed until it is in processible form. A return is in processible form when it is filed on a permitted form containing the taxpayer's name, address, social security account number, the required signature, and sufficient required information (whether on the return or on required attachments) to permit the mathematical verification of tax liability shown on the return. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess shall not constitute a determination of the correctness of the return of the employee taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest, to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

Sec. 7. Minnesota Statutes 1983 Supplement, section 290.93, subdivision 9, is amended to read:

Subd. 9. [OVERPAYMENT OF ESTIMATED TAX.] (1) Where the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of such installment payment, the overpayment shall be credited against the unpaid installments, if any. Where the total amount of the estimated tax payments plus (a) the total amount of tax withheld at the source under section 290.92, subdivision 2a or subdivision 3 (if any) and (b) and other payments (if any) exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the taxpayer. If the amount of such excess is less than \$1 the commissioner shall not be required to refund that amount. Where any amount of such excess to be refunded exceeds \$10, such amount on the original return shall bear interest at the rate (OF SIX PERCENT PER ANNUM) specified in

section 270.76, computed from 90 days after (a) the due date of the return of the taxpayer or (b) the date on which his return is filed, whichever is later, until the date the refund is paid to the taxpayer. A return shall not be treated as filed until it is in processible form. A return is in processible form when the return is filed on a permitted form, and the return contains the taxpayer's name, address, social security account number, the required signature, and sufficient required information (whether on the return or on required attachments) to permit the mathematical verification of tax liability shown on the return. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess shall not constitute a determination of the correctness of the return of the taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

Sec. 8. Minnesota Statutes 1982, section 290.936, is amended to read:

290.936 [OVERPAYMENT OF ESTIMATED TAX.]

(1) Where the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of such installment payment, the overpayment shall be credited against the unpaid installments, if any. Where the total amount of the estimated tax payments and other payments, if any, exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the taxpayer. If the amount of such excess is less than \$1, the commissioner shall not be required to refund. Where any amount of such excess to be refunded exceeds \$10, such amount on the original return shall bear interest at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76*, computed from 90 days after (a) the due date of the return of the taxpayer or (b) the date on which his return is filed, whichever is later, until the date the refund is paid to the taxpayer. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess shall not constitute a determination of the correctness of the return of the taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

Sec. 9. Minnesota Statutes 1982, section 290A.07, subdivision 2a, is amended to read:

Subd. 2a. A claimant who is a renter shall receive full payment prior to August 15 or 60 days after receipt of the application, whichever is later. Interest shall be added at (SIX PERCENT PER ANNUM) *the rate specified in section 270.76* from August 15 or 60 days after receipt of the application whichever is later.

Sec. 10. Minnesota Statutes 1983 Supplement, section 290A.07, subdivision 3, is amended to read:

Subd. 3. Any claimant not included in subdivision 2a shall receive full payment after August 31 and prior to September 15. Interest shall be added at (SIX PERCENT PER ANNUM) *the rate specified in section 270.76* from September 15 or 60 days after receipt of the application if the application is filed after August 31. Interest will be computed until the date the claim is paid.

Sec. 11. Minnesota Statutes 1982, section 291.18, is amended to read:

291.18 [OVERPAYMENT OF TAX; REFUNDS; APPROPRIATION.]

(1) When any tax or penalty and accrued interest thereon, imposed by this chapter shall have been paid or collected, in excess of the amount legally due, the person or corporation paying the same shall be entitled to a refundment of the amount of such taxes, penalty and interest overpaid, together with interest thereon at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date of payment, or from the date beginning nine months after death of the decedent, whichever date occurs later, in the manner provided by section 291.32; provided that all applications for such refundment shall be made within two years from the date of final determination or adjustment of any part of such tax by the taxpayer and the commissioner, the probate court or the tax court, as the case may be.

(2) There is hereby appropriated to the persons entitled to such refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 12. Minnesota Statutes 1982, section 294.09, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURES; TIME LIMIT.] A company, joint stock association, copartnership, corporation, or individual who has paid, voluntarily or otherwise, or from whom there has been collected (other than by proceedings instituted by the attorney general under sections 294.06 and 294.08, subdivision 3) an amount of gross earnings tax for any year in excess of the amount legally due for that year, may file with the commissioner of revenue a claim for a refund of such excess. Except as provided in subdivision 4, no such claim shall be entertained unless filed within two years after such tax was paid or collected, or within three and one-half years from the filing of the return, whichever period is the longer. Upon the filing of a claim the commissioner shall examine the same and shall make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice thereof to such company, joint stock association, copartnership, corporation, or individual at the address stated upon the return. If such claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any tax due the state from the claimant and for the balance of said allowance, if any, the commissioner shall issue his certificate for the refundment of the excess paid. The commissioner of finance shall cause such refund to be paid out of the proceeds of the gross earnings taxes imposed by Minnesota Statutes 1967, Chapters 294 and 295 as other state moneys are expended. So much of the proceeds as may be necessary are hereby appropriated for that purpose. Any allowance so made by the commissioner shall include interest at the rate (OF SIX PERCENT) *specified in section 270.76* computed from the date of payment or collection of the tax until the date the refund is paid to the claimant.

Sec. 13. Minnesota Statutes 1983 Supplement, section 297A.35, subdivision 1, is amended to read:

Subdivision 1. A person who has, pursuant to the provisions of this chapter, paid to the commissioner an amount of tax for any period in excess of the amount legally due for that period, may file with the commissioner a claim for a refund of such excess subject to the conditions specified in subdivision 5. Except as provided in subdivision 4 no such claim shall be entertained unless filed within two years after such tax was paid, or within three years from the filing of the return, whichever period is the longer. The commissioner shall examine the claim and make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice

thereof to such person at the address stated upon the claim. Any allowance shall include interest on the excess determined at a rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date such excess was paid or collected until the date it is refunded or credited. If such claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any taxes under sections 297A.01 to 297A.44 due from the claimant and for the balance of said allowance, if any, the commissioner shall issue his certificate for the refundment of the excess paid, and the commissioner of finance shall cause such refund to be paid out of the proceeds of the taxes imposed by sections 297A.01 to 297A.44, as other state moneys are expended. So much of the proceeds of such taxes as may be necessary are hereby appropriated for that purpose.

Sec. 14. Minnesota Statutes 1982, section 298.09, subdivision 4, is amended to read:

Subd. 4. If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date the tax is certified as provided in section 298.10, redetermine the amount thereof. No such redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice thereof and an opportunity to be heard thereon. If an order is made increasing the tax, the same proceedings shall be had as provided for occupation taxes originally determined and certified. Any person who has paid an occupation tax may apply to the commissioner within the time herein limited for a redetermination of the tax, and if the commissioner determines that the tax has been overpaid, he shall make and file an order determining the amount of such overpayment, and credit it against occupation taxes otherwise payable by the person who has overpaid the amount as so determined. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and paid; if the tax is reduced, interest at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date of overpayment shall be allowed.

Sec. 15. Minnesota Statutes 1982, section 299.05, is amended to read:

299.05 [ASSESSMENT BY COMMISSIONER.]

Upon receipt of the report provided for in section 299.03, the commissioner of revenue shall determine, from information as may be possessed, or obtained, whether the report is correct, or incorrect; and, if found correct, the commissioner shall determine the amount of tax due from the person, enter the amount of the tax in department records, make assessment of taxes due

from the person, and the amount that has been paid; and, on or before June 30, of each year, demand payment from the person. The commissioner of revenue shall have power, in case he shall deem the report incorrect, or in case the report is not made and filed with the commissioner as provided in section 299.03, to make findings as to the amount of taxes due after hearing upon notice to the person interested, and the findings shall have the same effect as the determination of the amount of such taxes upon a report made as hereinbefore provided.

A person subletting land for the use of which is received royalty shall be required to pay taxes only on the difference between the amount of royalty paid by him or her and the amount received.

If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date allowed above for the original assessment, redetermine the amount of the tax. No redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice of the proposed increase and the person's right to a hearing pursuant to chapter 14. Any person who has paid a royalty tax may apply to the commissioner within three years from the date allowed above for the original assessment for a redetermination of the tax and if the commissioner determines that the tax has been overpaid, he or she shall make and file an order determining the amount of the overpayment and credit the overpayment against the royalty taxes otherwise payable by the person who overpaid the tax. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and added to the tax. If the tax is reduced, interest at the rate (OF SIX PERCENT PER ANNUM) specified in section 270.76 from the date of the overpayment shall be allowed.

Sec. 16. [EFFECTIVE DATE.]

This article is effective for interest earned on overpayments after December 31, 1984.

Further, amend the title as follows:

Page 2, line 12, after the semicolon, insert "increasing the interest rate on state tax refunds;"

Page 2, line 16, after "270.87;" insert "270A.07, subdivision 5;"

Page 2, line 17, after the semicolon insert "271.12;"

Page 2, line 21, after the second semicolon, insert "290.92, subdivision 11; 290.936;"

Page 2, line 22, after the first semicolon, insert "290A.07, subdivision 2a;"

Page 2, line 23, after the first semicolon, insert "291.18;" and after the second semicolon, insert "294.09, subdivision 1;"

Page 2, line 26, after the semicolon, insert "298.09, subdivision 4; 299.05;"

Page 2, line 34, after the first semicolon, insert "290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9;"

Page 2, line 36, after the first semicolon, insert "290A.07, subdivision 3;"

Page 2, line 40, after the first semicolon, insert "297A.35, subdivision 1;"

Page 2, line 43, after "chapters" insert "270,"

The motion prevailed and the amendment was adopted.

Tomlinson, Long and Scheid moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 55, line 15, delete the second "The"

Page 55, delete lines 16 to 19

The motion prevailed and the amendment was adopted.

Marsh moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 25, after line 25, add a new subdivision 3 to read:

"However, for projects or large renovations, expansions, or modernizations, the rate of the excise tax imposed upon sales of \$50,000,000 shall be three percent, sales of \$60,000,000 shall be two percent, sales of \$70,000,000 shall be one percent, and sales of \$80,000,000 or more shall be exempt from the excise tax.

Subd. 3 of Sec. 10 effective date May 1, 1984 to May 1, 1986"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 52 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Evans	Hokr	Omann	Solberg
Bennett	Findlay	Jennings	Onnen	Sviggum
Bishop	Fjoslien	Johnson	Pauly	Thiede
Blatz	Forsythe	Knickerbocker	Piepho	Valan
Boo	Frerichs	Kvam	Quist	Valento
Burger	Gruenes	Levi	Reif	Waltman
Clawson	Gutknecht	Ludeman	Rose	Wenzel
Cohen	Haukoos	Marsh	Schreiber	Wigley
Dempsey	Heap	McDonald	Seaberg	
Dimler	Heinitz	McKasy	Shaver	
Erickson	Himle	Olsen	Sherman	

Those who voted in the negative were:

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

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

Dempsey, DenOuden, Piepho, Findlay, Gruenes, Blatz, Uphus, Sherman and Fjoslien offered an amendment to H. F. No. 2016, the first engrossment, as amended.

POINT OF ORDER

Kelly raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Johnson; Carlson, D.; Redalen; Frerichs; Boo; Waltman; Erickson and Zaffke moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 47, after line 25, insert:

"Sec. 9. Minnesota Statutes 1983 Supplement, section 477A.012, is amended to read:

477A.012 [COUNTY GOVERNMENT DISTRIBUTIONS.]

In each calendar year, every county government shall receive a distribution equal to (60 PERCENT OF THE) *its* aid amount certified for 1983 pursuant to sections 477A.011 to 477A.03. *Counties containing cities of the first class shall each receive a distribution equal to \$2 multiplied by the county's population.*"

Renumber the remaining sections

Page 50, line 24, delete "16" and insert "17"

Page 50, line 26, delete "Section 9 is" and insert "Sections 9 and 10 are"

Page 50, line 28, delete "10 to 14" and insert "11 to 15"

Page 50, line 29, delete "15" and insert "16"

Further, amend the title as follows :

Page 1, line 18, after "1985;" insert "restoring local government aids to county governments;"

Page 2, line 40, after "297B.09;" insert "477A.012;"

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

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

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

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

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

There were 57 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Knickerbocker	Piepho	Uphus
Bennett	Forsythe	Krueger	Quist	Valan
Bishop	Frerichs	Kvam	Redalen	Valento
Blatz	Graba	Ludeman	Reif	Waltman
Boo	Gruenes	Marsh	Rose	Welker
Burger	Gutknecht	McDonald	Schafer	Welle
Dempsey	Haukoos	McKasy	Schreiber	Wenzel
DenOuden	Hcinitz	Olsen	Scaberg	Wigley
Dimler	Himic	Omnn	Shaver	Zaffke
Erickson	Hokr	Onnen	Sherman	
Evans	Jennings	Osthoff	Sviggum	
Findlay	Johnson	Pauly	Thiede	

Those who voted in the negative were:

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

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

Valento, Dimler and Blatz moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 47, delete lines 26 to 33

Renumber the remaining sections

Page 50, line 26, delete everything after the period

Page 50, line 27, delete everything up to and including the period

Page 50, line 28, delete "10 to 14" and insert "9 to 13"

Page 50, line 29, delete "15" and insert "14"

Page 50, after line 30, insert:

"ARTICLE 6

Section 1. Minnesota Statutes 1982, section 477A.011, is amended by adding a subdivision to read:

Subd. 12. [MILL RATE FACTOR.] "Mill rate factor" means a municipality's population multiplied by its average equalized municipal mill rate.

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

Subd. 13. [ASSESSED VALUE FACTOR.] "Assessed value factor" means a municipality's population multiplied by the ratio of the statewide average equalized assessed value per capita to the municipality's equalized assessed value per capita. The statewide average equalized assessed value per capita is obtained by dividing the total equalized assessed value of all cities in the state by the total population of all cities in the state.

Sec. 3. Minnesota Statutes 1983 Supplement, section 477A.-013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] In each calendar year, each town which (HAS AN AVERAGE EQUALIZED MILL RATE OF AT LEAST TWO MILLS) had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.

Sec. 4. Minnesota Statutes 1983 Supplement, section 477A.-013, subdivision 2, is amended to read:

Subd. 2. [CITIES (AND TOWNS).] In each calendar year, (EACH) the total local government aid appropriation for cities determined pursuant to section 477A.03 shall be apportioned among all statutory and home rule charter (CITY) cities as follows: (SHALL RECEIVE A DISTRIBUTION EQUAL TO THE AMOUNT OBTAINED BY SUBTRACTING TEN MILLS MULTIPLIED BY THE MUNICIPALITY'S EQUALIZED ASSESSED VALUE FROM THE ADJUSTED LOCAL REVENUE BASE.)

(AN AID AMOUNT SHALL BE COMPUTED IN THE SAME MANNER FOR ALL TOWNS WHICH HAVE AN AVERAGE EQUALIZED MILL RATE OF AT LEAST TWO MILLS. A TOWN'S FINAL AID AMOUNT SHALL BE DETERMINED BY EITHER THE SUBDIVISION 1 OR THE SUBDIVISION 2 CALCULATION, WHICHEVER IS GREATER.)

(a) *Each city of the first class shall receive an apportionment equal to its previous year aid;*

(b) *One-half of the allocation for cities other than cities of the first class shall be apportioned in proportion to the ratio of each city's mill rate factor to the sum of the mill rate factors of all cities in the state other than cities of the first class;*

(c) *One-half of the allocation for cities other than cities of the first class shall be apportioned in proportion to the ratio of each city's assessed value factor to the sum of the assessed value factors of all cities in the state other than cities of the first class.*

Sec. 5. Minnesota Statutes 1982, section 477A.013, is amended by adding a subdivision to read:

Subd. 2a. [PHASE-IN.] For the calendar year 1985 aid distribution, each city's previous year aid shall be subtracted from its total allocation pursuant to subdivision 2. The resulting amount shall be divided by three. Notwithstanding the provisions of subdivision 2, each city's 1985 aid distribution shall be obtained by adding the amount resulting from this calculation to the city's previous year aid, when the result is positive, or subtracting the amount from the city's previous year aid, when the result is negative. If the result of this calculation for a city yields an aid amount greater than \$140 per capita, the amount shall be reduced to the level of its previous year aid or \$140 per capita, whichever is greater.

The commissioner of revenue shall determine the amounts to be allocated pursuant to subdivision 2, clauses (b) and (c) in such a manner as to entirely distribute the sum appropriated for cities pursuant to section 477A.03, subdivision 2.

Sec. 6. Minnesota Statutes 1983 Supplement, section 477A.03, subdivision 2, is amended to read:

Subd. 2. [LIMITATION ON APPROPRIATION (; PROPORTIONATE REDUCTION).] The amount appropriated under subdivision 1 for (DISTRIBUTIONS TO TOWNS PURSUANT TO SECTION 477A.013 SHALL NOT EXCEED \$8,750,000 AND THE AMOUNT APPROPRIATED FOR) distribution to cities pursuant to section 477A.013 shall not exceed (\$246,200,000) \$264,900,000 for calendar year (1984) 1985. (IF THE LIMITATIONS CONTAINED IN THIS SUBDI-

VISION RESULT IN A REDUCTION IN THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 2, EACH CITY RECEIVING LOCAL GOVERNMENT AID SHALL HAVE ITS DISTRIBUTION REDUCED IN PROPORTION TO THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 2, BEFORE THE LIMITATION OF SECTION 477A.013, SUBDIVISION 3, IS TAKEN INTO ACCOUNT. IF THE LIMITATIONS CONTAINED IN THIS SUBDIVISION RESULT IN A REDUCTION IN THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 1, EACH TOWN RECEIVING LOCAL GOVERNMENT AID SHALL HAVE ITS DISTRIBUTION REDUCED IN PROPORTION TO THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 1 OR 2, BEFORE THE LIMITATION OF SECTION 477A.013, SUBDIVISION 3, IS TAKEN INTO ACCOUNT.)

Sec. 7. [REPEALER.]

Minnesota Statutes 1983 Supplement, sections 477A.013, subdivision 3; and 477A.0131 are repealed.

Sec. 8. [EFFECTIVE DATE.]

Sections 3 and 6 are effective the day following final enactment for determination of aids to be paid in 1984 and subsequent years. Notwithstanding section 477A.014, subdivision 1, the commissioner shall notify towns affected by the provisions of section 3 of their revised aid amounts and the computational factors used in making the calculations for their aids as soon as practicable. Sections 1, 2, 4, 5, and 7 are effective commencing with the calendar year 1985 aid distribution."

Renumber the remaining articles

Further, amend the title as follows :

Page 1, line 18, delete "certain"

Page 2, line 27, after "subdivision;" insert "477A.011, by adding subdivisions; 477A.013, by adding a subdivision;"

Page 2, line 40, delete "and"

Page 2, line 41, delete "subdivision 1" and insert "subdivisions 1 and 2; and 477A.03, subdivision 2"

Page 2, line 49, delete "and"

Page 2, line 50, after "subdivision 3" insert "; 477A.013, subdivision 3; and 477A.0131"

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 42 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Bennett	Frerichs	Knickerbocker	Piepho	Uphus
Blatz	Graba	Krueger	Quist	Valan
Burger	Halberg	Levi	Redalen	Valento
Dempsey	Haukoos	Ludeman	Rose	Waltman
DenOuden	Heap	McDonald	Schafer	Welker
Dimler	Heintz	Olsen	Schoenfeld	Wigley
Erickson	Himle	Omamn	Schreiber	
Findlay	Jennings	Onnen	Seaberg	
Forsythe	Johnson	Pauly	Shaver	

Those who voted in the negative were:

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

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

Bishop, Schreiber, Kvam, Blatz and Frerichs moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 7, after line 31, insert:

"Sec. 6. Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) The income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income the following schedule of rates:

- (1) On the first \$500, one and six-tenths percent;
- (2) On the second \$500, two and two-tenths percent;
- (3) On the next \$1,000, three and five-tenths percent;
- (4) On the next \$1,000, five and eight-tenths percent;
- (5) On the next \$1,000, seven and three-tenths percent;
- (6) On the next \$1,000, eight and eight-tenths percent;
- (7) On the next \$2,000, ten and two-tenths percent;
- (8) On the next \$2,000, eleven and five-tenths percent;
- (9) On the next \$3,500, twelve and eight-tenths percent;
- (10) On all over \$12,500, and not over \$20,000, fourteen percent;
- (11) On all over \$20,000 (AND NOT OVER \$27,500), fifteen percent (;

((12) ON ALL OVER \$27,500, SIXTEEN PERCENT).

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year is less than \$40,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1."

Renumber subsequent sections in sequence

Page 21, line 7, delete "11, and 12" and insert "8, 12, and 13"

Page 21, line 11, delete "9, 10, 13, and 14" and insert "10, 11, 14, and 15"

Page 21, line 12, delete "15 to" and insert "16 to 18"

Page 21, line 13, delete "17"

Further, amend the title as follows:

Page 1, line 1, after the second semicolon insert "reducing the individual income tax rates;"

Page 2, line 32, delete "subdivision" and insert "subdivisions 2 and"

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 56 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Kvam	Piepho	Thiede
Bennett	Frerichs	Levi	Quist	Uphus
Bishop	Gutknecht	Long	Reif	Valan
Blatz	Halberg	Ludeman	Rodriguez, C.	Valento
Burger	Heap	Marsh	Rose	Waltman
Cohen	Heinitz	McDonald	Schafer	Welker
Dempsey	Himle	McKasy	Schreiber	Wenzel
Dimler	Hoffman	Metzen	Seaberg	Wigley
Erickson	Hokr	Olsen	Segal	
Evans	Jennings	Omann	Shaver	
Findlay	Johnson	Osthoff	Sherman	
Fjoslien	Knickerbocker	Pauly	Sviggen	

Those who voted in the negative were:

Anderson, B.	Graba	Munger	Redalen	Swanson
Anderson, G.	Greenfield	Murphy	Rice	Tomlinson
Battaglia	Gruenes	Nelson, D.	Rodosovich	Tunheim
Beard	Gustafson	Nelson, K.	Rodriguez, F.	Vanasek
Begich	Jacobs	Neuenschwander	St. Onge	Vellenga
Bergstrom	Jensen	Norton	Sarna	Welch
Brandl	Kahn	O'Connor	Scheid	Welle
Brinkman	Kalis	Ogren	Schoenfeld	Wynia
Carlson, L.	Kelly	Onnen	Shea	Zaffke
Clark, J.	Kostohryz	Otis	Simoneau	Speaker Sieben
Clark, K.	Krueger	Peterson	Skoglund	
Clawson	Larsen	Piper	Solberg	
Elioff	Mann	Price	Sparby	
Ellingson	Minne	Quinn	Staten	

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

McDonald moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 42, after line 7, insert:

"Sec. 3. Minnesota Statutes 1983 Supplement is amended by adding a section to read:

[273.131] [AGRICULTURAL LAND CREDIT.]

Subdivision 1. The property taxes on all agricultural land, whether homestead or not, which is selected or under consideration as a hazardous waste land disposal facility by the Waste Management Board shall be further reduced from that provided in section 273.135 by 50 percent, and for all agricultural land, whether homestead or not and abutting a hazardous waste land disposal facility or one under consideration, shall be further reduced from that provided in section 273.135 by 25 percent.

Subd. 2. The commissioner of finance shall pay to each county treasurer one-half of the amount reduced under subdivision 1 no later than July 15 and the remaining half no later than November 15 of each year beginning in 1985."

Renumber the remaining sections

Amend the title accordingly

A roll call was requested and properly seconded.

Ogren moved to amend the McDonald amendment to H. F. No. 2016, the first engrossment, as amended, as follows:

Line 9, delete "agricultural"

The motion prevailed and the amendment to the amendment was adopted.

Rodriguez, C., moved to amend the McDonald amendment, as amended, to H. F. No. 2016, the first engrossment, as amended, as follows:

Line 6, after "a" insert "sludge ash or"

The motion prevailed and the amendment to the amendment was adopted.

Nelson, D., moved to amend the McDonald amendment, as amended, to H. F. No. 2016, the first engrossment, as amended, as follows:

Line 6, after "ash" insert ", solid waste"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the McDonald amendment, as amended, and the roll was called.

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

There were 62 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Kvam	Piepho	Sparby
Bennett	Frerichs	Levi	Quinn	Sviggum
Bishop	Gruenes	Ludeman	Quist	Thiede
Blatz	Gutknecht	Marsh	Redalen	Tunheim
Boo	Halberg	McDonald	Reif	Uphus
Burger	Haukoos	McKasy	Rodosovich	Valan
Dempsey	Heap	Metzen	Rodriguez, C.	Valento
DenOuden	Heinitz	Neuenschwander	Rose	Waltman
Dimler	Himle	Ogren	Schafer	Welker
Erickson	Hokr	Olsen	Schreiber	Wigley
Evans	Jennings	Omamm	Seaberg	
Findlay	Johnson	Onnen	Shaver	
Fjoslien	Knickerbocker	Pauly	Sherman	

Those who voted in the negative were:

Anderson, B.	Coleman	Larsen	Price	Swanson
Anderson, G.	Elioff	Mann	Rice	Tomlinson
Battaglia	Ellingson	McEachern	Riveness	Vanasek
Beard	Graba	Minne	Rodriguez, F.	Vellenga
Begich	Greenfield	Munger	St. Onge	Voss
Bergstrom	Gustafson	Murphy	Sarna	Welch
Brandl	Hoffman	Nelson, K.	Scheid	Welle
Brinkman	Jacobs	Norton	Schoenfeld	Wynia
Carlson, L.	Kahn	O'Connor	Shea	Zaffke
Clark, J.	Kalis	Osthoff	Simoneau	Speaker Sieben
Clark, K.	Kelly	Otis	Skoglund	
Clawson	Kostohryz	Peterson	Solberg	
Cohen	Krueger	Piper	Staten	

The motion did not prevail and the amendment, as amended, was not adopted.

Vanasek moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

H. F. No. 2016 was again reported to the House.

Onnen, Piepho, Haukoos, Erickson, Fjoslien and Valento moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 36, after line 3, insert :

“(bb) The gross receipts from the sales of tangible personal property at, admission charges for, and sales of food, meals, or drinks at fund-raising events sponsored by a nonprofit organization when the entire proceeds, except for the necessary expenses connected therewith, will be used solely and exclusively for charitable, religious, or educational purposes. For purposes of this clause, a “nonprofit organization” means any unit of government, corporation, society, association, foundation, or institution organized and operated for charitable, religious, educational, civic, fraternal, senior citizens’ or veterans’ purposes, no part of the net earnings of which inures to the benefit of a private individual.

If the profits are not used solely and exclusively for charitable, religious, or educational purposes, the entire gross receipts shall be subject to tax.

Each nonprofit organization shall keep a separate accounting record, including receipts and disbursements, from each fund-raising event. The fund-raising receipts shall be segregated from the revenues of the nonprofit organization and placed in a separate checking account. All deductions from gross receipts shall be documented with receipts and other records. If records are not maintained as required, the entire gross receipts shall be subject to tax.

The exemption provided by this clause does not apply to any event where the event yields a profit to the promoter or to any individual contracted to provide services or equipment, or both, for the event.

The exemption for fund-raising events under this clause is limited to no more than three events a year with each event having a duration of no longer than four weeks.”

Amend the title as follows :

Page 2, line 7, after the semicolon insert “exempting certain sales by nonprofit organizations from the sales tax;”

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 76 yeas and 49 nays as follows :

Those who voted in the affirmative were:

Bennett	Frerichs	Krueger	Osthoff	Solberg
Blatz	Graba	Kvam	Pauly	Sviggum
Boo	Greenfield	Levi	Piepho	Tunheim
Brandl	Gruenes	Ludeman	Quinn	Uphus
Brinkman	Gutknecht	Marsh	Quist	Valan
Burger	Halberg	McDonald	Redalen	Valento
Carlson, D.	Haukoos	McKasy	Rodosovich	Vellenga
Coleman	Heap	Metzen	Rodriguez, C.	Waltman
Dempsey	Heinitz	Minne	Rose	Welker
DenOuden	Himle	Murphy	Schafer	Wenzel
Dimler	Hoffman	Norton	Schoenfeld	Wigley
Elioff	Hokr	O'Connor	Schreiber	Zaffke
Erickson	Jennings	Ogren	Seaberg	
Findlay	Johnson	Olsen	Segal	
Fjoslien	Kelly	Omann	Shaver	
Forsythe	Knickerbocker	Onnen	Sherman	

Those who voted in the negative were:

Anderson, B.	Cohen	Larsen	Piper	Staten
Anderson, G.	Ellingson	Long	Price	Swanson
Battaglia	Evans	Mann	Rice	Thiede
Beard	Gustafson	McEachern	Riveness	Tomlinson
Begich	Jacobs	Munger	Rodriguez, F.	Vanasek
Bergstrom	Jensen	Nelson, D.	St. Onge	Welch
Carlson, L.	Kahn	Nelson, K.	Sarna	Welle
Clark, J.	Kalis	Neuenschwander	Simoneau	Wynia
Clark, K.	Knuth	Otis	Skoglund	Speaker Sieben
Clawson	Kostohryz	Peterson	Sparby	

The motion prevailed and the amendment was adopted.

Kvam, Blatz, DenOuden, Frerichs and Sviggum moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 2, line 58, strike "on July 1, 1983", strike "transfer" and insert "maintain", strike "to" and insert "in"

Page 2, delete lines 60 and 61

Page 3, delete line 1, and insert:

"Earnings accruing on the amount in the budget reserve account shall be transferred to and become part of the account. This subdivision is an appropriation of money subject to it and shall not lapse until expressly provided by other law."

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

Dempsey, Findlay and Uphus moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 77, after 18, insert:

"ARTICLE 11

Section 1. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

Subd. 16. [POLLUTION CONTROL EQUIPMENT, CREDIT.] (a) A credit of five percent of the net cost of equipment used primarily to abate or control pollutants to meet or exceed state laws, rules, or standards, or equipment used primarily to reduce the generation of hazardous waste, to the extent the property is so used and which is included in section 290.09, subdivision 7, paragraph (A) (a) may be deducted from the tax due under this chapter in the first year for which a depreciation deduction is allowed for the equipment. The credit allowed by this subdivision may not exceed the lesser of the liability for tax for the taxable year or \$75,000. The credit shall apply only if

(1) the equipment meets rules prescribed by the Minnesota pollution control agency and is installed or operated in accordance with a permit or order issued by the agency; or

(2) the pollution control agency certifies that the equipment reduces the generation of hazardous waste and that the generator is in compliance with applicable hazardous waste laws and rules.

(b) If the amount of the credit determined under (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by (a) for the taxable year (hereinafter in this subdivision referred to as the "unused credit year"), the excess is a credit carryover to each of the four taxable years following the unused credit year.

The entire amount of the unused credit for an unused credit year must be carried to the earliest of the four taxable years to which such credit may be carried and then to each of the other three taxable years. The maximum credit allowable in any one taxable year under this subdivision (including the credit allowable under (a) and the carryforward allowable under this paragraph) shall in no event exceed \$75,000.

Sec. 2. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

Subd. 17. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] A credit of ten percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons, concrete storage pits, slurry handling equipment, and other equipment and devices approved by the pollution control agency, purchased, installed and operated within the state by a feedlot operator to prevent pollution of air, land, or water in con-

nection with the operation of a livestock feedlot, poultry lot or other animal lot, may be deducted from the tax due under this chapter in the taxable year in which the equipment is purchased; provided that no deduction may be taken for any portion of the cost of the same equipment pursuant to subdivision 16.

If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year in which the equipment is purchased, the excess amount may be carried forward to the four taxable years following the year of purchase. The entire amount of the credit not used in the year purchased shall be carried to the earliest of the four taxable years to which the credit may be carried and then to each of the three successive taxable years.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective for taxable years beginning after December 31, 1984."

Amend the title as follows:

Page 2, line 12, after the semicolon, insert "reinstating pollution control and feedlot pollution control credits;"

Page 2, line 20, delete "a subdivision" and insert "subdivisions"

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 61 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Findlay	Johnson	Piepho	Thiede
Bennett	Fjoslien	Knickerbocker	Quist	Uphus
Bergstrom	Forsythe	Kvam	Redalen	Valan
Bishop	Frerichs	Levi	Reif	Valento
Blatz	Gruenes	Long	Rodriguez, C.	Waltman
Boo	Cutknecht	Ludeman	Rose	Welker
Burger	Halberg	Marsh	Schafer	Wenzel
Carlson, D.	Haukoos	McDonald	Schreiber	Wigley
Dempsey	Heap	McKasy	Seaberg	Zaffke
DenOuden	Heinitz	Olsen	Shaver	
Dimler	Himle	Omann	Shea	
Erickson	Hokr	Onnen	Sherman	
Evans	Jennings	Pauly	Sviggun	

Those who voted in the negative were:

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

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

Olsen, Sviggum, Findlay and Thiede moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 77, after line 18, insert:

"ARTICLE 11

Section 1. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

Subd. 16. [CREDIT FOR HOME CARE OF THE ELDERLY.] (a) A credit against the tax imposed under this chapter shall be allowed to an individual taxpayer with respect to food, clothing, medical care except medical expenses deductible pursuant to section 290.089, subdivision 2, and transportation expenses paid or incurred by the taxpayer during the taxable year on behalf of a qualified individual, other than the taxpayer, in order to maintain the individual in the private home of either the taxpayer or of the qualified individual. The amount of the taxpayer's credit for each qualified individual shall be the amount computed under clause (b). The credit shall be allowed in addition to any credits under section 290.06, subdivision 3f, allowed to a taxpayer on account of a qualified individual. The credit shall be refundable.

(b) The amount of the taxpayer's credit for each qualified individual shall be the lesser of:

(1) 25 percent of the expenses paid or incurred during the taxable year; or

(2) \$600 if the income of the qualified individual for the taxable year as defined in section 290A.03, subdivision 3, is within the income eligibility requirements of section 256B.06.

(c) For purposes of this subdivision a qualified individual means an individual (1) of at least 65 years of age at the end of the taxable year; (2) who is eligible for medical assistance and who meets the eligibility requirements of section 256B.06; (3) whose health and social services needs have been assessed by a nursing home pre-admission screening team pursuant to section 256B.091 or, if a screening team is not operating in the county in which the qualified individual resides, by the designated agent of the local board of health or, if no local board of health is operating in the county, by the designated agent of the county board; and (4) who has been recommended by the screening team or other designated agent as eligible for placement in a nursing home or in need of identified services to maintain the person outside of an institution.

(d) If the taxpayer is receiving a stipend or grant for food, clothing, medical care, or transportation expenses of the qualified individual pursuant to section 256B.091 or 256B.51, the amount of the expenses paid or incurred during the taxable year shall be reduced by the amount of the stipends or grants received during the taxable year.

(e) The determination of the local screening team or other designated agent shall be final for purposes of determining eligibility for the taxable year in which the assessment was made. An individual may request reassessment in order to determine qualification for this credit for the taxable year or for a succeeding taxable year, provided that the local screening team or other designated agent may require that reassessments shall not be made at intervals of less than one year, absent an affirmative showing of a change in health or social services needs.

(f) The department of revenue, after consultation with the department of public welfare and the department of health, may provide a form for the certification of the needs assessment by the local screening team or other designated agent, and may require that the form be filed with any return filed by the taxpayer initially claiming the credit for the qualified individual. If the form is required, the commissioner of revenue shall provide an adequate supply of forms to each local screening team or designated agent.

An individual who meets the requirements of clauses (c)(3) and (c)(4) for a taxable year shall be considered qualified for purposes of clauses (c)(3) and (c)(4) for succeeding taxable years, provided that the commissioner of revenue may require that an individual's qualifications pursuant to clauses (c)(3) and (c)(4) be reassessed. If the individual refuses to submit to the reassessment or a negative recommendation is received under clause (c)(4), the individual shall not be qualified under this clause for the taxable year for which the commissioner re-

quired the reassessment or for succeeding taxable years until all the qualifications contained in clause (c) are met by the individual.

For the taxable year beginning after December 31, 1983, and prior to January 1, 1985, an individual shall be considered qualified for purposes of clauses (c)(3) and (c)(4) if the requirements of clauses (c)(3) and (c)(4) are met on or before the time prescribed by law for filing the return for the taxable year, including extensions. For all other taxable years, the requirements of clauses (c)(3) and (c)(4) shall be met by the close of the taxable year for which the taxpayer first claims the credit.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for taxable years beginning after December 31, 1983."

Amend the title as follows :

Page 2, line 12, after the semicolon insert "providing an income tax credit for home care of the elderly;"

Page 2, line 20, delete "a subdivision" and insert "subdivisions"

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 57 yeas and 69 nays as follows :

Those who voted in the affirmative were :

Anderson, R.	Evans	Hokr	Onnen	Sherman
Bennett	Findlay	Jennings	Pauly	Sviggum
Bishop	Fjoslien	Johnson	Piepho	Thiede
Blatz	Forsythe	Knickerbocker	Quinn	Uphus
Boo	Frerichs	Krueger	Quist	Valan
Burger	Gruenes	Kvam	Redalen	Valento
Carlson, D.	Gutknecht	Levi	Reif	Waltman
Cohen	Halberg	Marsh	Rose	Wigley
Dempsey	Haukoos	McDonald	Schafer	Zaffke
DenOuden	Heap	McKasy	Schreiber	
Dimler	Heinitz	Olsen	Seaborg	
Erickson	Himle	Omann	Shaver	

Those who voted in the negative were :

Anderson, B.	Begich	Carlson, L.	Elioff	Gustafson
Anderson, G.	Bergstrom	Clark, J.	Ellingson	Hoffman
Battaglia	Brandl	Clawson	Graba	Jacobs
Beard	Brinkman	Coleman	Greenfield	Jensen

Kahn	Metzen	Otis	Sarna	Tunheim
Kalis	Minne	Peterson	Scheid	Vanasek
Kelly	Munger	Piper	Segal	Vellenga
Knuth	Murphy	Price	Simoneau	Voss
Kostohryz	Nelson, D.	Rice	Skoglund	Welch
Larsen	Nelson, K.	Riveness	Solberg	Welle
Long	Norton	Rodosovich	Sparby	Wenzel
Ludeman	O'Connor	Rodriguez, C.	Staten	Wynia
Mann	Ogren	Rodriguez, F.	Swanson	Speaker Sieben
McEachern	Osthoff	St. Onge	Tomlinson	

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

Waltman, Sviggum, Redalen and Valan moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 77, after line 18, insert:

"ARTICLE 11

Section 1. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20a, is amended to read:

Subd. 20a. [MODIFICATIONS INCREASING FEDERAL ADJUSTED GROSS INCOME.] There shall be added to federal adjusted gross income:

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

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

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

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

(5) The amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction under Minnesota Statutes 1982, section 290.01, subdivision 20b, clause (7);

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

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

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

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

(10) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;

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

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

(13) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 40 percent of the portion of the gain. This modification is limited to property that qualified for the equity investment credit contained in section 290.069, subdivision 4, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (7);

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

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

(16) The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954;

(17) Losses from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(18) Expenses and depreciation attributable to property subject to Laws 1982, chapter 523, article 7, section 3 which has not been registered;

(19) The amount of contributions to an individual retirement account, including a qualified voluntary employee contribution, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34, section 238 of Public Law Number 97-248, and section 103(d)(1)(B) of Public Law Number 97-448 to the extent those contributions were not an allowable deduction prior to the enactment of that law; and

(20) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any contributions to a qualified pension plan, designated as employee contributions but which the employing unit picks up and which are treated as employer contributions pursuant to section 414(h)(2) of the Internal Revenue Code of 1954;

(21) 50 percent of any expenses arising from agricultural land for which a deduction is allowed under section 3, subdivision 4; and

(22) amounts previously deducted pursuant to section 3, subdivision 4, and required to be included under section 3, subdivision 7, due to termination of a lease.

Sec. 2. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:

Subd. 20b. [MODIFICATIONS REDUCING FEDERAL ADJUSTED GROSS INCOME.] There shall be subtracted from federal adjusted gross income:

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

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 40 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

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

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

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

(6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a

lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

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

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

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

(11) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);

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

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

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

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

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

(17) Income from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;

(18) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (20); (AND)

(19) To the extent included in federal adjusted gross income, distributions from an individual retirement account which

represent a return of designated employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted; and

(20) *Interest earned on capital gains or income recognized on the sale of agricultural land or income received from the rental of agricultural land, as allowed in section 3.*

Sec. 3. [290.0881] [DEDUCTIONS FOR SALE OR RENTAL OF AGRICULTURAL LAND.]

Subdivision 1. [DEFINITIONS.] (a) "Agricultural land" means land which is or has been devoted for the last five years to agricultural purposes and includes any agricultural buildings or an agricultural homestead located thereon. Wetlands, naturally vegetated lands, and woodlands contiguous to or surrounded by agricultural lands are agricultural lands if under the same ownership or management during the period of agricultural use.

(b) "Agricultural purposes" means the production of vegetables, forage, grains, and other agricultural crops, livestock or livestock products, dairy animals or dairy products, poultry or poultry products, horticultural and nursery stock, fruit, or bees and apiary products.

(c) "Beginning farmer" means any person who is a United States citizen and Minnesota resident; who provides proof of participation in a farm management program; who uses or intends to use the agricultural land purchased or rented exclusively for agricultural purposes; who has with the assistance of the local soil and water conservation office prepared a plan for the farm rented or purchased; and who has, including spouse and dependents, a total net worth valued at less than \$125,000, adjusted as provided in subdivision 6.

(d) "Landowner" means a partner, family farm corporation, or an authorized farm corporation as defined in section 500.24, subdivision 2, which owns agricultural land, or an individual who is a United States citizen or permanent resident alien who owns agricultural land, except that any partner, family farm corporation, authorized farm corporation, or individual that acquires agricultural land for the purpose of obtaining the income tax deduction provided for in this section shall not be deemed to be a landowner.

(e) "Seller-sponsored loan" has the meaning given it in section 41.52, subdivision 8.

(f) "Rental income" means income, whether in cash or in crops, from the rental of at least 80 acres of agricultural land

pursuant to a written lease of at least two years duration. If the lease provides for rent payment in crops, the amount of rental income is the cash value of the crops at the time they are received by the landowner. Crops are received by the landowner when the landowner has control over them or when the landowner can demand their payment under the lease.

Subd. 2. [CAPITAL GAINS DEDUCTION.] To the extent included in federal adjusted gross income, there shall be allowed as a subtraction from the federal adjusted gross income of any landowner, 50 percent of capital gains or income recognized and otherwise taxable on the sale of agricultural land consisting of 80 acres or more to a beginning farmer for agricultural purposes.

The deduction shall apply only to capital gains recognized in the taxable year during which the sale occurred. The deduction shall not apply to that portion of capital gains recognized and included in federal adjusted gross income which exceeds \$50,000.

Subd. 3. [DEDUCTION FOR INTEREST ON SALE WITH SELLER-SPONSORED LOAN.] There shall be allowed as a subtraction from the federal adjusted gross income of any landowner interest income earned on the sale of at least 80 acres of agricultural land with a seller-sponsored loan to a beginning farmer for agricultural purposes.

This subdivision shall apply only if the following conditions are met:

(1) The loan will be completely amortized in 20 years or more with even payments of interest and principal and no balloon payment at the end, or the loan is amortized for 20 years with a balloon payment in ten years or less;

(2) The loan has an annual imputed interest rate equal to the minimum rate allowed by the Internal Revenue Service for transactions between nonrelated parties to meet installment sales requirements; and

(3) The interest is not excludable under section 41.58, subdivision 3.

Subd. 4. [DEDUCTION FOR RENTAL INCOME.] There shall be allowed as a subtraction from federal adjusted gross income 50 percent of the rental income of a landowner from the rental to a beginning farmer of agricultural land used for agricultural purposes, however, no deduction is allowed for rental income exceeding \$10,000 per year, and the excess shall be treated as ordinary income.

No landowner may claim this deduction for leases with more than one beginning farmer from rentals on the same tract or

parcel of land or from rentals to any member of the landowner's immediate family. The rental stated in the lease must be equal to or less than the prevailing free market gross rental rate for that grade of land as determined for property tax purposes for assessments made on January 2 of the year in which the lease is executed. The lease may provide that the rental rate shall be related to the prevailing free market gross rental rate as determined for each year. The taxpayer must certify on the return that no rental agreement with any other person was cancelled for the purpose of qualifying for the deduction provided in this subdivision.

Subd. 5. [QUALIFICATION.] In order to qualify for any of the deductions provided in this section, the taxpayer shall file with the first income tax return on which the taxpayer claims a deduction under this section with respect to each sale or lease a notarized statement from the beginning farmer who purchased or rented the land. The statement shall contain a list of the assets, debts, and net worth of the beginning farmer together with any other information required by the commissioner of revenue.

Subd. 6. [NET WORTH ADJUSTMENT.] The maximum net worth allowed for qualification as a beginning farmer shall be annually adjusted by the percentage used to adjust the tax brackets as provided in section 290.06, subdivision 2d. The percentage announced by the commissioner in October under section 290.06, subdivision 2d, shall be the percentage by which the maximum net worth amount is increased for sales occurring or leases first occurring during the following calendar year.

Subd. 7. [EARLY TERMINATION OF LEASE.] If a lease is terminated by a land owner prior to expiration of the three-year period, there shall be added to gross income for the taxable year in which the lease was terminated amounts deducted in previous years pursuant to subdivision 4, to the extent that the deduction resulted in a tax benefit.

Sec. 4. [EFFECTIVE DATE.]

This article is effective for the sale or rental of agricultural land after July 1, 1984."

Amend the title as follows:

Page 1, line 18, after "1985;" insert "providing for the treatment of costs arising from certain agricultural land activities;"

Page 2, line 19, after "290.01," delete "subdivision" and insert "subdivisions 20a, 20b, and"

Page 2, line 43, after "chapters" insert "290,"

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.

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

There were 60 yeas and 66 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Kvam moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 56, line 30, after the period, insert *"The auditor shall also list the number of property tax statements which were revised as a result of the change in the maximum \$4,000 agricultural aid limitation. The commissioner shall reimburse the county \$10 for each revised statement for the administrative expenses incurred as a result of the recomputations pursuant to this section.*

There is appropriated from the general fund to the commissioner of revenue the amount necessary to make these payments to the county."

The motion prevailed and the amendment was adopted.

Frerichs, Johnson, Erickson, McKasy, Wigley and Sviggum moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 38, line 7, strike "1987" and insert "1985"

Page 38, line 15, strike "1987" and insert "1985"

Page 38, line 15, strike "1989" and insert "1987"

Page 38, line 23, strike "1989" and insert "1987"

Page 38, line 23, strike "1991" and insert "1989"

Page 38, line 31, strike "1991" and insert "1989"

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 64 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Johnson	Omann	Shaver
Anderson, G.	Fjoslien	Kalis	Onnen	Shea
Anderson, R.	Forsythe	Knickerbocker	Pauly	Sherman
Bennett	Frerichs	Krueger	Piepho	Sviggum
Bishop	Graba	Kvam	Quist	Thiede
Blatz	Grunes	Levi	Redalen	Uphus
Boo	Gutknecht	Ludeman	Reif	Valan
Burger	Halberg	Marsh	Rodosovich	Valento
Dempsey	Haukoos	McDonald	Rose	Voss
DenOuden	Heap	McKasy	Schafer	Welker
Dimler	Heinitz	Metzen	Schoenfeld	Wigley
Erickson	Himle	Neuenschwander	Schreiber	Zaffke
Evans	Jennings	Olsen	Seaberg	

Those who voted in the negative were:

Battaglia	Brandl	Clark, J.	Coleman	Gustafson
Beard	Brinkman	Clark, K.	Elioff	Hoffman
Begich	Carlson, D.	Clawson	Ellingson	Jacobs
Bergstrom	Carlson, L.	Cohen	Greenfield	Jensen

Kahn	Munger	Piper	Scheid	Tunheim
Kelly	Murphy	Price	Segal	Vanasek
Knuth	Nelson, K.	Quinn	Simoneau	Vellenga
Kostohryz	Norton	Rice	Skoglund	Welch
Larsen	O'Connor	Riveness	Solberg	Welle
Long	Ogren	Rodrigucz, C.	Sparby	Wenzel
Mann	Osthoff	Rodriguez, F.	Staten	Wynia
McEachern	Otis	St. Onge	Swanson	Speaker Sieben
Minne	Peterson	Sarna	Tomlinson	

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

Schreiber and Gutknecht moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 77, after line 18, insert:

"ARTICLE 11

Section 1. Minnesota Statutes 1983 Supplement, section 290.-07, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL ACCOUNTING PERIOD.] Net income and taxable net income shall be computed upon the basis of the taxpayer's annual accounting period. If a taxpayer has no annual accounting period, or has one other than a fiscal year, as heretofore defined, the net income and taxable net income shall be computed on the basis of the calendar year. Taxpayers shall employ the same accounting period on which they report, or would be required to report, their net income under the Internal Revenue Code. (THE COMMISSIONER SHALL PROVIDE BY RULE FOR THE DETERMINATION OF THE ACCOUNTING PERIOD FOR TAXPAYERS WHO FILE A COMBINED REPORT UNDER SECTION 290.34, SUBDIVISION 2, WHEN MEMBERS OF THE GROUP USE DIFFERENT ACCOUNTING PERIODS FOR FEDERAL INCOME TAX PURPOSES. UNLESS THE TAXPAYER CHANGES ITS ACCOUNTING PERIOD FOR FEDERAL PURPOSES, THE DUE DATE OF THE RETURN IS NOT CHANGED.)

A taxpayer may change his accounting period only with the consent of the commissioner. In case of any such change, he shall pay a tax for the period not included in either his former or newly adopted taxable year, computed as provided in section 290.32.

Sec. 2. Minnesota Statutes 1982, section 290.095, subdivision 3, is amended to read:

Subd. 3. [CARRYOVER AND CARRYBACK.] (a) Except as provided in clause (d) or subdivision 8, a net operating loss for any taxable year shall be:

(1) A net operating loss carryback to each of the three taxable years preceding the taxable year of such loss, and

(2) A net operating loss carryover to each of the five taxable years following the taxable year of such loss.

(b) The entire amount of the net operating loss for any taxable year shall be carried to the earliest of the taxable years to which, by reason of subdivision 3, clause (a) or (d), such loss may be carried. The portion of such loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of such loss over the sum of the taxable net income, adjusted by the modifications specified in subdivision 4, for each of the prior taxable years to which such loss may be carried.

(c) Where a corporation does business both within and without Minnesota, and apports its income under the provisions of section 290.19, the net operating loss deduction shall be allowed to the extent of the apportionment ratio of the loss year, or the year to which the loss is carried, whichever is smaller.

(D) WHERE A CORPORATION FILES A COMBINED REPORT WHICH REFLECTS THE ENTIRE UNITARY BUSINESS AS PROVIDED IN SECTION 290.34, SUBDIVISION 2, THE CORPORATION SHALL NOT BE ALLOWED A NET OPERATING LOSS CARRYBACK TO A YEAR IN WHICH IT DID NOT FILE A COMBINED REPORT. THE NUMBER OF TAXABLE YEARS FOR WHICH A NET OPERATING LOSS CARRYOVER IS ALLOWED SHALL BE INCREASED BY THE NUMBER OF TAXABLE YEARS FOR WHICH A NET OPERATING LOSS CARRYBACK IS NOT ALLOWED UNDER THIS CLAUSE.)

Sec. 3. Minnesota Statutes 1983 Supplement, section 290.17, subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) (a) The entire income of all resident or domestic taxpayers from compensation for labor or personal services, or from a business consisting principally of the performance of personal or professional services, shall be assigned to this state, and the income of nonresident taxpayers from such sources shall be assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources shall be treated as income from sources without this state.

(b) In the case of an individual who is a nonresident of Minnesota and who is an athlete or entertainer, income from com-

compensation for labor or personal services performed within this state shall be determined in the following manner.

(i) The amount of income to be assigned to Minnesota for an individual who is a nonresident salaried athletic team employee shall be determined by using a fraction in which the denominator contains the total number of days in which the individual is under a duty to perform for the employer, and the numerator is the total number of those days spent in Minnesota. In order to eliminate the need to file state or provincial income tax returns in several states or provinces, Minnesota will exclude from income any income assigned to Minnesota under the provisions of this clause for a nonresident athlete who is employed by an athletic team whose operations are not based in this state if the state or province in which the athletic team is based provides a similar income exclusion. If the state or province in which the athletic team's operations are based does not have an income tax on an individual's personal service income, it will be deemed that that state or province has a similar income exclusion. As used in the preceding sentence, the term "province" means a province of Canada.

(ii) The amount of income to be assigned to Minnesota for an individual who is a nonresident, and who is an athlete not listed in clause (i), or who is an entertainer, for that person's athletic or entertainment performance in Minnesota shall be determined by assigning to this state all income from performances or athletic contests in this state.

(2) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state. Income from winnings on Minnesota pari-mutuel betting tickets shall be assigned to this state. Income and gains received from tangible property not employed in the business of the recipient of such income or gains, and from tangible property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, shall be assigned to this state if such property has a situs within it, and to other states only if it has no situs in this state. Income or gains from intangible personal property not employed in the business of the recipient of such income or gains, and from intangible personal property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, wherever held, whether in trust, or otherwise, shall be assigned to this state if the recipient thereof is domiciled within this state or is a resident trust or estate.

(3) Income derived from carrying on a trade or business, including in the case of a business owned by natural persons the income imputable to the owner for his services and the use of his property therein, shall be assigned to this state if the trade or

business is conducted wholly within this state, and to other states if conducted wholly without this state. This provision shall not apply to business income subject to the provisions of clause (1);

(4) When a trade or business is carried on partly within and partly without this state, the entire income derived from such trade or business, including income from intangible property employed in such business and including, in the case of a business owned by natural persons, the income imputable to the owner for his services and the use of his property therein, shall be governed, except as otherwise provided in sections 290.35 and 290.36, by the provisions of section 290.19, notwithstanding any provisions of this section to the contrary. This shall not apply to business income subject to the provisions of clause (1), nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2). For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

(IF THE TRADE OR BUSINESS CARRIED ON WHOLLY OR PARTLY IN MINNESOTA IS PART OF A UNITARY BUSINESS, THE ENTIRE INCOME OF THAT UNITARY BUSINESS SHALL BE SUBJECT TO APPORTIONMENT UNDER SECTION 290.19 EXCEPT FOR BUSINESS INCOME SUBJECT TO THE PROVISIONS OF CLAUSE (1) AND FARM INCOME SUBJECT TO THE PROVISIONS OF CLAUSE (2). THE TERM "UNITARY BUSINESS" SHALL MEAN BUSINESS ACTIVITIES OR OPERATIONS WHICH ARE OF MUTUAL BENEFIT, DEPENDENT UPON, OR CONTRIBUTORY TO ONE ANOTHER, INDIVIDUALLY OR AS A GROUP. UNITY SHALL BE PRESUMED WHENEVER THERE IS UNITY OF OWNERSHIP, OPERATION, AND USE, EVIDENCED BY CENTRALIZED MANAGEMENT OR EXECUTIVE FORCE, CENTRALIZED PURCHASING, ADVERTISING, ACCOUNTING, OR OTHER CONTROLLED INTERACTION BUT THE ABSENCE OF THESE CENTRALIZED ACTIVITIES WILL NOT NECESSARILY EVIDENCE A NONUNITARY BUSINESS. UNITY OF OWNERSHIP WILL NOT BE DEEMED TO EXIST WHEN A CORPORATION IS INVOLVED UNLESS THAT CORPORATION IS A MEMBER OF A GROUP OF TWO OR MORE CORPORATIONS MORE THAN 50 PERCENT OF THE VOTING STOCK OF EACH MEMBER OF THE GROUP IS DIRECTLY OR INDIRECTLY OWNED BY A COMMON OWNER OR BY COMMON OWNERS, EITHER CORPORATE OR NONCORPORATE, OR BY ONE OR MORE OF THE MEMBER CORPORATIONS OF THE GROUP.)

(THE ENTIRE INCOME OF A UNITARY BUSINESS SHALL BE SUBJECT TO APPORTIONMENT AS PROVIDED IN SECTION 290.19. NONE OF THE INCOME OF A

UNITARY BUSINESS SHALL BE CONSIDERED AS DERIVED FROM ANY PARTICULAR SOURCE AND NONE SHALL BE ALLOCATED TO ANY PARTICULAR PLACE EXCEPT AS PROVIDED BY THE APPLICABLE APPORTIONMENT FORMULA.)

In determining whether or not intangible property is employed in a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) For purposes of this section, amounts received by a non-resident from the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, as amended through December 31, 1981, are not considered income derived from carrying on a trade or business or from performing personal or professional services in Minnesota, and are not taxable under this chapter.

(6) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.21, subdivision 4, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or

business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state.

(b) If the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.

(c) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

The dividend deduction provided in this subdivision does not apply to a dividend from a corporation which, for the taxable year of the corporation in which the distribution is made or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 of the Internal Revenue Code of 1954, as amended through December 31, 1982.

The dividend deduction provided in this subdivision applies to the amount of regulated investment company dividends only to the extent determined under section 854(b) of the Internal Revenue Code of 1954, as amended through December 31, 1982.

(D) IF DIVIDENDS RECEIVED BY A CORPORATION THAT DOES NOT HAVE NEXUS WITH MINNESOTA UNDER THE PROVISIONS OF PUBLIC LAW 86-272 ARE INCLUDED AS INCOME ON THE RETURN OF AN AFFILIATED CORPORATION PERMITTED OR REQUIRED TO FILE A COMBINED REPORT UNDER SECTION 290.34, SUBDIVISION 2, THEN FOR PURPOSES OF THIS SUBDIVISION THE DETERMINATION AS TO WHETHER THE TRADE OR BUSINESS OF THE CORPORATION CONSISTS PRINCIPALLY OF THE HOLDING OF STOCKS AND THE COLLECTION OF INCOME AND GAINS THEREFROM SHALL BE MADE WITH REFERENCE TO THE TRADE OR BUSINESS OF THE AFFILIATED CORPORATION HAVING A NEXUS WITH MINNESOTA.)

Sec. 5. Minnesota Statutes 1983 Supplement, section 290.34, subdivision 2, is amended to read:

Subd. 2. [AFFILIATED OR RELATED CORPORATIONS, (COMBINED REPORT) *CONSOLIDATED STATEMENTS*.] When a corporation which is required to file an income tax return is affiliated with or related to any other corporation through stock ownership by the same interests or as parent or subsidiary corporations, or has its income regulated through contract or other arrangement, the commissioner of revenue may permit or require such (COMBINED REPORT) *consolidated statements* as, in his opinion, (IS) *are* necessary in order to determine the taxable net income of any one of the affiliated or related corporations. (FOR PURPOSES OF COMPUTING EITHER THE ARITHMETIC AVERAGE OR WEIGHTED APPORTIONMENT FORMULAS UNDER SECTION 290.19, SUBDIVISION 1 FOR EACH CORPORATION INVOLVED, THE NUMERATOR OF THE FRACTION SHALL BE THAT CORPORATION'S SALES, PROPERTY, AND PAYROLL IN MINNESOTA AND THE DENOMINATOR SHALL BE THE TOTAL SALES, PAYROLL, AND PROPERTY OF ALL THE CORPORATIONS SHOWN ON THE COMBINED REPORT. THE COMBINED REPORT SHALL REFLECT THE INCOME OF THE ENTIRE UNITARY BUSINESS AS PROVIDED IN SECTION 290.17, SUBDIVISION 2, CLAUSE (4). THE COMBINED REPORT SHALL REFLECT INCOME ONLY FROM CORPORATIONS CREATED OR ORGANIZED IN THE UNITED STATES OR UNDER THE LAWS OF THE UNITED STATES OR OF ANY STATE, THE DISTRICT OF COLUMBIA, THE COMMONWEALTH OF PUERTO RICO, ANY POSSESSION OF THE UNITED STATES, OR ANY POLITICAL SUBDIVISION OF ANY OF THE FOREGOING. ALL INTER-COMPANY TRANSACTIONS BETWEEN COMPANIES WHICH ARE CONTAINED ON THE COMBINED REPORT SHALL BE ELIMATED. THIS SUBDIVISION SHALL NOT APPLY TO INSURANCE COMPANIES WHOSE INCOME IS DETERMINED UNDER SECTION 290.35 OR TO INVESTMENT COMPANIES WHOSE INCOME IS DETERMINED UNDER SECTION 290.36.)

Sec. 6. Minnesota Statutes 1982, section 290.34, is amended by adding a subdivision to read:

Subd. 5. [AFFILIATED CORPORATIONS, CONSOLIDATED RETURNS.] An affiliated group of corporations, all the members of which are required to file income tax returns under the provisions of this chapter, may file a consolidated return in lieu of separate returns if any income of each of the members of the affiliated group including the common parent, if any, is assignable to this state under the provisions of this chapter, or if the group of corporations files a federal consolidated income tax return pursuant to Section 1501 of the Internal Revenue Code of 1954, as amended through December 31, 1983. However, no group of corporations filing separate federal income tax returns shall file a Minnesota consolidated return. In the case of a corporation which is a member of the affiliated group for a fractional part of the taxable year, the consolidated return must include the income of such corporation for such part of the year as it is a member of the affiliated group. The consolidated net income of the affiliated group must be determined in accordance with rules prescribed by the commissioner.

Sec. 7. [REPEALER.]

Minnesota Statutes 1982, section 290.06, subdivision 15; and Laws 1982, chapter 523, article XXIX, section 6, are repealed.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective for taxable years beginning after December 31, 1983."

Amend the title as follows:

Page 2, line 12, after the semicolon insert "repealing the unitary method of apportioning the income of multistate businesses for income tax purposes; allowing corporations to file a consolidated return;"

Page 2, line 20, after the semicolon insert "290.095, subdivision 3;"

Page 2, line 21, after the second semicolon insert "290.34, by adding a subdivision;"

Page 2, line 32, after "11;" insert "290.07, subdivision 1;"

Page 2, line 33, after "29;" insert "290.17, subdivision 2;"

Page 2, line 34, after "4;" insert "290.34, subdivision 2;"

Page 2, line 44, after the first semicolon, insert "section 290.06, subdivision 15;"

Page 2, line 50, after the semicolon insert "Laws 1982, chapter 523, article XXIX, section 6;"

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 58 yeas and 67 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Schreiber, Olsen, DenOuden, Valento, Dempsey, Frerichs, Findlay, Valan, Bennett, Waltman, Burger, Seaberg and Dimler moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Pages 39 to 41, delete section 1

Page 41, line 5, delete "Sec. 2." and insert "Section 1."

Page 42, line 8, delete "3" and insert "2"

Page 42, line 26, delete "4" and insert "3"

Pages 43 to 46, delete sections 5 and 6

Page 46, line 2, delete "7" and insert "4"

Page 46, line 34, delete "8" and insert "5"

Page 47, line 26, delete "9" and insert "6"

Page 47, line 34, delete "10" and insert "7"

Page 48, line 15, delete "11" and insert "8"

Page 48, line 36, delete "12" and insert "9"

Page 49, line 11, delete "13" and insert "10"

Page 49, line 18, delete "14" and insert "11"

Page 49, line 30, delete "15" and insert "12"

Page 50, line 17, delete "16" and insert "13"

Page 50, line 20, delete "17" and insert "14"

Page 50, delete lines 21 to 23

Page 50, line 24, delete *"percentage increases in section 1 and"*

Page 50, line 24, delete *"2 to 8 and 16"* and insert *"1 to 5 and 13"*

Page 50, line 26, delete "9" and insert "6"

Page 50, line 28, delete *"10 to 14"* and insert *"7 to 11"*

Page 50, line 29, delete "15" and insert "12"

Page 77, after line 18, insert:

"ARTICLE 11

Section 1. Minnesota Statutes 1983 Supplement, section 124.-2122, subdivision 2, is amended to read:

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. (THE BASIC MAINTENANCE MILL RATE SHALL BE .024 FOR 1981 PAYABLE 1982 LEVIES AND FOR FOUNDATION AID FOR THE 1982-1983 SCHOOL YEAR.) The basic maintenance mill rate shall be .024 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year. The basic maintenance mill rate shall be .024 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. *The basic maintenance mill rate shall be .022 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1, is amended to read:

Subdivision 1. [TAX REDUCTIONS.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to (29) 50 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding the homestead dwelling and surrounding one acre of land. (THE COUNTY AUDITOR SHALL REDUCE THE TAX FOR SCHOOL PURPOSES ON THE NEXT 320 ACRES CLASSIFIED PURSUANT TO SECTION 273.13, SUBDIVISION 6 BY AN AMOUNT EQUAL TO 13 PERCENT OF THE TAX LEVY IMPOSED ON THE PROPERTY. THE TAX ON ALL OTHER AGRICULTURAL LANDS CLASSIFIED PURSUANT TO SECTION 273.13, SUBDIVISION 6 SHALL BE REDUCED BY AN AMOUNT EQUAL TO TEN PERCENT OF THE TAX LEVY IMPOSED ON THE PROPERTY.) The tax on (THE FIRST 320 ACRES OF AGRICULTURAL LAND CLASSIFIED PURSUANT TO SECTION 273.13, SUBDIVISION 4 AND) all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, (SHALL BE REDUCED BY AN AMOUNT EQUAL TO 13 PERCENT OF THE TAX IMPOSED ON THE PROPERTY. THE TAX ON) timber land classified pursuant to section 273.13, subdivision 8a (AND), agricultural land (IN EXCESS OF 320 ACRES) classified pursuant to section 273.13, subdivision 4, and all agricultural lands in excess of 320 acres classified pursuant to section 273.13, subdivision 6, except the homestead dwelling and surrounding one acre of land, shall be reduced by an amount equal to ten percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a

certification to the county auditor for corrections. (THE AMOUNT OF THE REDUCTION PROVIDED UNDER THIS SUBDIVISION WHICH ANY TAXPAYER CAN RECEIVE ON ALL QUALIFYING PROPERTY WHICH HE OWNS SHALL NOT EXCEED \$2,000 IN THE CASE OF AGRICULTURAL PROPERTY AND SHALL NOT EXCEED \$100 IN THE CASE OF SEASONAL RESIDENTIAL RECREATIONAL PROPERTY. IN THE CASE OF PROPERTY OWNED BY MORE THAN ONE PERSON, THE MAXIMUM AMOUNT OF THE REDUCTION SHALL APPLY TO THE TOTAL OF ALL THE OWNERS.) For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10.

Sec. 3. Minnesota Statutes 1982, section 273.13, subdivision 2, is amended to read:

Subd. 2. [CLASS 1.] Iron ore, whether mined or unmined, shall constitute class 1 and shall be valued and assessed at 50 percent of its value. If unmined, it shall be assessed with and as a part of the real estate in which it is located, but at the rate aforesaid. Iron ore which either (a) is mined by underground methods and either placed in stockpile or concentrated and placed in stockpile or (b) is mined by open-pit methods and, in accordance with good engineering and metallurgical practice, requires concentration other than crushing or screening or both to make it suitable for commercial blast furnace use, and is either placed in stockpile for the purpose of concentration in the course of a concentration operation, or is concentrated and placed in stockpile, for three taxable years after being mined only, shall be listed and assessed in the taxing district where mined at the same amount per ton as it would be assessed if still unmined, except that if such ore contains phosphorous in excess of .180 percent or is classified in the trade as manganiferous ore, then irrespective of whether it requires such concentration or has been so concentrated it shall be so listed and assessed as if it were unmined ore for five taxable years after being mined only, and thereafter such ore in stockpiles shall be valued and assessed as mined iron ore, as otherwise provided by law. The real estate in which iron ore is located, other than the ore, shall be classified and assessed in accordance with the provisions of classes 3, 3b, and 4, as the case may be. In assessing any tract or lot of real estate in which iron ore is known to exist the assessable value of the ore exclusive of the land in which it is located, and the assessable value of the land exclusive of the ore shall be determined and set down separately and the aggregate of the two shall be assessed against the tract or lot.

[CLASS 1A.] All direct products of the blast and open hearth furnaces that are utilized in the form produced and are not further processed, shall constitute class 1a and shall be valued and assessed at (15) 14 percent of the market value thereof.

Sec. 4. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 4, is amended to read:

Subd. 4. [CLASS 3.] (a) Tools, implements and machinery of an electric generating, transmission or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings, which are fixtures, all agricultural land, except as provided by classes 1, 3b, 3e, shall constitute class 3 and shall be valued and assessed at $(33\frac{1}{3})$ 35 percent of the market value thereof, except as provided in clause (b). All buildings and structures assessed as personal property and situated upon land of the state of Minnesota or the United States government which is rural in character and devoted or adaptable to rural but not necessarily agricultural use shall be assessed based upon the use made of the building or structure. Except as provided in subdivision 5a, all real property devoted to temporary and seasonal residential occupancy for recreational purposes, and which is not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, shall be class 3 property and assessed accordingly. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for such use. Class 3 shall also include commercial use real property used exclusively for recreational purposes in conjunction with class 3 property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 200 days in the year preceding the year of assessment and is located within two miles of the class 3 property with which it is used.

(b) Agricultural land which is classified as class 3 shall be assessed at (19) 14 percent of its market value. Real property devoted to temporary and seasonal residential occupancy for recreation purposes which is classified as class 3 shall be assessed at 21 percent (OF ITS) *on the first \$60,000 market value and 28 percent on the remainder of the market value.*

Sec. 5. Minnesota Statutes 1982, section 273.13, subdivision 5a, is amended to read:

Subd. 5a. [CLASS 3A.] Class 3a shall constitute commercial use real property which abuts a lakeshore line and is devoted to temporary and seasonal residential occupancy for recreational purposes but not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, which includes a portion used as a homestead by the owner, with the following limitations: *the homestead dwelling and surrounding acre of land must be assessed pursuant to subdivision 7 as if it were class 3c property and shall receive the homestead credit pursuant to subdivision 7; the additional area of the property which shall be included in class 3a shall not exceed 100 feet of*

lakeshore footage for each cabin or campsite located on the property, up to a total of 800 feet, and 500 feet in depth measured away from the lakeshore. *Other than the homestead dwelling and surrounding one acre of land*, class 3a shall be assessed at (12) 14 percent of the market value thereof (IN 1980, FOR TAXES PAYABLE IN 1981, AND THEREAFTER). The remainder of the parcel shall be classified and assessed according to the provisions of subdivision 4.

Sec. 6. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed as follows: the (FIRST \$60,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT 14 PERCENT) *homestead dwelling and surrounding one acre of land, not including any farm buildings or structures, must be assessed pursuant to subdivision 7 as if it were class 3c property*; the remaining market value shall be valued and assessed at (19) 14 percent. (THE MAXIMUM AMOUNT OF THE MARKET VALUE OF THE HOMESTEAD BRACKET SUBJECT TO THE 14 PERCENT RATE SHALL BE ADJUSTED BY THE COMMISSIONER OF REVENUE AS PROVIDED IN SECTION 273.1311.) The property tax to be paid on (CLASS 3B PROPERTY AS OTHERWISE DETERMINED BY LAW) *the homestead dwelling and surrounding one acre of land, not including any farm buildings or structures, less any proportionate reduction received pursuant to sections (124.2137,) 273.123, 273.135, and 473H.10, shall be reduced by (54) 50 percent of the tax; provided that the amount of the reduction shall not exceed (\$650) \$700.* Noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes: except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 124.2137, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

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

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

Sec. 7. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 6a, is amended to read:

Subd. 6a. [HOMESTEAD OWNED BY FAMILY FARM CORPORATION OR PARTNERSHIP.] ((A)) Each family farm corporation and each partnership operating a family farm shall be entitled to class 3b assessment and shall be eligible for the credit provided in subdivision 6 for (ONE) *each* homestead occupied by a shareholder or partner thereof who is residing on the land and actively engaged in farming of the land owned by the corporation or partnership. The homestead shall be assessed as provided in subdivision 6, notwithstanding the fact that legal title to the property may be in the name of the corporation or partnership and not in the name of the person residing thereon. "Family farm corporation" and "family farm" shall mean as defined in section 500.24.

((B) IN ADDITION TO PROPERTY SPECIFIED IN PARAGRAPH (A), ANY OTHER RESIDENCES OWNED BY CORPORATIONS OR PARTNERSHIPS DESCRIBED IN PARAGRAPH (A) WHICH ARE LOCATED ON AGRICULTURAL LAND AND OCCUPIED AS HOMESTEADS BY SHAREHOLDERS OR PARTNERS WHO ARE ACTIVELY ENGAGED IN FARMING ON BEHALF OF THE CORPORATION OR PARTNERSHIP SHALL ALSO BE ASSESSED AS CLASS 3B PROPERTY, AND BE ENTITLED TO THE CREDIT PROVIDED IN SUBDIVISION 6, BUT THE PROPERTY ELIGIBLE SHALL BE LIMITED TO THE RESIDENCE ITSELF AND AS MUCH OF THE LAND SURROUNDING THE HOMESTEAD, NOT EXCEEDING ONE ACRE, AS IS REASONABLY NECESSARY FOR THE USE OF THE DWELLING AS A HOME, AND SHALL NOT INCLUDE ANY OTHER STRUCTURES THAT MAY BE LOCATED THEREON.)

Sec. 8. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7, is amended to read:

Subd. 7. [CLASS 3C (, 3CC).] All other real estate and class 2a property, except as provided by (CLASSES) *class 1* (AND 3CC,) which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed as follows: the first (\$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT 17 PERCENT; THE NEXT \$30,000) \$60,000 of market value shall be valued and assessed at (19) 21 percent; and the remaining market value shall be valued and as-

sessed at (30) 28 percent. (THE MAXIMUM AMOUNTS OF THE MARKET VALUE OF THE HOMESTEAD BRACKETS SUBJECT TO THE 17 PERCENT AND 19 PERCENT RATES SHALL BE ADJUSTED BY THE COMMISSIONER OF REVENUE AS PROVIDED IN SECTION 273.1311.) The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to sections 273.123, 273.135, and 473H.10 shall be reduced by (54) 50 percent of the tax (IMPOSED ON THE FIRST \$67,000 OF MARKET VALUE;) provided that the amount of the reduction shall not exceed (\$650) \$700. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

(CLASS 3CC PROPERTY SHALL INCLUDE REAL ESTATE OR MANUFACTURED HOMES USED FOR THE PURPOSES OF A HOMESTEAD BY (A) ANY BLIND PERSON, IF THE BLIND PERSON IS THE OWNER THEREOF OR IF THE BLIND PERSON AND HIS OR HER SPOUSE ARE THE SOLE OWNERS THEREOF; OR (B) ANY PERSON (HEREINAFTER REFERRED TO AS VETERAN) WHO: (1) SERVED IN THE ACTIVE MILITARY OR NAVAL SERVICE OF THE UNITED STATES AND (2) IS ENTITLED TO COMPENSATION UNDER THE LAWS AND REGULATIONS OF THE UNITED STATES FOR PERMANENT AND TOTAL SERVICE CONNECTED DISABILITY DUE TO THE LOSS, OR LOSS OF USE, BY REASON OF AMPUTATION, ANKYLOSIS, PROGRESSIVE MUSCULAR DYSTROPHIES, OR PARALYSIS, OF BOTH LOWER EXTREMITIES, SUCH AS TO PRECLUDE MOTION WITHOUT THE AID OF BRACES, CRUTCHES, CANES, OR A WHEELCHAIR, AND (3) WITH ASSISTANCE BY THE ADMINISTRATION OF VETERANS AFFAIRS HAS ACQUIRED A SPECIAL HOUSING UNIT WITH SPECIAL FIXTURES OR MOVABLE FACILITIES MADE NECESSARY BY THE NATURE OF THE VETERAN'S DISABILITY, OR THE SURVIVING SPOUSE OF THE DECEASED VETERAN FOR AS LONG AS THE SURVIVING SPOUSE RETAINS THE SPECIAL HOUSING UNIT AS HIS OR HER HOMESTEAD; OR (C) ANY PERSON WHO: (1) IS PERMANENTLY AND TOTALLY DISABLED AND (2) RECEIVES 90 PERCENT OR MORE OF HIS TOTAL INCOME FROM (I) AID FROM ANY STATE AS A RESULT OF THAT DISABILITY, OR (II) SUPPLEMENTAL SECURITY INCOME FOR THE DISABLED, OR (III) WORKERS' COMPENSATION BASED ON A FINDING OF TOTAL AND PERMANENT DISABILITY, OR (IV) SOCIAL SECURITY DISABILITY, INCLUDING THE AMOUNT OF A DISABILITY INSURANCE BENEFIT WHICH IS CONVERTED TO AN OLD AGE INSURANCE BENEFIT AND ANY SUBSEQUENT COST OF LIVING INCREASES, OR (V) AID UNDER THE FEDERAL RAILROAD RETIREMENT ACT OF 1937, 45 UNITED STATES

CODE ANNOTATED, SECTION 228B(A)5, OR (VI) A PENSION FROM ANY LOCAL GOVERNMENT RETIREMENT FUND LOCATED IN THE STATE OF MINNESOTA AS A RESULT OF THAT DISABILITY. PROPERTY SHALL BE CLASSIFIED AND ASSESSED AS CLASS 3CC ONLY IF THE COMMISSIONER OF REVENUE CERTIFIES TO THE ASSESSOR THAT THE OWNER OF THE PROPERTY SATISFIES THE REQUIREMENTS OF THIS SUBDIVISION. CLASS 3CC PROPERTY SHALL BE VALUED AND ASSESSED AS FOLLOWS: IN THE CASE OF AGRICULTURAL LAND, INCLUDING A MANUFACTURED HOME, USED FOR A HOMESTEAD, THE FIRST \$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT FIVE PERCENT, THE NEXT \$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT 14 PERCENT, AND THE REMAINING MARKET VALUE SHALL BE VALUED AND ASSESSED AT 19 PERCENT; AND IN THE CASE OF ALL OTHER REAL ESTATE AND MANUFACTURED HOMES, THE FIRST \$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT FIVE PERCENT, THE NEXT \$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT 19 PERCENT, AND THE REMAINING MARKET VALUE SHALL BE VALUED AND ASSESSED AT 30 PERCENT. IN THE CASE OF AGRICULTURAL LAND INCLUDING A MANUFACTURED HOME USED FOR PURPOSES OF A HOMESTEAD, THE COMMISSIONER OF REVENUE SHALL ADJUST, AS PROVIDED IN SECTION 273.1311, THE MAXIMUM AMOUNT OF THE MARKET VALUE OF THE HOMESTEAD BRACKETS SUBJECT TO THE FIVE PERCENT AND 14 PERCENT RATES; AND FOR ALL OTHER REAL ESTATE AND MANUFACTURED HOMES, THE COMMISSIONER OF REVENUE SHALL ADJUST, AS PROVIDED IN SECTION 273.1311, THE MAXIMUM AMOUNT OF THE MARKET VALUE OF THE HOMESTEAD BRACKETS SUBJECT TO THE FIVE PERCENT AND 19 PERCENT RATES. PERMANENTLY AND TOTALLY DISABLED FOR THE PURPOSE OF THIS SUBDIVISION MEANS A CONDITION WHICH IS PERMANENT IN NATURE AND TOTALLY INCAPACITATES THE PERSON FROM WORKING AT AN OCCUPATION WHICH BRINGS HIM AN INCOME. THE PROPERTY TAX TO BE PAID ON CLASS 3CC PROPERTY AS OTHERWISE DETERMINED BY LAW, LESS ANY REDUCTION RECEIVED PURSUANT TO SECTION 273.135 SHALL BE REDUCED BY 54 PERCENT OF THE TAX IMPOSED ON THE FIRST \$67,000 OF MARKET VALUE; PROVIDED THAT THE AMOUNT OF THE REDUCTION SHALL NOT EXCEED \$650.)

For purposes of this subdivision, homestead property which qualifies for the classification ratios and credits provided in this subdivision shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening prop-

erty. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of 1983 or the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

Sec. 9. Minnesota Statutes 1982, section 273.13, subdivision 7b, is amended to read:

Subd. 7b. [CLASS 3F.] Class 3f consists of all buildings and appurtenances thereto owned by the occupant and used by him as a permanent residence which are located upon land the title to which is vested in a person or entity other than the occupant. Such buildings shall be valued and assessed as if they were homestead property within the scope of class 3b (,) or 3c, (OR 3CC,) whichever is applicable.

Sec. 10. Minnesota Statutes 1982, section 273.13, subdivision 7c, is amended to read:

Subd. 7c. [TOWNHOUSES; COMMON AREAS; CONDOMINIUMS; COOPERATIVES.] (a) Townhouse property shall be classified and valued as is other property under this section except that the value of the townhouse property shall be increased by the value added by the right to use any common areas in connection with the townhouse development. The common areas of the development shall not be separately taxed. The total value of the townhouse property, including the value added as provided herein, shall have the benefit of homestead treatment or other special classification if the townhouse otherwise qualifies.

(b) Condominium property qualifying as a homestead under section 515A.1-105 and property owned by a cooperative association that qualifies as a homestead under section 273.133 shall have the benefit of homestead treatment or other special classification if the condominium or cooperative association property otherwise qualifies. In the event that the condominium or cooperative association property is owned by the occupant and used for the purposes of a homestead but is located upon land which is leased, that leased land shall be valued and assessed as if it were homestead property within the scope of class 3c (OR 3CC, WHICHEVER IS APPLICABLE), if all of the following criteria are met:

(1) The occupant is using the property as his permanent residence;

(2) The occupant or the cooperative association is paying the ad valorem property taxes and any special assessment levied against the land and structure;

(3) The occupant or the cooperative association has signed a land lease; and

(4) The term of the land lease is at least 50 years, notwithstanding the fact that the amount of the rental payment may be renegotiated at shorter intervals.

Sec. 11. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7d, is amended to read:

Subd. 7d. [LEASED HOMESTEAD PROPERTY.] Class 3g consists of all buildings and appurtenances located upon land owned by the occupant and used for the purposes of a homestead together with the land upon which they are located. Class 3g property shall be valued and assessed as if it were homestead property within the scope of class 3c (OR 3CC, WHICHEVER IS APPLICABLE), if all of the following criteria are met:

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

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

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

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

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

Sec. 12. Minnesota Statutes 1982, section 273.13, subdivision 8a, is amended to read:

Subd. 8a. [CLASS 3E.] Real estate, rural in character, and used exclusively for the purpose of growing trees for timber, lumber, wood and wood products shall constitute class 3e, and shall be valued and assessed at (19) 21 percent of the market value thereof.

Sec. 13. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 9, is amended to read:

Subd. 9. [CLASS 4A, 4B, 4C, AND 4D.] (1) All property not included in the preceding classes shall constitute class 4a and shall be valued and assessed at (43) 42 percent of the market value thereof, except as otherwise provided in this subdivision.

(2) Real property which is not improved with a structure and which is not utilized as part of a commercial or industrial activity shall constitute class 4b and shall be valued and assessed at (40) 35 percent of market value.

(3) Commercial and industrial property, except as provided in this subdivision, shall constitute class 4c and shall be valued and assessed at (34) 35 percent of the first (\$50,000) \$100,000 of market value and (43) 42 percent of the remainder, provided that in the case of state-assessed commercial or industrial property owned by one person or entity, only one parcel shall qualify for the (34) 35 percent assessment, and in the case of other commercial or industrial property owned by one person or entity, only one parcel in each county shall qualify for the (34) 35 percent assessment.

(4) Employment property defined in section 273.1313, during the period provided in section 273.1313, shall constitute class 4d and shall be valued and assessed at (20 PERCENT OF THE FIRST \$50,000 OF MARKET VALUE AND 21.5) 21 percent (OF THE REMAINDER), except that for employment property located in an enterprise zone designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (3), the (FIRST \$50,000 OF) market value shall be valued and assessed at (31.5 PERCENT AND THE REMAINDER SHALL BE ASSESSED AND VALUED AT 38.5) 35 percent, unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 273.1314, subdivision 9, paragraph (a).

Sec. 14. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 14a, is amended to read:

Subd. 14a. [BUILDINGS AND APPURTENANCES, ON LAND NOT OWNED BY OCCUPANT.] The property tax to be paid in respect of the value of all buildings and appurtenances thereto owned and used by the occupant as a permanent residence, which are located upon land subject to property taxes and the title to which is vested in a person or entity other than the occupant, for all purposes shall be reduced by (54) 50 percent of the amount of the tax (IN RESPECT OF THE VALUE NOT IN EXCESS OF \$67,000 AS OTHERWISE DETERMINED BY LAW), but not by more than (\$650) \$700.

Sec. 15. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 16, is amended to read:

Subd. 16. [HOMESTEAD ESTABLISHED AFTER ASSESSMENT DATE.] (1) Any property which was not used for the purpose of a homestead on the assessment date, but which was used for the purpose of a homestead on June 1 of such year, shall constitute class 3b (,) or class 3c (OR CLASS 3CC), as the case may be, to the extent of one-half of the valuation which would have been includible in such class and one-half the homestead tax credit to which it would have been entitled had the property been used as a homestead on both such dates.

(2) Any taxpayer meeting the requirements of clause (1) must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, prior to June 15 of such year in order to qualify thereunder.

The county assessor and the county auditor are hereby empowered to make the necessary changes on their assessment and tax records to provide for proper homestead classification and credit as provided in clauses (1) and (2).

(3) The owner of any property qualifying under this subdivision, which has not been accorded the benefits of this subdivision, regardless of whether or not the notification required in clause (2) has been timely filed, may be entitled to receive such benefits by proper application as provided in sections 270.07 or 375.192.

The county assessor shall cause to be published in a newspaper of general circulation within the county no later than June 1 of each year a notice to the public informing them of the requirement to file an application for homestead prior to June 15.

Sec. 16. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17, is amended to read:

Subd. 17. [TITLE II OR STATE HOUSING FINANCE AGENCY PROPERTY USED FOR ELDERLY AND LOW AND MODERATE INCOME FAMILIES.] (a) Except as provided in clause (b), a structure situated on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or regulations promulgated by the agency pursuant thereto and financed by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof shall, for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original

term of the loan, be assessed at (20) 21 percent of the market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.

(b) In the case of a structure described in clause (a) with respect to which construction or substantial rehabilitation had not been commenced prior to January 1, 1984, the (20) 21 percent assessment ratio shall apply only to that portion of the structure that is occupied by elderly persons or low and moderate income families as defined above.

Sec. 17. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17b, is amended to read:

Subd. 17b. [VALUATION OF FARMERS HOME ADMINISTRATION PROPERTY IN MUNICIPALITIES OF UNDER 10,000.] (a) Notwithstanding any other provision of law, except as provided in clause (b), any structure

(1) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the farmers home administration,

(2) located in a municipality of less than 10,000 population,

(3) financed by a direct loan or insured loan from the farmers home administration, and

(4) which qualifies under subdivision 17a, shall, for 15 years from the date of the completion of the original construction or for the original term of the loan, be assessed at (FIVE) 14 percent of the market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.

(b) A structure described in clause (a) with respect to which construction had not been commenced prior to January 1, 1984, shall be assessed at (20) 21 percent of its market value, but only in proportion to its occupancy by elderly persons or low and moderate income families as defined above.

Sec. 18. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17c, is amended to read:

Subd. 17c. [VALUATION OF LOWER INCOME HOUSING.] (a) Except as provided in clause (b), a structure which is

(1) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as de-

fined in section 8 of the United States Housing Act of 1937, as amended, and

(2) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel, shall, for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter, be assessed at (20) 21 percent of its market value. The market value determined by the assessor shall be based on the normal approach to value using normal unrestricted rents.

(b) In the case of a structure described in clause (a) with respect to which construction had not been commenced prior to January 1, 1984, the (20) 21 percent assessment ratio shall apply only to that portion of the structure that is occupied by lower income families or elderly or handicapped persons as defined above.

Sec. 19. Minnesota Statutes 1982, section 273.13, subdivision 17d, is amended to read:

Subd. 17d. [NEIGHBORHOOD REAL ESTATE TRUSTS.] When a parcel of land, not to exceed one acre, and its improvements or a parcel of unimproved land, not to exceed one acre, are owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by lower income families, the land and improvements, if any, shall be assessed at (20) 21 percent of the market value. This subdivision shall not apply to any portion of the land or improvements used for nonresidential purposes.

For purposes of this subdivision, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area as determined by the U.S. Secretary of Housing and Urban Development.

For purposes of this subdivision, neighborhood real estate trust means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics: (a) it is a nonprofit corporation organized under chapter 317; (b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws; (c) it limits membership with voting rights to residents of the designated community; and (d) it has a board of directors consisting of at least seven directors, 60 percent of whom are members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust.

Sec. 20. Minnesota Statutes 1982, section 273.13, subdivision 19, is amended to read:

Subd. 19. [CLASS 3D, 3DD.] Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to (36) 28 percent on the first \$100,000 of market value (FOR TAXES LEVIED IN 1981) and (34) 35 percent (OF MARKET VALUE FOR TAXES LEVIED IN 1982 AND THEREAFTER) on the remainder. Residential real estate containing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to (28) 21 percent on the first \$60,000 of market value and 28 percent on the remainder of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for rental periods of 30 days or more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

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

Sec. 21. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 20, is amended to read:

Subd. 20. [TAXATION; APARTMENTS; ASSESSED VALUE; APARTMENT HOUSING OF TYPE I OR II CONSTRUCTION.] That portion of real property subject to a general property tax and assessed as a structure upon the land shall, when such structure is constructed with materials meeting the requirements for type I or II construction as defined in the state building code, 90 percent or more is used or is to be used as apartment housing, and no part of which is subject to the provisions of subdivisions 7, 17, 17b, 17c, and 17d be classified for the purposes of taxation for a period of 40 years from the date of completion of original construction, or the date of initial though partial use, whichever is the earlier date, when the structure is of a height of five or more stories that part, section, floor or area used or to be used for apartment housing shall be valued and assessed at (25) 28 percent of the market value.

Sec. 22. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 21, is amended to read:

Subd. 21. [LIMITATION ON HOMESTEAD CLASSIFICATION.] If the assessor has classified property as both homestead and nonhomestead, only the values attributable to the portion of the property classified as 3b (,) or 3c (, OR 3CC) shall be entitled to homestead treatment.

Except for buildings containing fewer than three units classified pursuant to section 273.13, subdivision 19, if the portion of a building used as the owner's homestead is separate from other dwelling units in the building, only the owner's residence plus the land attributable to the residence is to receive either the 3b (,) or 3c (, OR 3CC) classification.

Sec. 23. Minnesota Statutes 1983 Supplement, section 273.135, subdivision 1, is amended to read:

Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area on class 3b property (,) and on class 3c property (, AND ON CLASS 3CC PROPERTY), as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Sec. 24. Minnesota Statutes 1983 Supplement, section 273.1391, subdivision 1, is amended to read:

Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area described in subdivision 2 on class 3b property (,) and on class 3c property (, AND ON CLASS 3CC PROPERTY), as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Sec. 25. Minnesota Statutes 1982, section 273.42, subdivision 2, is amended to read:

Subd. 2. Owners of land defined as class 3, 3b, 3c, (3CC,) 3d or 3f pursuant to section 273.13 listed on records of the county auditor or county treasurer over which runs a high voltage transmission line as defined in section 116C.52, subdivision 3, except a high voltage transmission line the construction of which was commenced prior to July 1, 1974, shall receive a property tax credit in an amount determined by multiplying a fraction, the numerator of which is the length of high voltage transmission line which runs over that parcel and the denominator of which is the total length of that particular line running over all property within the city or township by ten percent of the transmission line tax revenue derived from the tax on that portion of the line within the city or township pursuant to section 273.36. In the

case of property owners in unorganized townships, the property tax credit shall be determined by multiplying a fraction, the numerator of which is the length of the qualifying high voltage transmission line which runs over the parcel and the denominator of which is the total length of the qualifying high voltage transmission line running over all property within all the unorganized townships within the county, by the total utility property tax credit fund amount available within the county for that year pursuant to section 273.42, subdivision 1. Where a right-of-way width is shared by more than one property owner, the numerator shall be adjusted by multiplying the length of line on the parcel by the proportion of the total width on the parcel owned by that property owner. The amount of credit for which the property qualifies shall not exceed 20 percent of the total gross tax on the parcel prior to deduction of the state paid agricultural credit and the state paid homestead credit, provided that, if the property containing the right of way is included in a parcel which exceeds 40 acres, the total gross tax on the parcel shall be multiplied by a fraction, the numerator of which is the sum of the number of acres in each quarter-quarter section or portion thereof which contains a right of way and the denominator of which is the total number of acres in the parcel set forth on the tax statement, and the maximum credit shall be 20 percent of the product of that computation, prior to deduction of those credits. The auditor of the county in which the affected parcel is located shall calculate the amount of the credit due for each parcel and transmit that information to the county treasurer. The county auditor, in computing the credits received pursuant to sections 273.13 and 273.135, shall reduce the gross tax by the amount of the credit received pursuant to this section, unless the amount of the credit would be less than \$10.

If, after the county auditor has computed the credit to those qualifying property owners in unorganized townships, there is money remaining in the utility property tax credit fund, then that excess amount in the fund shall be returned to the general school fund of the county.

Sec. 26. [REPEALER.]

Minnesota Statutes 1983 Supplement, sections 273.1311 and 273.1315, are repealed.

Sec. 27. [EFFECTIVE DATE.]

The removal of the agricultural aid maximum in section 2 is effective for the 1983 assessment and thereafter, taxes payable 1984 and thereafter. The agricultural aid percentage increases in section 2 and sections 1 and 3 to 26 are effective for taxes levied in 1984 and thereafter, payable in 1985 and thereafter."

Further, amend the title as follows:

Page 1, line 17, after "1984;" insert "changing the state school agricultural credit, homestead credits, and property classification ratios; abolishing class 3cc; reducing the basic maintenance school mill rate;"

Page 1, line 30, delete "changing the classification ratio maximum"

Page 1, line 31, delete "value on commercial and industrial property;"

Page 2, line 18, after the second "subdivisions" insert "2, 5a, 7b, 7c, 8a," and after "9" insert ", 17d"

Page 2, line 18, after "19;" insert "273.42, subdivision 2;"

Page 2, line 29, after "6;" insert "124.2122;"

Page 2, line 30, after the first "subdivisions" insert "4,"

Page 2, line 30, after "6" insert ", 6a, 7, 7d, 9, 14a, 16, 17, 17b, 17c, 20,"

Page 2, line 31, after "15;" insert "273.135, subdivision 1; 273.1391, subdivision 1;"

Page 2, line 48, after "7;" insert "273.1311; 273.1315;"

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 58 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Findlay	Hokr	Onnen	Sherman
Bennett	Fjoslien	Jennings	Pauly	Sviggum
Bishop	Forsythe	Johnson	Piepho	Thiede
Blatz	Frerichs	Knickerbocker	Quist	Uphus
Boo	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	Hoffman	Omann	Shaver	

Those who voted in the negative were:

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

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

Himle; Olsen; Blatz; Jennings; Metzen; Rodriguez, C.; Schreiber; Valento; Kvam; Cohen; Seaberg and Bennett offered an amendment to H. F. No. 2016, the first engrossment, as amended.

POINT OF ORDER

Vanasek raised a point of order pursuant to rule 3.10 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

H. F. No. 2016, A bill for an act relating to taxation; repealing the income tax surtax; modifying the designation of enterprise zones; increasing the funding for enterprise zones; modifying the definition of political party under the political contribution credit; providing an income tax credit for conservation tillage farm equipment; eliminating racehorses from the farm loss modification; permitting certain net operating loss carrybacks; permitting deduction of certain foreign taxes paid; allowing deduction of foreign dividends and royalties; modifying the definition of apportionment factors; restricting tax exemptions for redevelopment companies; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; modifying the maximum targeting credit for payable 1984; providing a targeting credit for payable 1985; changing computation of certain local government aid payments; directing the department of revenue to issue guidelines on certain topics; instructing the commissioner to determine production value ratio; authorizing certain additional levies in counties; modifying the use of the sales ratio study as evidence in court; changing the methodology of the sales ratio study; changing certain property tax appeal procedures; imposing requirements for disaster relief credits; increasing agricultural aid to certain property; modifying the homestead credit provisions for certain property and providing refunds; changing the classification

ratio maximum value on commercial and industrial property; limiting the property tax exemption for certain projects; repealing the exemption for franchise and special taxes and fees for certain projects; modifying the property tax refund with respect to certain claims; repealing rent capitalization; changing the estate tax; allowing the commissioner more discretion in valuing railroad property; providing for equalization of railroad valuations; authorizing the Ramsey-Washington metro watershed district to establish a maintenance and repair fund and levy taxes; creating the Croft historical park board; authorizing the board to levy taxes; authorizing the city of Cloquet to levy taxes for certain transit expenses; authorizing the conveyance of certain land in St. Louis County; clarifying the application of the mortgage registry tax to revolving lines of credit; changing the procedures for refunds of the motor fuels tax; reducing the sales tax rate for purchases of capital equipment and manufactured housing; exempting agricultural electricity, residential hot water district heating, and used manufactured housing from the sales tax; exempting certain sales by nonprofit organizations from the sales tax; exempting residential district heating from the St. Paul franchise tax; repealing the accelerated payment of sales tax; transferring motor vehicle excise tax proceeds to the highway user and transit funds; providing for the priority of certain liens securing revolving lines of credit; increasing the interest rate on state tax refunds; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 124.2131, subdivision 1; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.07, subdivision 5; 271.01, subdivision 5; 271.06, subdivision 6; 271.12; 273.123, by adding subdivisions; 273.13, subdivisions 9 and 19; 287.05, by adding subdivisions; 290.01, subdivision 20e; 290.06, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.92, subdivision 11; 290.936; 290A.04, by adding a subdivision; 290A.07, subdivision 2a; 291.075; 291.09, subdivision 1a; 291.132, subdivision 2; 291.18; 291.215, subdivision 1; 294.09, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, by adding subdivisions; 297A.15, by adding a subdivision; 297B.035, subdivision 3; 298.09, subdivision 4; 299.05; 462.651, subdivision 1, and by adding a subdivision; and 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6 and 21; 273.1314, subdivisions 6, 8, and 15; 278.01, subdivision 1; 278.05, subdivision 4; 290.06, subdivision 11; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9; 290A.03, subdivisions 8 and 13; 290A.04, subdivision 2e, and by adding a subdivision; 290A.05; 290A.07, subdivision 3; 291.005, subdivision 1; 291.03, subdivision 1; 291.09, subdivision 3a; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297A.27, subdivision 1; 297A.35, subdivision 1; 297B.09; and 477A.013, subdivision 1; Laws 1979, chapter 189, section 2; proposing new law coded in Minnesota Statutes, chapters 270,

507 and 508; repealing Minnesota Statutes 1982, sections 270.90; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; 291.111; and 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivisions 2e and 13; 297A.275; and 462.651, subdivision 3; and Laws 1983, chapter 342, article 1, section 8.

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

The question was taken on the passage of the bill and the roll was called.

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

There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

GENERAL ORDERS

Vanasek 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 Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

Rice from the Committee on Appropriations to which was referred:

H. F. No. 1707, A bill for an act relating to gambling; creating a charitable gambling control board and prescribing its powers and duties; imposing a tax on the gross receipts of charitable gambling; making an annual appropriation; prescribing penalties; amending Minnesota Statutes 1982, sections 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; and 349.31, subdivision 1; Minnesota Statutes 1983 Supplement, sections 340.14, subdivision 2; 609.75, subdivision 3; and 609.761; proposing new law coded in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1982, section 349.26.

Reported the same back with the following amendments:

Page 20, line 10, after "*proceeds*" insert " *, along with the revenue received from all license fees and other fees under sections 349.11 to 349.21 and sections 16, 17, and 18 of this act,*"

Page 20, line 18, after "*the*" insert "*department of education in consultation with the*"

Page 20, line 19, delete "*the*" and insert "*art programs, or for*"

Page 20, line 21, after "*state*" insert " *, or the purposes recommended by the task force*"

Page 23, line 30, delete "\$" and insert "\$556,000"

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

The report was adopted.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Clark, J., introduced:

H. F. No. 2318, A bill for an act relating to health; prohibiting discrimination by health maintenance organizations against optometrists; providing penalties; amending Minnesota Statutes 1982, section 62D.12, by adding a subdivision.

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

Sviggum, Onnen and Elioff introduced:

H. F. No. 2319, A bill for an act relating to public welfare; limiting the income contribution of parents of children in out-of-home placement; amending Laws 1983, chapter 312, article 1, section 2, subdivision 5.

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

Kelly introduced:

H. F. No. 2320, A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, consumption, possession and furnishing; amending Minnesota Statutes 1982, sections 340.02, subdivision 8; 340.035, subdivision 1; 340.119, subdivision 2; 340.13, subdivision 12; 340.14, subdivision 1a; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

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

Osthoff introduced:

H. F. No. 2321, A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, consumption, possession and furnishing; amending Minnesota Statutes 1982, sections 340.02, subdivision 8; 340.035, subdivision 1; 340.119, subdivision 2; 340.13, subdivision 12; 340.14, subdivision 1a; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

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

MOTIONS AND RESOLUTIONS

Dempsey moved that the name of Shea be added as an author on H. F. No. 1736. The motion prevailed.

Schafer moved that H. F. No. 473 be returned to its author. The motion prevailed.

Kahn; Clark, K.; Greenfield; Brandl and Vellenga introduced:

House Resolution No. 30, A house resolution expressing shock and outrage at the policy of the Reagan administration in Nicaragua.

The resolution was referred to the Committee on Rules and Legislative Administration.

McDonald introduced:

House Resolution No. 31, A house resolution congratulating the Waconia High School Marching Band for being invited to represent Minnesota at Winnipeg's Red River Exhibition and the 1984 Fiesta Bowl.

The resolution was referred to the Committee on Rules and Legislative Administration.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1405:

Blatz, Quinn and Knuth.

ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 1:00 p.m., Thursday, April 12, 1984. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Thursday, April 12, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives