

## STATE OF MINNESOTA

## SEVENTY-FOURTH SESSION - 1985

## FORTY-FIRST DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 18, 1985

The House of Representatives convened at 2:00 p.m. and was called to order by David M. Jennings, Speaker of the House.

Prayer was offered by Pastor Mervin E. Thompson, Prince of Peace Lutheran Church, Burnsville, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Ellingson	Krueger	Otis	Sherman
Anderson, R.	Erickson	Kvam	Ozment	Simoneau
Backlund	Fjoslien	Levi	Pappas	Skoglund
Battaglia	Forsythe	Lieder	Pauly	Solberg
Beard	Frederick	Long	Peterson	Sparby
Becklin	Frederickson	Marsh	Piepho	Stanius
Begich	Frerichs	McDonald	Piper	Staten
Bennett	Greenfield	McEachern	Poppenhagen	Svigum
Bishop	Gruenes	McKasy	Price	Thiede
Blatz	Cutknecht	McLaughlin	Quinn	Thorson
Boerboom	Halberg	McPherson	Quist	Tjornhom
Boo	Hartinger	Meizen	Redalen	Tomlinson
Brandl	Hartle	Miller	Rees	Tompkins
Brinkman	Haukoos	Minne	Rest	Tunheim
Brown	Heap	Munger	Rice	Uphus
Burger	Himle	Murphy	Richter	Valan
Carlson, D.	Jacobs	Nelson, D.	Riveness	Valento
Carlson, J.	Jaros	Nelson, K.	Rodosovich	Vanasek
Carlson, L.	Jennings, L.	Neuenschwander	Rose	Vellenga
Clark	Johnson	Norton	Sarna	Voss
Clausnitzer	Kahn	O'Connor	Schafer	Waltman
Cohen	Kalis	Ogren	Scheid	Welle
Dempsey	Kelly	Olsen, S.	Schoenfeld	Wenzel
DenOuden	Kiffmeyer	Olson, E.	Schreiber	Wynia
Dimler	Knickerbocker	Omann	Seaberg	Zaffke
Dyke	Knuth	Onnen	Segal	Spk. Jennings, D.
Elioff	Kostohryz	Osthoff	Shaver	

A quorum was present.

The Chief Clerk proceeded to read the Journals of the preceding days. Olsen, S., moved that further reading of the Journals be dispensed with and that the Journals 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. 102, 456, 782 and 1338 and S. F. Nos. 448, 569, 1045, 221 and 384 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

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

H. F. No. 529, A bill for an act relating to state and local government; providing procedures for the conduct of meetings by public bodies; proposing coding for new law as Minnesota Statutes, chapter 471A; repealing Minnesota Statutes 1984, section 471.705.

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 601, A bill for an act relating to real property; clarifying notice period required for cancellation of contract for deed; amending Minnesota Statutes 1984, section 559.21, subdivisions 1 and 2, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 559.21, is amended by adding a subdivision to read:

*Subd. 2a. [DEFAULT; TERMINATION.] When default is made in the conditions of any contract for the conveyance of real estate or any interest therein whereby the vendor has a right to terminate it, the vendor may do so by serving upon the purchaser, the purchaser's personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that the contract will terminate 60 days after the service of the notice unless prior thereto the purchaser complies with the conditions and makes all payments due and owing to the vendor under the contract through the date payment is made and pays the costs of service, together with two percent of any amount in default other than balloon payment, not including any taxes, assessments,*

*mortgages, or prior contracts for deed that are assumed by the purchaser, and an amount to apply on attorney's fees actually expended or incurred, of \$150 when the amount in default is less than \$1,000, and of \$250 when the amount in default is \$1,000 or more; provided, however, that no amount is required to be paid for attorney's fees as provided hereunder, unless some part of the conditions of default has existed at least 30 days prior to the date of service of the notice; and further provided that no costs of service are due unless the vendor notifies the purchaser of actual costs of service by certified mail to the purchaser's last known address at least ten days prior to the date of termination.*

Sec. 2. Minnesota Statutes 1984, section 559.21, subdivision 3, is amended to read:

Subd. 3. For purposes of this section, the term "notice" means a writing stating the information required in this section, stating the name, address and telephone number of the vendor or of an attorney authorized by the vendor to accept payments pursuant to the notice and the fact that the person named is authorized to receive the payments, and including the following information in 12 point or larger bold type or in large legible handwritten letters:

((A) FOR CONTRACTS EXECUTED PRIOR TO MAY 1, 1980:)

(THIS NOTICE IS TO INFORM YOU THAT BY THIS NOTICE THE SELLER HAS BEGUN PROCEEDINGS UNDER MINNESOTA STATUTES, SECTION 559.21, TO TERMINATE YOUR CONTRACT FOR DEED FOR THE REASONS SPECIFIED IN THIS NOTICE. THE CONTRACT WILL TERMINATE \_\_\_\_\_ DAYS AFTER (SERVICE OF THIS NOTICE UPON YOU) (THE FIRST DATE OF PUBLICATION OF THIS NOTICE) UNLESS BEFORE THEN THE PERSON AUTHORIZED IN THIS NOTICE TO RECEIVE PAYMENTS RECEIVES FROM YOU THE AMOUNT THIS NOTICE SAYS YOU OWE PLUS THE COSTS OF SERVICE OF THIS NOTICE TOGETHER WITH THE MORTGAGE REGISTRATION TAX OF \$ \_\_\_\_\_ AND \$ \_\_\_\_\_. TO APPLY TO ATTORNEYS' FEES ACTUALLY EXPENDED OR INCURRED; OR UNLESS BEFORE THEN YOU SECURE FROM A COUNTY OR DISTRICT COURT AN ORDER THAT THE TERMINATION OF THE CONTRACT BE SUSPENDED UNTIL YOUR CLAIMS OR DEFENSES ARE FINALLY DISPOSED OF BY TRIAL, HEARING OR SETTLEMENT. YOUR ACTION MUST SPECIFICALLY STATE THOSE FACTS AND GROUNDS THAT DEMONSTRATE YOUR CLAIMS OR DEFENSES. IF YOU DO NOT DO ONE OR THE OTHER OF THE ABOVE THINGS WITHIN THE TIME PERIOD SPECIFIED IN THIS NOTICE, YOUR CONTRACT WILL TERMINATE AT THE END OF THE PERIOD AND YOU WILL LOSE ALL THE MONEY YOU HAVE PAID

ON THE CONTRACT; YOU WILL LOSE YOUR RIGHT TO POSSESSION OF THE PROPERTY; YOU MAY LOSE YOUR RIGHT TO ASSERT ANY CLAIMS OR DEFENSES THAT YOU MIGHT HAVE; AND YOU WILL BE EVICTED. IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, CONTACT AN ATTORNEY IMMEDIATELY.)

((B) FOR CONTRACTS EXECUTED ON OR AFTER MAY 1, 1980:)

THIS NOTICE IS TO INFORM YOU THAT BY THIS NOTICE THE SELLER HAS BEGUN PROCEEDINGS UNDER MINNESOTA STATUTES, SECTION 559.21, TO TERMINATE YOUR CONTRACT FOR DEED FOR THE REASONS SPECIFIED IN THIS NOTICE. THE CONTRACT WILL TERMINATE \_\_\_\_\_ DAYS AFTER (SERVICE OF THIS NOTICE UPON YOU) (THE FIRST DATE OF PUBLICATION OF THIS NOTICE) UNLESS BEFORE THEN THE PERSON AUTHORIZED IN THIS NOTICE TO RECEIVE PAYMENTS RECEIVES FROM YOU THE AMOUNT THIS NOTICE SAYS YOU OWE PLUS ANY ADDITIONAL PAYMENTS DUE UNDER THE CONTRACT TO THE SELLER SINCE THE NOTICE WAS SERVED PLUS THE COSTS OF SERVICE (OF THIS NOTICE) TOGETHER WITH (THE MORTGAGE REGISTRATION TAX OF) \$ \_\_\_\_\_ (TWO PERCENT OF THE AMOUNT IN DEFAULT) AND \$ \_\_\_\_\_ TO APPLY TO ATTORNEYS' FEES ACTUALLY EXPENDED OR INCURRED; OR UNLESS BEFORE THEN YOU SECURE FROM A COUNTY OR DISTRICT COURT AN ORDER THAT THE TERMINATION OF THE CONTRACT BE SUSPENDED UNTIL YOUR CLAIMS OR DEFENSES ARE FINALLY DISPOSED OF BY TRIAL, HEARING OR SETTLEMENT. YOUR ACTION MUST SPECIFICALLY STATE THOSE FACTS AND GROUNDS THAT DEMONSTRATE YOUR CLAIMS OR DEFENSES. IF YOU DO NOT DO ONE OR THE OTHER OF THE ABOVE THINGS WITHIN THE TIME PERIOD SPECIFIED IN THIS NOTICE, YOUR CONTRACT WILL TERMINATE AT THE END OF THE PERIOD AND YOU WILL LOSE ALL THE MONEY YOU HAVE PAID ON THE CONTRACT; YOU WILL LOSE YOUR RIGHT TO POSSESSION OF THE PROPERTY; YOU MAY LOSE YOUR RIGHT TO ASSERT ANY CLAIMS OR DEFENSES THAT YOU MIGHT HAVE; AND YOU WILL BE EVICTED. IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, CONTACT AN ATTORNEY IMMEDIATELY.

Sec. 3. Minnesota Statutes 1984, section 559.21, subdivision 4, is amended to read:

Subd. 4. The notice required by this section must be given notwithstanding any provisions in the contract to the contrary, and shall be served within the state in the same manner as a summons in the district court, without the state, in the same manner,

and without securing any sheriff's return of not found, making any preliminary affidavit, mailing a copy of the notice or doing any other preliminary act or thing whatsoever. Service of the notice without the state may be proved by the affidavit of the person making the same, made before an authorized officer having a seal, and within the state by such an affidavit or by the return of the sheriff of any county therein.

Three weeks published notice, and if the premises described in the contract are actually occupied, then in addition thereto, the personal service of a copy of the notice within ten days after the first date of publication of the notice, and in like manner as the service of a summons in a civil action in the district court upon the person in possession of the premises, has the same effect as the personal service of the notice upon the purchaser, his personal representatives or assigns, either within or without the state as herein provided for. In case of service by publication, as herein provided, the notice shall specify the conditions in which default has been made and state that the contract will terminate (90) 60 days after the first date of publication of the notice, unless prior thereto the purchaser complies with the conditions and (, IF REQUIRED PURSUANT TO SUBDIVISION 2,) makes all payments due and owing to the vendor under the contract through the date payment is made and pays the costs of service, (THE MORTGAGE REGISTRATION TAX, IF ACTUALLY PAID BY THE VENDOR) *two percent of the amount in default other than balloon payment*, and attorneys' fees as provided herein, and the purchaser, his personal representatives or assigns, shall be allowed (90) 60 days from and after the first date of publication of the notice to comply with the conditions of the contract.

If, within the time mentioned, the person served complies with the conditions and (, IF REQUIRED PURSUANT TO SUBDIVISION 2,) makes all payments due and owing to the vendor under the contract through the date payment is made and pays the costs of service, (THE MORTGAGE REGISTRATION TAX, IF ACTUALLY PAID BY THE VENDOR) *two percent of the amount in default other than balloon payment*, and attorneys' fees as provided herein, the contract shall be thereby reinstated; but otherwise shall terminate. In the event that the notice was not signed by an attorney for the vendor and the vendor is not present in the state, or cannot be found therein, then compliance with the conditions specified in the notice may be made by paying to the clerk of the district court in the county wherein the real estate or any part thereof is situated any money due and filing proof of compliance with other defaults specified, and the clerk of the district court shall be deemed the agent of the vendor for such purposes. A copy of the notice with proof of service thereof, and the affidavit of the vendor, his agent or attorney, showing that the purchaser has not complied with the terms of the notice, may be recorded with the county recorder, and is prima facie evidence of the facts therein stated; but this

section in no case applies to contracts for the sale or conveyance of lands situated in another state or in a foreign country.

Sec. 4. Minnesota Statutes 1984, section 559.21, subdivision 6, is amended to read:

Subd. 6. [TEMPORARY (MINIMUM) *ADDITIONAL NOTICE.*] Notwithstanding the provisions of any other law to the contrary, (NO CONTRACT FOR CONVEYANCE OF HOMESTEAD PROPERTY, AS DEFINED IN SECTION 583.02, SHALL TERMINATE UNTIL 60 DAYS AFTER SERVICE OF NOTICE IF THE NOTICE IS SERVED AFTER MAY 24, 1983, AND PRIOR TO MAY 1, 1985, OR 90 DAYS AFTER SERVICE OF NOTICE IF THE CONTRACT WAS ENTERED INTO AFTER MAY 1, 1980 AND THE CONTRACT VENDEE HAS PAID 25 PERCENT OR MORE OF THE PURCHASE PRICE. THE NOTICE SHALL SPECIFY THIS 60- OR 90-DAY PERIOD. THE) *a notice for a contract for conveyance of homestead property, as defined in section 583.02, shall include a statement that the borrower may be eligible for an extension of the time prior to (FORECLOSURE AND EXECUTION SALE) termination under sections 583.01 to 583.12. This section does not apply to earnest money contracts, purchase agreements or exercised options.*

Sec. 5. Minnesota Statutes 1984, section 559.21, is amended by adding a subdivision to read:

Subd. 8. [ATTORNEY AS AGENT.] *Any attorney expressly authorized by the vendor to receive payments in the notice of cancellation under this section is designated as the attorney who may receive service as agent for the vendor of all summons, complaints, orders, and motions made in conjunction with an action by the vendee to restrain the cancellation.*

Sec. 6. [REPEALER.]

*Minnesota Statutes 1984, sections 287.02; and 559.21, subdivisions 1, 1a, and 2, are repealed.*

Sec. 7. [EFFECTIVE DATE.]

*This act is effective August 1, 1985, and applies to contracts for the conveyance of real estate or any interest therein executed before, on, or after that date."*

Amend the title as follows:

Page 1, line 2, delete "clarifying" and insert "changing"

Page 1, line 3, after the semicolon, insert "designating vendor's attorney as an agent; eliminating the mortgage registration tax on contracts for deed;"

Page 1, line 5, delete "1 and 2" and insert "3, 4, and 6"

Page 1, line 5, delete "a subdivision" and insert "subdivisions; repealing Minnesota Statutes 1984, sections 287.02; and 559.21, subdivisions 1, 1a, and 2"

With the recommendation that when so amended the bill pass.

The report was adopted.

Schreiber from the Committee on Taxes to which was referred:

H. F. No. 610, A bill for an act relating to local government; providing for transfer of certain federal payments in lieu of taxes from the county to the city or town; proposing coding for new law in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [471.653] [DISTRIBUTION OF CERTAIN FEDERAL PAYMENTS.]

*Federal payment in lieu of taxes on entitlement lands made pursuant to United States Code, title 31, sections 6901 to 6906 must be transferred by a county to the home rule or statutory city or town where the entitlement land is located if the county board determines that the statutory or home rule city or town is the principal provider of governmental services affecting the use of entitlement lands and if the total annual federal payment to the county is \$5,000 or more. The county board shall make its determination based on factors which must include: (1) whether the city or town has at least 80 acres of land within the entitlement lands; (2) whether city or town roads are the primary access to the entitlement lands; (3) whether the city or town provides specific services to the entitlement lands such as fire protection, police protection, and search and rescue services; and (4) whether the city or town is primarily responsible for land use planning and official controls.*

*The distribution of federal payment in lieu funds shall be made by the county board to a qualifying city or town in the proportion that the acreage of entitlement land located in each bears to the total acreage of entitlement land in the county. If more than 30 percent of entitlement acreage in a county is located in qualifying cities or towns, there shall be a pro rata reduction in each qualifying city or town's share, so that only 30 percent of the total county payment is distributed.*

## Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective January 1, 1986."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson, D., from the Committee on Transportation to which was referred:

H. F. No. 863, A bill for an act relating to transportation; specifying the method of payment for landscape contractors providing goods or services to the department of transportation; amending Minnesota Statutes 1984, section 161.32, by adding a subdivision.

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

The report was adopted.

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

H. F. No. 961, A bill for an act relating to water; providing for comprehensive local water management; requiring counties to develop and implement county water and related land resources plans; authorizing the water resources board to make comprehensive water planning grants to counties; providing additional authorities to counties; providing additional duties of the water resources board; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 110B.

Reported the same back with the following amendments:

Page 2, line 16, after the second comma insert "*watershed districts,*"

Page 2, line 20, delete "*, excluding watershed districts*"

Page 2, after line 28, insert:

"Subd. 8. [WATERSHED MANAGEMENT ORGANIZATION.] "*Watershed management organization*" means an organization as defined in section 473.876."

Renumber the subdivisions in sequence



Page 3, line 19, after "*counties*" insert "*and watershed management organizations*"

Page 5, lines 30 and 31, delete "*, as defined in section 473.876,*"

Page 7, line 20, before the period insert "*and shall make grants to watershed management organizations for water planning under sections 473.878 and 473.879*"

Page 7, line 20, delete everything after the period

Page 7, line 21, delete everything before "*may*" and insert "*Counties*"

Page 7, line 23, after the period insert "*Watershed management organizations may contract with other local units of government to complete planning responsibilities under sections 473.878 and 473.879.*"

Page 7, line 26, delete everything before the semicolon

Page 8, line 4, before the period insert "*and sections 473.878 and 473.879*"

Page 8, line 6, delete "*in implementing sections 1 to 15*"

Page 8, line 11, delete "*sections 1 to 15*" and insert "*this section*"

Page 8, line 34, delete everything after "*429*"

Page 8, delete line 35

Page 8, line 36, delete "*apply*"

Page 9, lines 28 and 29, delete "*90 days*" and insert "*one year*"

Page 10, line 8, after "*by*" insert "*a watershed district or*"

Page 10, line 13, after "*county*" insert "*(a) responsible for the appointment of a manager serving on the watershed board, or (b)*"

Page 12, delete line 15

Page 12, line 16, delete everything before the period and insert "*judge shall assess equally to the parties those costs assessed under section 14.53, including the cost of any transcript and the compensation for the law judge and his staff*"

Page 12, line 22, after the period insert "*Nothing in this section supersedes the provisions of sections 104.04, subdivision 5; 104.35, subdivision 3; 104.36, subdivision 1; and 105.485, subdivisions 4 and 6.*"

Page 12, lines 24 and 34, after "14" insert ", *except sections 4, subdivision 2, paragraph (a); and 6,*"

Page 12, delete line 36

Page 13, delete lines 1 and 2

With the recommendation that when so amended the bill pass.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1014, A bill for an act relating to watercraft; requiring titling for certain watercraft; regulating perfection of security interests in watercraft; proposing coding for new law as Minnesota Statutes, chapter 361A.

Reported the same back with the following amendments:

Page 3, line 4, delete "*less than 12 feet*" and insert "*16 feet, three inches*" and after "*length*" insert "*or less,*"

Amend the title as follows:

Page 1, line 4, after the semicolon insert "prescribing fees; prescribing penalties; 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.

Erickson from the Committee on Education to which was referred:

H. F. No. 1051, A bill for an act relating to education; creating a legislative commission to study the Minnesota schools for the deaf and blind.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Appropriations without recommendation.

The report was adopted.

Pursuant to House Rule No. 9.3, H. F. No. 1051 was re-referred to the Committee on Rules and Legislative Administration.

Schreiber from the Committee on Taxes to which was referred :

H. F. No. 1055, A bill for an act relating to lawful gambling; transferring certain functions of the charitable gambling control board to local units of government and to the commissioner of revenue; imposing penalties; amending Minnesota Statutes 1984, section 340.14, subdivision 2; 349.12, subdivision 11 and by adding subdivisions; 349.14; 349.151; 349.16; 349.161; 349.162; 349.17; 349.18, subdivisions 1 and 2; 349.19, subdivisions 5 and 6, and by adding a subdivision; 349.20; 349.21; 349.211, subdivisions 3 and 4; 349.213, subdivision 1; 349.214, subdivisions 1 and 2; 349.22, subdivision 2; 349.31, subdivision 1; 609.75, subdivision 3; and 609.761; repealing Minnesota Statutes 1984, sections 349.19, subdivision 4; 349.212; and 349.213, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 297C.

Reported the same back with the following amendments:

Page 2, line 13, after the period insert *"Nothing in this section prohibits an organization licensed under chapter 349 from conducting bingo in a leased room located in an establishment holding a club on-sale intoxicating liquor license if no alcoholic beverages are sold, served, or consumed in the room."*

Page 3, after line 6, insert:

"Sec. 3. Minnesota Statutes 1984, section 349.12, subdivision 13, is amended to read:

Subd. 13. "Profit" means the gross receipts collected from lawful gambling, less reasonable sums necessarily and actually expended for gambling supplies and equipment, prizes, rent, (AND) *the cost of any food or nonalcoholic beverages provided at the event*, utilities used during the gambling occasions, compensation paid to members for conducting gambling, taxes imposed by this chapter, and maintenance of devices used in lawful gambling."

Page 5, line 7, delete "and"

Page 5, after line 7, insert:

*"(7) to prescribe the form of applications for licenses issued by local units of government to organizations to conduct lawful gambling and to distribute copies of the form; and"*

Page 5, line 8, strike "(7)" and insert "(8)"

Page 6, line 23, after the period insert "*Applications for licenses under this section must be on a form prescribed by the board.*"

Page 9, line 9, after the period insert "*At the request of the board, the commissioner will provide copies of monthly reports, records, and other documents of a distributor to the board.*"

Page 11, line 22, after the period insert "*At the request of the commissioner, the board will provide copies of the reports to the commissioner.*"

Page 16, lines 32 and 33, delete "*fair market value or suggested retail price, whichever is greater.*" and insert "*the actual cost the organization paid for the merchandise.*"

Page 17, line 25, after "297C.03" insert ", 297C.05"

Page 17, line 25, delete "297C.13" and insert "297C.09"

Page 22, line 7, after "state," insert "*the lawful gambling board,*"

Page 22, lines 19 to 26, delete section 14 and insert:

"Sec. 14. [EFFECTIVE DATE.]

*Sections 1 to 13 are effective June 1, 1985."*

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

The report was adopted.

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

H. F. No. 1074, A bill for an act relating to state departments and agencies; appointing a new Minnesota zoo board; establishing a gift account and a special revenue fund; directing a study of the governance structure; amending Minnesota Statutes 1984, sections 85A.01, subdivisions 1 and 2; 85A.02, subdivisions 3, 4, 5, 7, 12, 16, and by adding subdivisions; 85A.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 85A; repealing Minnesota Statutes 1984, sections 85A.01, subdivision 1a; 85A.03; and 85A.04, subdivision 1.

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

The report was adopted.

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

H. F. No. 1213, A bill for an act relating to economic development; creating an enterprise zone to be designated by the city of Cottage Grove.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1

Page 2, line 3, delete "Sec. 2." and insert "Section 1."

Page 2, line 15, delete everything after "is"

Page 2, delete lines 16 to 21 and insert "*subject to Minnesota Statutes, section 273.1314, subdivisions 9 to 17, and is considered to have been designated an enterprise zone by the commissioner of energy and economic development within the meaning of those subdivisions. The enterprise zone is not subject to the funding limitations of section 273.1314, subdivision 8.*"

Page 2, after line 21, insert:

*"(b) The commissioner shall not certify any tax reductions provided in section 273.1314, subdivision 9, unless the commissioners of revenue and energy and economic development receive and approve an application for tax credits which will result in an increase of at least 4,000 direct jobs within the boundaries of the proposed zone. The designation of the zone will cease to exist unless such application is received by December 31, 1986."*

Reletter the paragraphs in sequence

Page 2, line 22, delete "section" and insert "subdivision"

Page 2, line 30, delete "Sec. 3. [LOCAL APPROVAL.]" and insert "Sec. 2. [EFFECTIVE DATE.]"

Page 2, line 31, delete everything after "effective"

Page 2, delete lines 32 and 33 and insert "*the day following final enactment.*"

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

The report was adopted.

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

H. F. No. 1225, A bill for an act relating to commerce; providing for the determination of certain usurious contracts; proposing coding for new law in Minnesota Statutes, chapter 334.

Reported the same back with the following amendments:

Page 1, line 20, after "*chapter*" insert "*, except sections 334.16 to 334.18,*"

Page 1, line 21, after "*47*" insert "*, 48, 50, 51A, 52, 53,*" and delete "*48*" and insert "*56*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1307, A bill for an act relating to the city of Burnsville; increasing the total number of on-sale liquor licenses.

Reported the same back with the following amendments:

Page 1, delete lines 7 to 10, and insert "*Notwithstanding any law to the contrary the city of Burnsville may issue five on-sale intoxicating liquor licenses in addition to the number authorized under Minnesota Statutes, section 340.11, subdivision 5a.*"

Page 1, line 13, delete "*654.021*" and insert "*645.021, subdivision 3*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Erickson from the Committee on Education to which was referred:

H. F. No. 1406, A bill for an act relating to education; clarifying the term "Minnesota resident" for purposes of financial aid; amending Minnesota Statutes 1984, sections 136A.101, by adding a subdivision; 136A.15, subdivision 7; and 136A.233, subdivision 2.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Appropriations without recommendation.

The report was adopted.

Pursuant to House Rule No. 9.3, H. F. No. 1406 was re-referred to the Committee on Rules and Legislative Administration.

Carlson, D., from the Committee on Transportation to which was referred:

H. F. No. 1413, A resolution memorializing the President and Congress of the United States and the Secretary of Transportation of the need for continued funding of Amtrak.

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1421, A bill for an act relating to commerce; defining "trade secret"; amending Minnesota Statutes 1984, section 325C.01, subdivision 5.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 2

With the recommendation that when so amended the bill pass.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1431, A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality and suggestions for clarity; amending Minnesota Statutes 1984, sections 3.736, subdivision 3; 65B.44, subdivision 6; 181.13; 268.06, subdivision 5; 429.061, subdivision 1; 471.705, subdivision 2; 609.11, subdivision 8; and 631.09; repealing Minnesota Statutes 1984, section 422A.156.

Reported the same back with the following amendments:

Page 4, delete lines 22 to 36

Page 5, delete lines 1 to 21

Page 7, delete lines 10 to 36

Page 8, delete lines 1 to 8 and lines 29 to 30

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "268.06, subdivision 5;"

Page 1, line 7, delete everything after the first semicolon

Page 1, line 8, delete "subdivision 8;" and "; repealing Minnesota"

Page 1, line 9, delete everything before the period

With the recommendation that when so amended the bill pass.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1435, A bill for an act relating to local government; providing for the maintenance of town cartways; amending Minnesota Statutes 1984, section 164.08, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, lines 10, 11 and 12, 14, 15, and 18, delete "*property owners*" and insert "*owners of private property*"

Page 1, line 14, delete "*equally*" and after "*divided*" insert "*in proportion to usage*"

Page 1, lines 16 and 17, delete "*Property owners*" and insert "*Owners of private property*"

With the recommendation that when so amended the bill pass.

The report was adopted.



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

H. F. No. 1546, A bill for an act relating to hazardous substances; requiring hazardous substance notification report forms to be filed with a fire department by every employer; providing for duties of fire departments and duties of the commissioner of public safety; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299F.

Reported the same back with the following amendments:

Page 1, line 26, after the period, insert "*Employer*" does not mean a "*small business.*" "

Page 2, line 8, delete "*site*"

Page 3, line 21, delete everything after "*13.*" and insert "[WORK AREA.] "*Work area*" means a defined space in a workplace where hazardous chemicals are stored, produced, or used and where employees are present."

Page 3, delete lines 22 to 24

Page 3, line 29, delete "*site*"

Page 3, after line 31, insert:

"Subd. 17. [WORKPLACE.] "*Workplace*" means an establishment at one geographical location containing one or more work areas."

Page 5, lines 1, 15, 17, and 19, delete "*site*"

Page 6, lines 13, 15, and 18, delete "*site*"

Page 8, line 16, delete "*15.014*" and insert "*15.059*"

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

The report was adopted.

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

H. F. No. 1558, A bill for an act relating to financial institutions; providing for the extension of certain loan assumptions;

amending Minnesota Statutes 1984, section 47.20, by adding a subdivision.

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

The report was adopted.

McDonald from the Committee on Agriculture to which was referred:

H. F. No. 1570, A bill for an act relating to agriculture; creating an exception to the corporate farming law; amending Minnesota Statutes 1984, section 500.24, subdivision 3.

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1578, A bill for an act relating to courts; clarifying the jurisdiction of the court of appeals to issue writs; amending Minnesota Statutes 1984, section 480A.06, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 480A.06, subdivision 3, is amended to read:

Subd. 3. [CERTIORARI REVIEW.] *The court of appeals shall have jurisdiction to issue writs of certiorari to all agencies, public corporations, and public officials, except the tax court and the workers' compensation court of appeals. The court of appeals shall have jurisdiction to review decisions of the commissioner of economic security, pursuant to section 268.10."*

Amend the title as follows:

Page 1, line 4, delete "6" and insert "3"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 71, A bill for an act relating to commerce; providing for payment to a farm implement retailer by the manufacturer, wholesaler, or distributor who repurchases inventory; requiring the payment of interest on overdue accounts; amending Minnesota Statutes 1984, section 325E.06, subdivision 1.

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

The report was adopted.

McDonald from the Committee on Agriculture to which was referred:

S. F. No. 285, A bill for an act relating to farm loans; eliminating the limitation on the gross receipts of farms eligible for economic development loans; amending Minnesota Statutes 1984, section 116M.03, subdivision 4.

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

The report was adopted.

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

S. F. No. 882, A bill for an act relating to commerce; clarifying submission of applications for directors and officers liability insurance; providing for the withdrawal of certain registration statements; broadening the securities transaction exemptions for isolated sales and limited offerings; repealing the securities transaction for preorganization offerings; simplifying an exemption from franchise registration; providing for disclosure of representation by real estate brokers and salespersons; expanding those officers who may verify corporate broker licenses; altering re-examination requirements for brokers and salespersons who fail to renew their licenses; altering the unclaimed property reporting deadline for life insurance companies; raising the aggregation amount for holders reporting unclaimed property; specifying dates for notifying and advertising owners of abandoned property; and providing for the notification of all lienholders by a unit owners association in an assessment lien foreclosure; amending Minnesota Statutes 1984, sections 60A.08, by adding a subdivision; 80A.10, by adding a subdivision; 80A.-13, subdivision 1; 80A.15, subdivision 2; 80C.03; 82.19, subdivi-

sion 3, and by adding a subdivision; 82.20, subdivision 4; 82.21, subdivision 1; 82.22, subdivision 10; 82.24, subdivision 4; 345.-41; 345.42, subdivisions 1 and 3; and 515A.3-115; proposing coding for new law in Minnesota Statutes, chapter 82.

Reported the same back with the following amendments:

Page 3, line 36, strike "or"

Page 4, line 4, strike the period and insert "; or"

Page 4, after line 14, insert:

"Sec. 4. Minnesota Statutes 1984, section 80A.14, subdivision 4, is amended to read:

Subd. 4. [BROKER-DEALER.] "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. "Broker-dealer" does not include:

- (1) an agent;
- (2) an issuer;
- (3) a trust company; or
- (4) a bank, savings institution, savings and loan association
  - (i) acting for the account of others, provided that such activities are conducted (IN COMPLIANCE WITH SUCH RULES AND REGULATIONS AS MAY BE ADOPTED BY THE COMMISSIONER) *on an isolated basis incidental to the performance of its business as a bank, savings institution, or savings and loan association, and no compensation is received by the bank, savings institution, savings and loan association, or its employees for those activities;*
  - (ii) acting for its own account; or
  - (iii) acting in a fiduciary capacity pursuant to the powers and privileges described by sections 48.36 to 48.49 or United States Code, title 12, section 92(a);
- (5) a person who has no place of business in this state if he effects transactions in this state exclusively with or through (i) the issuers of the securities involved in the transactions, (ii) other broker-dealers, or (iii) banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit

sharing trusts, or other financial institutions or institutional buyers, or to broker-dealers, whether the purchaser is acting for itself or in some fiduciary capacity; or

(6) other persons not within the intent of this subsection whom the commissioner by rule or order designates.

Sec. 5. Minnesota Statutes 1984, section 80A.14, subdivision 9, is amended to read:

Subd. 9. [INVESTMENT ADVISER.] "Investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications, writings or electronic means, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities. "Investment adviser" does not include:

(1) a (BANK, SAVINGS INSTITUTION, OR) trust company;

(2) a lawyer, accountant, engineer, or teacher whose performance of these services is solely incidental to the practice of his profession;

(3) a broker-dealer whose performance of these services is solely incidental to the conduct of his or her business as a broker-dealer and who receives no special compensation for them;

(4) a publisher of any newspaper, news column, newsletter, news magazine, or business or financial publication or service, whether communicated in hard copy form, or by electronic means, or otherwise, that does not consist of the rendering of advice on the basis of the specific investment situation of each client; (OR)

(5) *a bank, savings institution, savings and loan association*

*(i) engaging in the business of advising others, provided that such services are performed on an isolated basis incidental to the performance of its business as a bank, savings institution, or savings and loan association and no compensation is received by the bank, savings institution, savings and loan association, or its employees for those services; or*

*(ii) acting in a fiduciary capacity pursuant to the powers and privileges described in sections 48.36 to 48.49 or United States Code, title 12, section 92(a); or*

(6) other persons not within the intent of this subdivision as the commissioner may by rule or order designate."

Page 6, line 33, after "*of*" insert "*unregistered*"

Page 9, line 34, after "*wave*" insert "*the escrow*"

Page 11, line 24, after "*agency*" insert "*relationship*"

Page 16, line 32, delete "*11 to 13*" and insert "*13 to 15*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 23, after the second semicolon insert "80A.14, subdivisions 4 and 9;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 1183, A bill for an act relating to intoxicating liquor; providing for issuance of licenses within Indian country; allowing the sales between collectors of discontinued brands of beer in cans; authorizing the issuance of on-sale licenses in certain theaters in Minneapolis; amending Minnesota Statutes 1984, section 340.11, subdivision 15, and by adding a subdivision.

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

The report was adopted.

Onnen from the Committee on Health and Human Services to which was referred:

S. F. No. 1320, A bill for an act relating to health; establishing a system of regional poison information centers; providing for less frequent program reporting; rescinding permission for poison control centers to contract with centers in other states; amending Minnesota Statutes 1984, section 145.93, subdivisions 1, 3, 4, and 6; repealing Minnesota Statutes 1984, section 145.93, subdivision 5.

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

The report was adopted.

Erickson from the Committee on Education to which was referred:

House Resolution No. 21, A house resolution congratulating the DeLaSalle boys basketball team upon its 1985 state championship.

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

The report was adopted.

Erickson from the Committee on Education to which was referred:

House Resolution No. 24, A house resolution congratulating the Ramblers boys basketball team from Winona Cotter High School for winning runner-up in the 1985 Class A State High School Boys Basketball Championship.

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

The report was adopted.

Erickson from the Committee on Education to which was referred:

House Resolution No. 26, A house resolution congratulating the gymnastic team from Winona State University for winning the 1985 National Association of Intercollegiate Athletics National Championship.

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

The report was adopted.

McDonald from the Committee on Agriculture to which was referred:

House Concurrent Resolution No. 10, A concurrent resolution congratulating Minnesota Rural Electric Cooperatives on their 50th Anniversary.

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

The report was adopted.

Fjoslien from the Committee on General Legislation and Veterans Affairs to which was referred the following appointment:

ETHICAL PRACTICES BOARD

Martin J. McGowan

Reported the same back with the recommendation that the appointment be confirmed.

Fjoslien moved that the report of the Committee on General Legislation and Veterans Affairs relating to the appointment of Martin J. McGowan to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

CONFIRMATION

Fjoslien moved that the House, having advised, do now consent to and confirm the appointment of Martin J. McGowan, Route 1, Box 41, Kimball, Stearns County, effective September 10, 1984, for a term expiring the first Monday in January, 1987. The motion prevailed and the appointment of Martin J. McGowan was confirmed by the House.

Fjoslien from the Committee on General Legislation and Veterans Affairs to which was referred the following appointment:

ETHICAL PRACTICES BOARD

Ellen G. Sampson

Reported the same back with the recommendation that the appointment be confirmed.

Fjoslien moved that the report of the Committee on General Legislation and Veterans Affairs relating to the appointment of Ellen G. Sampson to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

CONFIRMATION

Fjoslien moved that the House, having advised, do now consent to and confirm the appointment of Ellen G. Sampson, 1415 Bayard Avenue, St. Paul, Ramsey County, effective January 16, 1985, for a term expiring the first Monday in January, 1989. The motion prevailed and the appointment of Ellen G. Sampson was confirmed by the House.



## SECOND READING OF HOUSE BILLS

H. F. Nos. 529, 601, 610, 863, 961, 1225, 1307, 1421, 1431, 1435, 1558, 1570 and 1578 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 71, 285, 882 and 1183 were read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Uphus introduced:

H. F. No. 1603, A bill for an act relating to local government; directing the reimbursement of Pope county for the expenses of law enforcement and damages to public property connected with certain public demonstrations; appropriating money.

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

Quist, Onnen and Brandl introduced:

H. F. No. 1604, A bill for an act relating to human services; establishing a new administration system for certain programs; providing for distribution of system costs; establishing a county services revolving account; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Vellenga, Norton, Rose, Backlund and Knuth introduced:

H. F. No. 1605, A bill for an act relating to Ramsey county; authorizing the issuance of county bonds for capital improvement projects; proposing coding for new law in Minnesota Statutes, chapter 383A.

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

Wenzel introduced:

H. F. No. 1606, A bill for an act relating to taxation; property; providing that the basic maintenance levy not be applied against certain seasonal recreational property; providing a state reimbursement to school districts; appropriating money; amending Minnesota Statutes 1984, section 124A.03, by adding a subdivision.

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

Svigum and Waltman introduced:

H. F. No. 1607, A bill for an act relating to Goodhue county; permitting the county to levy a tax for the county historical society.

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

Osthoff and Scheid introduced:

H. F. No. 1608, A bill for an act relating to taxation; property; changing the order of application of certain credits; amending Minnesota Statutes 1984, sections 273.13, subdivisions 6 and 7; 273.135, subdivisions 2 and 5; and 273.1391, subdivisions 2 and 4.

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

Hartinger introduced:

H. F. No. 1609, A bill for an act relating to public indebtedness; changing notice and election requirements; amending Minnesota Statutes 1984, section 475.59.

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

McKasy introduced:

H. F. No. 1610, A bill for an act relating to courts; eliminating certain mileage expenses that court reporters may claim for reimbursement; eliminating the requirement that a court reporter reside in the district in which he or she is appointed; amending Minnesota Statutes 1984, section 486.05, subdivision 1.

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

Anderson, G., was excused for the remainder of today's session.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 985, A bill for an act relating to human services; expanding time of eligibility for aid for unborn children; authorizing prenatal care payments; amending Minnesota Statutes 1984, section 256.73, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Blatz moved that the House concur in the Senate amendments to H. F. No. 985 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 985, A bill for an act relating to human services; clarifying eligibility for aid for unborn children and prenatal care payments; amending Minnesota Statutes 1984, section 256.73, subdivision 5.

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

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

Those who voted in the affirmative were :

Backlund	Frederick	Lieder	Pappas	Simoneau
Battaglia	Frederickson	Long	Pauly	Skoglund
Beard	Frerichs	Marsh	Peterson	Solberg
Becklin	Greenfield	McDonald	Piepho	Sparby
Begich	Gruenes	McEachern	Piper	Stanisus
Bennett	Gutknecht	McKasy	Poppenhagen	Staten
Bishop	Halberg	McPherson	Price	Sviggum
Blatz	Hartinger	Metzen	Quinn	Thorson
Boerboom	Hartle	Miller	Quist	Tjornhom
Boo	Haukoos	Minne	Redalen	Tomlinson
Brandl	Heap	Munger	Rees	Tompkins
Brinkman	Himle	Murphy	Rest	Tunheim
Brown	Jacobs	Nelson, D.	Rice	Uphus
Burger	Jaros	Nelson, K.	Richter	Valan
Carlson, L.	Johnson	Neuenschwander	Riveness	Valento
Clark	Kahn	Norton	Rodosovich	Vellenga
Clausnitzer	Kalis	O'Connor	Rose	Voss
Dempsey	Kelly	Ogren	Sarna	Waltman
DenOuden	Kiffmeyer	Olsen, S.	Schafer	Welle
Dimler	Knickerbocker	Olson, E.	Scheid	Wenzel
Dyke	Knuth	Omman	Schoenfeld	Zaffke
Elioff	Kostohryz	Onnen	Seaberg	Spk. Jennings, D.
Erickson	Krueger	Osthoff	Segal	
Fjoslien	Kvam	Otis	Shaver	
Forsythe	Levi	Ozment	Sherman	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to :

S. F. No. 331, A bill for an act relating to health; permitting the county coroner to remove the pituitary gland from a body under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 390.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Mmes. Adkins, Lantry and Mr. Johnson, D. E.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

McEachern moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 331. The motion prevailed.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Levi, from the Committee on Rules and Legislative Administration, pursuant to Rule 1.9, designated the following bills as Special Orders for today, April 18, 1985:

H. F. Nos. 847, 1263, 654, 766, 9, 576, 191, 839, 1163, 450, 634, 683, 781, 959, 1130, 1250, 229, 237, 380, 607, 760, 784, 1033, 1165, 1248, 1369, 1260 and 1375.

## SPECIAL ORDERS

H. F. No. 847 was reported to the House.

Boo moved to amend H. F. No. 847, the second engrossment, as follows:

Page 10, line 16, after "*individual*" insert "*resides in a county which has had within the eight-week period preceding the current calendar week, a county insured unemployment rate as defined in section 268.073, subdivision 1, of less than twice the state insured unemployment rate, and*"

Page 14, after line 23, insert:

"Sec. 11. Minnesota Statutes 1984, section 268.08, is amended by adding a subdivision to read:

*Subd. 10. [APPROVED TRAINING.] (a) [ESTABLISHMENT.] The commissioner shall establish a training program for structurally unemployed workers in Minnesota who reside in counties which have had within the eight-week period preceding the current calendar week, a county insured unemployment rate as defined in section 268.073, subdivision 1, of at least twice the state insured unemployment rate, under which individuals may be enrolled in an on-the-job training program and may be enrolled in classroom training in accordance with this subdivision. This subdivision does not limit or adversely affect the approved training provisions that apply to an individual under section 268.08, subdivision 1, clause (3). An individual approved under this subdivision is eligible for tuition aid under chapter 136A. The commissioner shall report to the legislature annually regarding the status of the training program under this subdivision.*

*(b) [APPROVAL OF TRAINING.] An individual's enrollment in a training course shall be approved for the purposes of this subdivision if the commissioner finds that:*

*(1) the individual is not unemployed due to the seasonal nature of the work or a temporary work shortage;*

(2) *the individual's separation from most recent employment was caused by job obsolescence, plant shutdown, regional decline in the individual's customary occupation, or industry slowdown;*

(3) *the individual has received a notice of layoff and is unlikely to return to work for that employer or in that occupation within the 12-month period immediately following the separation;*

(4) *reasonable and suitable work opportunities for which the individual is fitted by training, experience, and physical capabilities do not exist within the local labor market;*

(5) *the training course is designed to provide preparation for available employment within the local labor market or in an area to which the individual is willing to relocate;*

(6) *the training is conducted by an agency, education institution, or employing unit that has been approved by the commissioner of education or state board for vocational technical education or higher education coordinating board to conduct training programs; except that, any agency, education institution, or employing unit that is not subject to regulation and approval by one of the above agencies may be approved by the commissioner if it is determined that the curriculum, facilities, staff, and other essentials are adequate to achieve the training objective;*

(7) *the training consists of a full course load, as defined by the institution, necessary to achieve the approved training objective, and the individual is making satisfactory progress in the course. The commissioner may require the training institution to periodically certify to the individual's attendance and progress.*

(c) [ON-THE-JOB TRAINING.] *An individual who meets the criteria set forth under paragraph (b) is eligible to participate in a full-time on-the-job training program if:*

(1) *the on-the-job training position is in an occupation for which the commissioner has determined a demand exists or will exist; in making this determination, the commissioner shall consider labor market information as contained in state and national occupational outlook publications, as well as other generally accepted authoritative sources with verifiable validity;*

(2) *the employer pays an hourly wage during training of at least the state minimum wage;*

(3) *the employer guarantees to provide at least 12 months of employment to the trainee after the completion of training at*

*the prevailing area labor market wage for a trained individual in that occupation;*

*(4) the employer will not terminate the trainee during the period of training or guaranteed employment except for misconduct or demonstrated substandard performance;*

*(5) the employer has not in any way created an on-the-job training position through a reduction in work force within the preceding six months.*

*(d) [TRAINING ALLOWANCE.] During participation in an approved on-the-job training program, the trainee shall maintain both satisfactory progress and attendance. During the period of training specified in the agreement between the commissioner and the employer, individuals participating in an approved on-the-job training program shall be paid with respect to each week claimed during the benefit year and prior to exhaustion a benefit in an amount equal to the weekly benefit amount, less the part of the earnings, including holiday pay, in excess of \$100. The benefit shall be computed by rounding down to the nearest dollar amount. Notwithstanding any other provision, an individual participating in on-the-job training on a full-time basis is not considered employed for purposes of benefit eligibility.*

*(e) [EMPLOYER PENALTY.] An employer who enters into an on-the-job training agreement with the commissioner and terminates the trainee during the training period in a manner other than provided in this subdivision shall repay 70 percent of the amount of unemployment insurance benefits paid to the individual while in the training program with that employer. If terminated during the 12-month period of guaranteed employment, the employer shall receive a proportional reduction in the amount it must repay. Penalties assessed under this paragraph shall be in addition to any other penalties provided for by this chapter and shall be subject to the collection provisions of section 268.16 and 268.161. Penalties under this paragraph shall be paid to the commissioner and credited to the unemployment compensation fund.*

*(f) [FUNDING.] In arranging for training, existing federal and state financed job training service deliverers and Wagner-Peyser mechanisms and moneys must be utilized in the most efficient and effective manner."*

Renumber subsequent sections

Correct all internal cross-references

Amend the title accordingly

A roll call was requested and properly seconded.

McLaughlin moved to amend the Boo amendment to H. F. No. 847, the second engrossment, as follows:

In the Boo amendment, Page 1, line 6, delete "*twice*" and insert "*1/2*"

A roll call was requested and properly seconded.

The question was taken on the McLaughlin amendment to the Boo amendment and the roll was called. There were 58 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Battaglia	Jaros	Munger	Piper	Solberg
Beard	Jennings, L.	Murphy	Price	Sparby
Begich	Kahn	Nelson, D.	Quinn	Staten
Brinkman	Kelly	Nelson, K.	Rest	Tunheim
Brown	Knuth	Neuenschwander	Rice	Vanasek
Carlson, L.	Kostohryz	Norton	Riveness	Vellenga
Clark	Krueger	O'Connor	Rodosovich	Voss
Cohen	Lieder	Ogren	Sarna	Welle
Elioff	Long	Osthoff	Scheid	Wenzel
Ellingson	McLaughlin	Otis	Segal	Wynia
Greenfield	Metzen	Pappas	Simoneau	
Jacobs	Minne	Peterson	Skoglund	

Those who voted in the negative were:

Backlund	Erickson	Kalis	Ozment	Sherman
Becklin	Fjoslien	Kiffmeyer	Pauly	Stanisus
Bennett	Forsythe	Knickerbocker	Piepho	Sviggum
Bishop	Frederick	Kvam	Poppenhagen	Thiede
Blatz	Frederickson	Levi	Quist	Thorson
Boerboom	Frerichs	Marsh	Redalen	Tjornhom
Boo	Gruenes	McDonald	Rees	Tompkins
Carlson, D.	Gutknecht	McEachern	Richter	Uphus
Carlson, J.	Hartinger	McKasy	Rose	Valan
Clausnitzer	Hartle	McPherson	Schafer	Valento
Dempsey	Haukoos	Miller	Schoenfeld	Waltman
DenOuden	Heap	Olsen, S.	Schreiber	Zaffke
Dimler	Himle	Omann	Seaberg	Spk. Jennings, D.
Dyke	Johnson	Onnen	Shaver	

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

The question recurred on the Boo amendment and the roll was called. There were 59 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Blatz	Cohen	Forsythe	Jaros
Backlund	Boerboom	Dempsey	Frederick	Johnson
Battaglia	Boo	Dyke	Gruenes	Knuth
Becklin	Burger	Elioff	Gutknecht	Kvam
Bennett	Carlson, D.	Erickson	Hartinger	Levi
Bishop	Clausnitzer	Fjoslien	Haukoos	Marsh



McKasy	Olson, E.	Poppenhagen	Sherman	Tompkins
Minne	Omann	Redalen	Solberg	Tunheim
Murphy	Onnen	Rose	Sparby	Valan
Neuenschwander	Ozment	Schafer	Stanis	Valento
Ogren	Pappas	Schreiber	Sviggun	Spk. Jennings, D.
Olsen, S.	Pauly	Shaver	Tjornhom	

Those who voted in the negative were:

Beard	Heap	McLaughlin	Quist	Thorson
Begich	Himle	McPherson	Rees	Tomlinson
Brinkman	Jacobs	Metzen	Rest	Uphus
Brown	Jennings, L.	Miller	Riveness	Vanasek
Carlson, J.	Kahn	Nelson, D.	Rodosovich	Vellenga
Carlson, L.	Kalis	Norton	Sarna	Voss
DenOuden	Kiffmeyer	O'Connor	Scheid	Waltman
Dimler	Knickerbocker	Osthoff	Schoenfeld	Welle
Ellingson	Kostohryz	Otis	Seaberg	Wenzel
Frederickson	Krueger	Peterson	Segal	Wynia
Frerichs	Lieder	Piepho	Simoneau	Zaffke
Greenfield	Long	Piper	Skoglund	
Halberg	McDonald	Price	Staten	
Hartle	McEachern	Quinn	Thiede	

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

#### CALL OF THE HOUSE

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

Backlund	Fersythe	Lieder	Pauly	Skoglund
Battaglia	Frederick	Long	Peterson	Solberg
Beard	Frederickson	Marsh	Piepho	Sparby
Becklin	Frerichs	McDonald	Piper	Stanis
Begich	Greenfield	McEachern	Poppenhagen	Staten
Bennett	Gruenes	McKasy	Price	Sviggun
Bishop	Gutknecht	McLaughlin	Quinn	Thiede
Blatz	Halberg	McPherson	Quist	Thorson
Boerboom	Hartinger	Metzen	Redalen	Tjornhom
Boo	Hartle	Miller	Rees	Tomlinson
Brandl	Haukoos	Munger	Rest	Tompkins
Brinkman	Heap	Murphy	Rice	Tunheim
Brown	Himle	Nelson, D.	Richter	Uphus
Burger	Jaros	Nelson, K.	Rodosovich	Valan
Carlson, L.	Jennings, L.	Neuenschwander	Rose	Valento
Clark	Johnson	O'Connor	Sarna	Vanasek
Clausnitzer	Kalis	Ogren	Schafer	Vellenga
Cohen	Kelly	Olsen, S.	Scheid	Voss
Dempsey	Kiffmeyer	Olsen, E.	Schoenfeld	Waltman
DenOuden	Knickerbocker	Omann	Schreiber	Welle
Dimler	Knuth	Onnen	Seaberg	Wenzel
Dyke	Kostohryz	Osthoff	Segal	Wynia
Elioff	Krueger	Otis	Shaver	Zaffke
Erickson	Kvam	Ozment	Sherman	Spk. Jennings, D.
Fjoslien	Levi	Pappas	Simoneau	

Levi 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.

Riveness moved to amend H. F. No. 847, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 268.04, subdivision 2, is amended to read:

Subd. 2. "Base period" means (a) The (PERIOD OF 52 CALENDAR WEEKS IMMEDIATELY PRECEDING THE FIRST DAY OF AN INDIVIDUAL'S BENEFIT YEAR. HOWEVER, IF A CLAIMANT RECEIVED WEEKLY WORKER'S COMPENSATION FOR TEMPORARY TOTAL DISABILITY UNDER THE PROVISIONS OF CHAPTER 176 OR UNDER A SIMILAR LAW OF THE UNITED STATES FOR MORE THAN SEVEN WEEKS WITHIN THE BASE PERIOD, OR IF A CLAIMANT, WHOSE OWN SERIOUS ILLNESS CAUSED A LOSS OF CREDIT WEEKS WITHIN THE BASE PERIOD, RECEIVED COMPENSATION DUE TO THE ILLNESS FROM SOME OTHER SOURCE OR UNDER A LAW OF THIS STATE OTHER THAN CHAPTER 176 OR UNDER A SIMILAR LAW OF THE UNITED STATES FOR MORE THAN SEVEN WEEKS WITHIN THE BASE PERIOD, THE CLAIMANT'S BASE PERIOD SHALL BE LENGTHENED BY THE SAME NUMBER OF WEEKS, BUT NOT TO EXCEED 52 WEEKS, FOR WHICH THE CLAIMANT RECEIVED THE PAYMENTS. NO EXTENDED BASE PERIOD SHALL INCLUDE WAGE CREDITS UPON WHICH BENEFITS WERE ESTABLISHED AND PAID WITH RESPECT TO A PRIOR VALID CLAIM) *first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year, or*

(b) *If an individual is unable to establish a benefit year based upon (a), the last four completed calendar quarters immediately preceding the first day of an individual's benefit year.*

*If during the base period an individual received workers' compensation for temporary disability under chapter 176 or under similar law of the United States, or if an individual, whose own serious illness caused a loss of work for which the individual received compensation due to the illness from some other source or under a law of this state, other than chapter 176 or under a similar law of the United States, the individual's base period shall be lengthened to the extent stated as follows:*

(a) *If an individual was compensated, as described above, for a loss of work of 7 through 13 weeks, the original base period*

*shall be extended to include the first calendar quarter preceding the original base period; or*

*(b) If an individual was compensated, as described above, for a loss of work of 20 through 26 weeks, the original base period shall be extended to include the first two calendar quarters preceding the base period; or*

*(c) If an individual was compensated, as described above, for a loss of work from 33 through 39 weeks, the original base period shall be extended to include the first three calendar quarters preceding the base period; or*

*(d) If an individual was compensated, as described above, for a loss of work from 46 through 52 weeks, the original base period shall be extended to include the first four quarters preceding the base period.*

*In no instance shall the base period be extended to include more than four additional calendar quarters.*

*No extended base period shall include wage credits upon which a claim was established and benefits were paid with respect to that valid claim. For benefit years beginning after October 1, 1986, no base period shall include wage credits upon which a claim was established and benefits were paid with respect to that valid claim.*

**Sec. 2. Minnesota Statutes 1984, section 268.04, subdivision 4, is amended to read:**

**Subd. 4. "Benefit year"** with respect to any individual means the period of fifty-two calendar weeks beginning with the first day of the first week with respect to which the individual files a valid claim for benefits. *For individuals with a valid claim effective January 1, April 1, July 1, or October 1, the benefit year will be a period of fifty-three weeks beginning with the first week with respect to which the individual files a valid claim for benefits.*

**Sec. 3. Minnesota Statutes 1984, section 268.04, subdivision 24, is amended to read:**

**Subd. 24. "Valid claim"** with respect to any individual means a claim filed by an individual who has registered for work and who has earned wage credits (AND ESTABLISHED CREDIT WEEKS) during his base period sufficient to entitle him to benefits under section 268.07, subdivision 2.

**Sec. 4. Minnesota Statutes 1984, section 268.04, is amended by adding a subdivision to read:**

*Subd. 34. [CONTRIBUTION REPORT.] "Contribution report" means the summary report of wages and employment used to determine the amount of contributions due by employers on a calendar quarter basis. An auxiliary report of wages and employment broken down by business locations, when required, is part of the contribution report.*

Sec. 5. Minnesota Statutes 1984, section 268.04, is amended by adding a subdivision to read:

*Subd. 35. [WAGE DETAIL REPORT.] "Wage detail report" means the itemized report used to record the information required by section 268.121.*

Sec. 6. Minnesota Statutes 1984, section 268.04, is amended by adding a subdivision to read:

*Subd. 36. [HIGH QUARTER.] "High quarter" means the calendar quarter in an individual's base period for which the total wage credits paid to the individual during that quarter are equal to or greater than the total wage credits paid to the individual during any other calendar quarter in the individual's base period.*

Sec. 7. Minnesota Statutes 1984, section 268.06, subdivision 2, is amended to read:

*Subd. 2. [RATES.] Each employer shall pay contributions equal to (TWO AND SEVEN-TENTHS PERCENT FOR EACH CALENDAR YEAR PRIOR TO 1985 AND) 5-4/10 percent for 1985 and each subsequent calendar year of wages paid and wages overdue and delayed beyond the usual time of payment from him with respect to employment occurring during each calendar year, except as may be otherwise prescribed in subdivisions 3a and 4. Each employer who has an experience ratio of less than one-tenth of one percent shall pay contributions on only the first (\$8,000) \$9,500 and \$11,000 in wages paid and wages overdue and delayed beyond the usual time of payment to each employee with respect to employment occurring during (EACH) calendar (YEAR) years 1986 and 1987, respectively. For calendar year 1988 and thereafter, employers who have an experience ratio of less than one-tenth of one percent shall pay contributions on wages as provided under section 268.04, subdivision 25, clause (a).*

Sec. 8. Minnesota Statutes 1984, section 268.06, subdivision 3a, is amended to read:

*Subd. 3a. [RATE FOR NEW EMPLOYERS.] (a) Notwithstanding the provisions of subdivision 2, each employer, who becomes subject to this law, shall pay contributions at a rate (:)*

((A) NOT EXCEEDING 2-7/10 PERCENT, THAT IS THE HIGHER OF (1) ONE PERCENT AND (2) THE STATE'S THREE-YEAR BENEFIT COST RATE FOR THE 36 CONSECUTIVE MONTH PERIOD IMMEDIATELY PRECEDING JULY 1 OF EACH YEAR FOR EACH EMPLOYER WHO BECOMES SUBJECT TO THIS LAW PRIOR TO JANUARY 1, 1984. FOR PURPOSES OF THIS CLAUSE, THE STATE'S THREE YEAR BENEFIT COST RATE SHALL BE COMPUTED ANNUALLY AND SHALL BE DERIVED BY DIVIDING THE TOTAL DOLLAR AMOUNT OF BENEFITS PAID TO CLAIMANTS UNDER THIS LAW DURING THE 36 CONSECUTIVE CALENDAR MONTHS IMMEDIATELY PRECEDING JULY 1 OF EACH YEAR BY THE TOTAL DOLLAR AMOUNT OF WAGES SUBJECT TO CONTRIBUTIONS UNDER THIS LAW DURING THE SAME PERIOD. THE RATE SO DETERMINED SHALL BE APPLICABLE FOR THE CALENDAR YEAR NEXT SUCCEEDING EACH COMPUTATION DATE.)

((B) NOT EXCEEDING 2-7/10 PERCENT, THAT IS THE HIGHER OF (1) ONE PERCENT AND (2) THE STATE'S FOUR-YEAR BENEFIT COST RATE FOR THE 48 CONSECUTIVE MONTH PERIOD IMMEDIATELY PRECEDING JULY 1 OF EACH YEAR FOR EACH EMPLOYER, EXCEPT EMPLOYERS IN THE CONSTRUCTION INDUSTRY, AS DETERMINED BY THE COMMISSIONER, WHO BECOMES SUBJECT TO THIS LAW SUBSEQUENT TO DECEMBER 31, 1983 AND PRIOR TO JANUARY 1, 1985. FOR PURPOSES OF THIS CLAUSE, THE STATE'S FOUR YEAR BENEFIT COST RATE SHALL BE COMPUTED AND DERIVED BY DIVIDING THE TOTAL DOLLAR AMOUNT OF BENEFITS PAID TO CLAIMANTS UNDER THIS LAW DURING THE 48 CONSECUTIVE CALENDAR MONTHS IMMEDIATELY PRECEDING JULY 1, 1983 BY THE TOTAL DOLLAR AMOUNT OF WAGES SUBJECT TO CONTRIBUTIONS UNDER THIS LAW DURING THE SAME PERIOD. THE RATE SO DETERMINED SHALL BE APPLICABLE FOR THE CALENDAR YEAR 1984.)

(EACH CONSTRUCTION EMPLOYER DESCRIBED ABOVE WHO BECOMES SUBJECT TO CHAPTER 268 SHALL PAY CONTRIBUTIONS AT A RATE, NOT EXCEEDING 7-1/2 PERCENT THAT IS THE HIGHER OF (1) ONE PERCENT, OR (2) THE STATE'S FOUR-YEAR BENEFIT COST RATE FOR CONSTRUCTION EMPLOYERS FOR THE 48 CONSECUTIVE MONTH PERIOD IMMEDIATELY PRECEDING JULY 1, 1983. FOR PURPOSES OF THIS CLAUSE, THE STATE'S FOUR YEAR BENEFIT COST RATE SHALL BE COMPUTED AND DERIVED BY DIVIDING THE TOTAL DOLLAR AMOUNT OF BENEFITS PAID TO CLAIMANTS OF CONSTRUCTION EMPLOYERS, AS DETERMINED BY THE COMMISSIONER, DURING THE 48 CONSECUTIVE CALENDAR MONTHS IMMEDIATELY

PRECEDING JULY 1, 1983 BY THE TOTAL DOLLAR AMOUNT OF WAGES OF CONSTRUCTION EMPLOYERS SUBJECT TO CONTRIBUTIONS DURING THE SAME PERIOD. THE RATE SO DETERMINED SHALL BE APPLICABLE FOR THE CALENDAR YEAR 1984.)

((C)) Not exceeding 5-4/10 percent, that is the higher of (1) one percent and (2) the state's five-year benefit cost rate for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter for each employer, except employers in the construction industry, as determined by the commissioner who becomes subject to this law on January 1, 1985 and thereafter. For purposes of this (CLAUSE) *paragraph*, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

(b) Each construction employer described (ABOVE) in *paragraph (a)* who becomes subject to this chapter shall pay contributions at a rate, not exceeding (7-1/2 PERCENT) *the maximum rate specified in subdivision 8*, that is the higher of (1) one percent, or (2) the state's five-year benefit cost rate for construction employers for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter. For purposes of this (CLAUSE) *paragraph*, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Sec. 9. Minnesota Statutes 1984, section 268.06, subdivision 8, is amended to read:

Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] (a) For each calendar year the commissioner shall determine the contribution rate of each employer by adding the minimum rate to the *employer's* experience ratio (, EXCEPT THAT IF THE RATIO FOR THE CURRENT CALENDAR YEAR INCREASES OR DECREASES THE EXPERIENCE RATIO FOR THE PRECEDING CALENDAR YEAR BY MORE THAN ONE AND ONE-HALF PERCENTAGE POINTS FOR 1982; AND 2-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER, THE INCREASE

OR DECREASE FOR THE CURRENT YEAR SHALL BE LIMITED TO ONE AND ONE-HALF PERCENTAGE POINTS FOR 1982; AND 2-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER, PROVIDED THAT A SMALL BUSINESS EMPLOYER SHALL BE ELIGIBLE, UPON APPLICATION, FOR A REDUCTION IN THE LIMITATION TO 1-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER. "SMALL BUSINESS EMPLOYER" FOR THE PURPOSE OF THIS SUBDIVISION MEANS AN EMPLOYER WITH AN ANNUAL COVERED PAYROLL OF \$250,000 OR LESS, OR FEWER THAN 20 EMPLOYEES IN THREE OF THE FOUR QUARTERS ENDING JUNE 30, OF THE PREVIOUS CALENDAR YEAR). *No employer shall have a contribution rate of more than eight percent; except that, notwithstanding this maximum rate, additional solvency assessments shall be added to the contribution rate as provided under paragraph (c).*

(b) The minimum rate for all employers with an experience ratio of less than one-tenth of one percent shall be (ONE PERCENT IF THE AMOUNT IN THE UNEMPLOYMENT COMPENSATION FUND IS LESS THAN \$80,000,000 ON JUNE 30 OF THE PRECEDING CALENDAR YEAR; OR NINE-TENTHS) *eight-tenths* of one percent (IF THE FUND IS MORE THAN \$80,000,000 BUT LESS THAN \$90,000,000) *for calendar year 1986*; (OR) and (EIGHT-TENTHS) *seven-tenths* of one percent (IF THE FUND IS MORE THAN \$90,000,000 BUT LESS THAN \$110,000,000; OR SEVEN-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$110,000,000 BUT LESS THAN \$130,000,000; OR SIX-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$130,000,000 BUT LESS THAN \$150,000,000; OR FIVE-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$150,000,000 BUT LESS THAN \$170,000,000; OR THREE-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$170,000,000 BUT LESS THAN \$200,000,000; OR ONE-TENTH OF ONE PERCENT IF THE FUND IS \$200,000,000 OR MORE; PROVIDED THAT NO EMPLOYER SHALL HAVE A CONTRIBUTION RATE OF MORE THAN 7.5 PERCENT) *for calendar year 1987; and six-tenths of one percent for calendar year 1988; and each calendar year thereafter. The minimum rate for employers with an experience ratio of one-tenth of one percent or more shall be one percent.*

(c) Solvency assessments shall be added to an employer's contribution rate for each calendar year as follows: (1) if the fund balance as of December 31 of the preceding calendar year is positive and equals or exceeds the fund balance as of December 31 of the second preceding calendar year, no solvency assessment is applicable; (2) if the fund balance on December 31 of the preceding calendar year is less than the fund balance on December 31 of the second preceding calendar year, or if the fund balance is in a deficit, each employer except those making payments in lieu of contributions under section 268.06, subdivisions 25,

*26, 27, and 28 shall pay a quarterly solvency assessment of ten percent, multiplied by the contributions payable for each calendar quarter of the current year. The quarterly contributions, and the solvency assessment payments shall be combined and will be computed to the equivalent rate, notwithstanding the maximum rate established in paragraph (a).*

(d) For the purposes of this section the unemployment compensation fund shall not include any moneys advanced from the Federal Unemployment Account in the unemployment trust fund in accordance with Title XII of the Social Security Act, as amended. (NO EMPLOYER FIRST ASSIGNED AN EXPERIENCE RATIO IN ACCORDANCE WITH SUBDIVISION 6, SHALL HAVE HIS CONTRIBUTION RATE INCREASED OR DECREASED BY MORE THAN ONE AND ONE-HALF PERCENTAGE POINTS FOR 1982; AND 2-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER OVER THE CONTRIBUTION RATE ASSIGNED FOR THE PRECEDING CALENDAR YEAR IN ACCORDANCE WITH SUBDIVISION 3A, PROVIDED THAT A SMALL BUSINESS EMPLOYER SHALL BE ELIGIBLE, UPON APPLICATION, FOR A REDUCTION IN THE LIMITATION TO 1-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER.)

Sec. 10. Minnesota Statutes 1984, section 268.07, subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] (IF THE COMMISSIONER FINDS THAT AN INDIVIDUAL HAS EARNED 15, OR MORE, CREDIT WEEKS WITHIN THE BASE PERIOD OF EMPLOYMENT IN INSURED WORK WITH ONE OR MORE EMPLOYERS, BENEFITS SHALL BE PAYABLE TO SUCH INDIVIDUAL DURING HIS BENEFIT YEAR AS FOLLOWS:)

((1) WEEKLY BENEFIT AMOUNT SHALL BE EQUAL TO 60 PERCENT OF THE FIRST \$85, 40 PERCENT OF THE NEXT \$85 AND 50 PERCENT OF THE REMAINDER OF THE AVERAGE WEEKLY WAGE OF SUCH INDIVIDUAL. THE AMOUNT SO COMPUTED IF NOT A WHOLE DOLLAR SHALL BE ROUNDED DOWN TO THE NEXT LOWER DOLLAR AMOUNT.) (a) *To establish a benefit year for unemployment compensation insurance benefits, effective after October 1, 1985 an individual must have:*

(1) *wage credits in two or more calendar quarters of their base period; and*

(2) *minimum total base period wage credits equal to the high quarter wages multiplied by 1.25; and*

(3) *high quarter wage credits of not less than \$1,300.*



*(b) If the commissioner finds that an individual has sufficient wages within the base period to establish a valid claim, the weekly benefit amount payable to the individual during his benefit year shall be equal to 1/26 of the individual's high quarter wage credits, rounded to the next lower whole dollar; except that, the maximum weekly benefit amount of claims for benefits which establish a benefit year subsequent to July 1, (1979) 1986 shall be (66-2/3) 60 percent of the average weekly wage, (EXCEPT AS PROVIDED IN CLAUSE (D)) as determined under this paragraph.*

On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

((A)) (1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.

((B)) (2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

((C)) (3) The average annual wage shall be divided by 52 to determine the average weekly wage.

The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

((D) THE MAXIMUM WEEKLY BENEFIT AMOUNT FOR CLAIMS FOR BENEFITS WHICH ESTABLISH A BENEFIT YEAR SUBSEQUENT TO JUNE 30, 1982, AND PRIOR TO JULY 1, 1983, SHALL BE \$184.)

(THE MAXIMUM WEEKLY BENEFIT AMOUNT FOR CLAIMS FOR BENEFITS WHICH ESTABLISH A BENEFIT YEAR SUBSEQUENT TO JUNE 30, 1983, AND PRIOR TO JULY 1, 1984, SHALL BE \$191.)

(THE MAXIMUM WEEKLY BENEFIT AMOUNT FOR CLAIMS FOR BENEFITS WHICH ESTABLISH A BENEFIT YEAR SUBSEQUENT TO JUNE 30, 1984, AND PRIOR TO JULY 1, 1985, SHALL BE \$198.)

((2) AN INDIVIDUAL'S MAXIMUM AMOUNT OF REGULAR BENEFITS PAYABLE IN A BENEFIT YEAR SHALL NOT EXCEED THE LESSER OF (A) 26 TIMES HIS WEEKLY BENEFIT AMOUNT OR (B) 70 PERCENT OF THE NUMBER OF CREDIT WEEKS EARNED BY SUCH AN INDIVIDUAL COMPUTED TO THE NEAREST WHOLE WEEK TIMES HIS WEEKLY BENEFIT AMOUNT.)

(c) *Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of his total base period wage credits rounded to the next lower dollar not to exceed 26 times his weekly benefit amount.*

((3)) (d) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, (INCLUDING) *excluding* holiday pay, payable to him with respect to such week which is in excess of \$25 or \$200 for earnings from service in the national guard or a United States military reserve unit. Jury duty pay is not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a whole dollar amount shall be rounded down to the next lower dollar amount.

((4) THE PROVISIONS OF CLAUSES (1) AND (2) SHALL APPLY TO CLAIMS FOR BENEFITS WHICH ESTABLISH A BENEFIT YEAR SUBSEQUENT TO JUNE 30, 1983.)

Sec. 11. Minnesota Statutes 1984, section 268.07, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION.] Notwithstanding the provisions of subdivision 2, if the commissioner finds that an individual has earned (CREDIT WEEKS) *wage credits* in seasonal employment, benefits shall be payable only if the commissioner finds that the individual has earned (15 CREDIT WEEKS) *wage credits equal to or in excess of 30 times the individual's weekly benefit amount* in employment which is not seasonal, in addition to any (CREDIT WEEKS) *wage credits* in seasonal employment. For the purposes of this subdivision, "seasonal employment" means employment with a single employer in the recreation or tourist industry which is available with the employer for 15 consecutive weeks or less each calendar year.

Sec. 12. Minnesota Statutes 1984, section 268.07, subdivision 3, is amended to read:

Subd. 3. [WHEN WAGE CREDITS ARE NOT AVAILABLE.] (1) (NO INDIVIDUAL MAY RECEIVE BENEFITS IN A BENEFIT YEAR UNLESS, SUBSEQUENT TO THE BEGINNING OF THE NEXT PRECEDING BENEFIT YEAR DURING WHICH BENEFITS WERE RECEIVED, THE INDIVIDUAL PERFORMED SERVICE IN INSURED WORK AS DEFINED IN SECTION 268.04, SUBDIVISION 17, AND EARNED REMUNERATION FOR THE SERVICE IN AN AMOUNT EQUAL TO NOT LESS THAN THE MINIMUM WAGE CREDITS REQUIRED TO QUALIFY FOR BENEFITS) *To establish a second benefit year following the expiration of an immediately preceding benefit year, an individual must have sufficient wage credits to establish a claim under the provisions of section 268.07 and must have performed services*

*after the establishment of the expired benefit year. The services performed must have been in insured work and the wage credits from the services must equal not less than ten times the weekly benefit amount of the second benefit year.*

(2) No employer who provided 90 percent or more of the wage credits in a claimant's base period shall be charged for benefits based upon earnings of the claimant during a subsequent base period unless the employer has employed the claimant in any part of the subsequent base period.

(3) Wages paid by an employing unit may not be used for benefit purposes by any individual who (a) individually or jointly with a spouse, parent or child owns or controls directly or indirectly 25 percent or more interest in the employing unit; or (b) is the spouse, parent or minor child of any individual who owns or controls directly or indirectly 25 percent or more interest in the employing unit; and (c) is not permanently separated from employment.

This clause is effective when the individual has been paid four times the individual's weekly benefit amount in the current benefit year.

(4) Wages paid in seasonal employment, as defined in subdivision 2a, are not available for benefit purposes during weeks in which there is no seasonal employment available with the employer.

Sec. 13. Minnesota Statutes 1984, section 268.08, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that the individual:

(1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) has made a claim for benefits in accordance with rules as the commissioner may adopt; and

(3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits shall not be denied

by application of this clause to an individual who is in training with the approval of the commissioner or in training approved pursuant to section 236 of the Trade Act of 1974, as amended;

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in attendance at, or on vacation from an established school, college or university unless a majority of the (CREDIT WEEKS) *wage credits* earned in the base period were for services performed during weeks in which the student was attending school as a full-time student. *If the individual's claim for benefits is valid by application of section 268.07, subdivision 2, paragraph b, the individual shall be considered unavailable for work with respect to any week which occurs when the individual is a full time high school student.*

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty.

(4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more than one week within the one year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.

Sec. 14. Minnesota Statutes 1984, section 268.09, is amended by adding a subdivision to read:

*Subd. 2a. An individual whose claim for benefits is valid by application of section 268.07, subdivision 2, paragraph b, and is disqualified for benefits under subdivisions 1 and 2 of this section, other than for gross misconduct, shall be disqualified for waiting week credit and benefits. The disqualification shall continue until four calendar weeks have elapsed following the separation or refusal of suitable work or reemployment and until the individual has worked for a minimum of twenty hours in each of four calendar weeks.*

Sec. 15. Minnesota Statutes 1984, section 268.10, subdivision 1, is amended to read:

Subdivision 1. [FILING.] Claims for benefits shall be made in accordance with such regulations as the commissioner may prescribe. Each employer shall post and maintain printed statements of such regulations in places readily accessible to individ-

uals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the commissioner to each employer without cost to him.

(1) Any employer upon separation of an employee from his employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of his employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within seven days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish the reason for separation from all employers in his base period.

(2) (UPON THE FILING, BY AN INDIVIDUAL, OF A CLAIM FOR BENEFITS, THE COMMISSIONER SHALL GIVE NOTICE TO ALL SUCH BASE PERIOD EMPLOYERS OF THE FILING OF SUCH CLAIM AND REQUEST EACH SUCH BASE PERIOD EMPLOYER, WITHIN SEVEN DAYS AFTER THE MAILING OF SUCH NOTICE, TO FURNISH THE FOLLOWING INFORMATION:)

((A) THE TOTAL WAGE CREDITS EARNED IN THE BASE PERIOD;)

((B) THE NUMBER OF CREDIT WEEKS WHICH END WITHIN THE BASE PERIOD;)

((C) THE WEEK ENDING DATES FOR EACH CALENDAR WEEK WITHIN THE BASE PERIOD IN WHICH THE INDIVIDUAL EARNED LESS THAN THE AMOUNT REQUIRED TO MAKE A CREDIT WEEK AND THE AMOUNT OF EARNINGS IN EACH SUCH WEEK;)

((D) THE REASON FOR THE SEPARATION OR SEPARATIONS OF SUCH INDIVIDUAL FROM THE EMPLOY OF THE EMPLOYER IN THE BASE PERIOD; AND)

((E) SUCH EMPLOYER'S PROTEST, IF ANY, RELATING TO THE INELIGIBILITY OR DISQUALIFICATION OF SUCH INDIVIDUAL.) *Upon establishment of a benefit year, the commissioner shall give notice to the last employer for whom the individual worked and all base period employers. The employer so notified shall have seven days after the mailing of the notice to file a protest to charges or raise an issue of ineligibility or disqualification.*

(3) (IF ANY BASE PERIOD EMPLOYER, AFTER THE NOTICE OF FILING OF A CLAIM AND THE REQUEST FOR

WAGE AND SEPARATION INFORMATION HAS BEEN DULY MAILED TO HIS LAST KNOWN ADDRESS, FAILS TO FILE INFORMATION AS PROVIDED BY ITEMS (A) THROUGH (E) OF CLAUSE 2 OF THIS SUBDIVISION WITHIN SEVEN DAYS, THE COMMISSIONER SHALL:)

((A) DETERMINE THE VALIDITY OF AN INDIVIDUAL'S CLAIM BASED ON THE CLAIMANT'S STATEMENTS OR ANY OTHER AVAILABLE INFORMATION. AN EMPLOYER SHALL BE LIABLE FOR A LATE FILING FEE OF NOT LESS THAN \$5 NOR MORE THAN \$25, AS THE COMMISSIONER MAY DETERMINE, TO BE PAID TO THE DEPARTMENT OF ECONOMIC SECURITY AND CREDITED TO THE CONTINGENT FUND IF HE HAS FAILED WITHOUT GOOD CAUSE TO SUBMIT THE WAGE AND SEPARATION INFORMATION AS REQUIRED IN CLAUSE 2 OF THIS SUBDIVISION WITHIN SEVEN DAYS AFTER THE REQUEST HAS BEEN DULY MAILED TO HIS LAST KNOWN ADDRESS.) *If, upon review of the wage information on file with the department it is found that an employer failed to provide wage information for the claimant, the commissioner shall accept a claimant certification as to the wages earned, based upon the claimant's records, and issue a monetary determination of validity based upon the certification. The employer who failed to report the individual's wages or filed an erroneous report shall be penalized in accordance with section 268.16 or 268.18. In the absence of fraud, if a redetermination of validity of claim based on an employer's late or erroneous report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid to him prior to such redetermination (; AND)*

((B)) *the commissioner shall determine any issue of disqualification raised by clause (1) or by an employer's late report. If an employer fails to file a separation notice within the time limits prescribed in clause (1), any relief from benefit charges provided by section 268.09, subdivision 1, clause (4), shall apply to weeks of unemployment beginning after the filing of the late report.*

Sec. 16. Minnesota Statutes 1984, section 268.10, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF CLAIMS; DETERMINATION; APPEAL.] (1) An official, designated by the commissioner, shall promptly examine each claim for benefits filed to establish a benefit year pursuant to this section, and, on the basis of the facts found, shall determine whether or not such claims are valid, and if valid, the weekly benefit amount payable, the maximum benefit amount payable during the benefit year, and the date the benefit year terminates, and this determination shall be known as the determination of validity. Notice of the determi-

nation of validity or any redetermination as provided for in clause (4) shall be promptly given the claimant and all other interested parties. (IF WITHIN THE TIME LIMITS FOR FILING A PROTEST AN EMPLOYER NOTIFIES THE DEPARTMENT THAT AN INDIVIDUAL'S WEEKLY BENEFIT AMOUNT AS DETERMINED UNDER SECTION 268.07 EXCEEDS THE INDIVIDUAL'S WEEKLY WAGES EARNED WITH THE EMPLOYER, THE INDIVIDUAL'S WEEKLY BENEFIT AMOUNT SHALL BE THE LESSER OF (1) THE WEEKLY BENEFIT AMOUNT AS DETERMINED UNDER SECTION 268.07, OR (2) THE WEEKLY BENEFIT AMOUNT WHICH IS 50 PERCENT OF THE QUOTIENT DERIVED BY DIVIDING THE TOTAL WAGE CREDITS EARNED IN THE INDIVIDUAL'S BASE PERIOD CREDIT WEEKS FROM ALL EMPLOYERS IN INSURED WORK BY THE NUMBER OF BASE PERIOD CREDIT WEEKS.) If within the time specified for the filing of (WAGE AND SEPARATION INFORMATION) a protest as provided in subdivision 1, clause (2), the employer makes an allegation of disqualification or raises an issue of the chargeability to his account of benefits that may be paid on such claim, if the claim is valid, the issue thereby raised shall be promptly determined by said official and a notification of the determination delivered or mailed to the claimant and the employer. If an initial determination or an appeal tribunal decision or the commissioner's decision awards benefits, the benefits shall be paid promptly regardless of the pendency of any appeal period or any appeal or other proceeding which may thereafter be taken. Except as provided in clause (6), if an appeal tribunal decision modifies or reverses an initial determination awarding benefits, or if a commissioner's decision modifies or reverses an appeal decision awarding benefits, any benefits paid under the award of such initial determination or appeal tribunal decision shall be deemed erroneous payments.

(2) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, an official of the department or any interested party or parties raises an issue of claimant's eligibility for benefits for any week or weeks in accordance with the requirements of the provisions of sections 268.03 to 268.24 or any official of the department or any interested party or parties or benefit year employer raises an issue of disqualification in accordance with the regulations of the commissioner, a determination shall be made thereon and a written notice thereof shall be given to the claimant and such other interested party or parties or benefit year employer. A determination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(3) A determination issued pursuant to clauses (1) and (2) shall be final unless an appeal therefrom is filed by a claimant or employer within 15 days after the mailing of the notice of the

determination to his last known address or personal delivery of the notice. Every notice of determination shall contain a prominent statement indicating in clear language the method of appealing the determination, the time within which such an appeal must be made, and the consequences of not appealing the determination. A timely appeal from a determination of validity in which the issue is whether an employing unit is an employer within the meaning of this chapter or whether services performed for an employer constitute employment within the meaning of this chapter shall be subject to the provisions of section 268.12, subdivision 13.

(4) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, the commissioner on his own motion may reconsider a determination of validity made thereon and make a redetermination thereof if he finds that an error in computation or identity or the crediting of wage credits has occurred in connection therewith or if the determination was made as a result of a nondisclosure or misrepresentation of a material fact. A determination or redetermination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(5) However, the commissioner may in his discretion refer any disputed claims directly to a referee for hearing and determination in accordance with the procedure outlined in subdivision 3 and the effect and status of such determination in such a case shall be the same as though the matter had been determined upon an appeal to the tribunal from an initial determination.

(6) If a referee's decision affirms an initial determination awarding benefits or the commissioner affirms an appeal tribunal decision awarding benefits, the decision, if finally reversed, shall not result in a disqualification and benefits paid shall neither be deemed overpaid nor shall they be considered in determining any individual employer's future contribution rate under section 268.06.

Sec. 17. Minnesota Statutes 1984, section 268.12, subdivision 8, is amended to read:

Subd. 8. [RECORDS; REPORTS.] (1) Each employing unit shall keep true and accurate work records for such periods of time and containing such information as the commissioner may prescribe. Such records shall be open to inspection, audit, and verification, and be subject to being copied by any authorized representative of the commissioner at any reasonable time and as often as may be necessary. The commissioner, appeal referee, or any other duly authorized representative of the commissioner, may require from any employing unit any sworn or un-



sworn reports, with respect to persons employed by it, which the commissioner, appeal referee, or any other duly authorized representative of the commissioner deems necessary for the effective administration of sections 268.03 to 268.24 (, PROVIDED THAT QUARTERLY CONTRIBUTION AND WAGE REPORT FORMS SHALL INCLUDE THE EMPLOYEE'S NAME, SOCIAL SECURITY NUMBER, AND TOTAL WAGES PAID TO THE EMPLOYEE).

(2) The commissioner may cause to be made such summaries, compilations, photographs, duplications, or reproductions of any records, reports, or transcripts thereof as he may deem advisable for the effective and economical preservation of the information contained therein, and such summaries, compilations, photographs, duplications or reproductions, duly authenticated, shall be admissible in any proceeding under sections 268.03 to 268.24, if the original record or records would have been admissible therein. Notwithstanding any restrictions contained in section 16B.50, except restrictions as to quantity, the commissioner is hereby authorized to duplicate, on equipment furnished by the federal government or purchased with funds furnished for that purpose by the federal government, records, reports, summaries, compilations, instructions, determinations, or any other written matter pertaining to the administration of the Minnesota economic security law.

(3) Notwithstanding any inconsistent provisions elsewhere, the commissioner may provide for the destruction or disposition of any records, reports, transcripts, or reproductions thereof, or other papers in his custody, which are more than two years old, the preservation of which is no longer necessary for the establishment of contribution liability or benefit rights or for any purpose necessary to the proper administration of sections 268.03 to 268.24, including any required audit thereof, provided, that the commissioner may provide for the destruction or disposition of any record, report, or transcript, or other paper in his custody which has been photographed, duplicated, or reproduced in the manner provided in clause (2).

(4) Notwithstanding the provisions of the Minnesota State Archives Act the commissioner shall with the approval of the legislative auditor destroy all benefit checks and benefit check authorization cards that are more than two years old and no person shall make any demand, bring any suit or other proceeding to recover from the state of Minnesota any sum alleged to be due him on any claim for benefits after the expiration of two years from the date of filing such claim.

Sec. 18. Minnesota Statutes 1984, section 268.121, is amended to read:

268.121 [WAGE REPORTING.]

Beginning on April 1, 1984, each employer subject to this chapter shall provide the commissioner with a quarterly report of the wages (, AS DEFINED IN SECTION 268.04, SUBDIVISION 25,) paid to each employee of that employer covered by this chapter. (THE COMMISSIONER SHALL PROVIDE THE LEGISLATURE WITH HIS RECOMMENDATIONS FOR STATUTORY CHANGES TO FULLY IMPLEMENT THIS SECTION NO LATER THAN JANUARY 1, 1983.) *The report must include the employee's name, social security number, and total wages paid to the employee. For the purpose of this section, "wages paid" includes wages actually or constructively paid and wages overdue and delayed beyond the usual time of payment.*

Sec. 19. Minnesota Statutes 1984, section 268.15, subdivision 3, is amended to read:

Subd. 3. [CONTINGENT ACCOUNT.] There is hereby created in the state treasury a special account, to be known as the economic security contingent account, which shall not lapse nor revert to any other fund. Such account shall consist of all moneys appropriated therefor by the legislature, all moneys in the form of interest and penalties collected pursuant to (SECTION) sections 268.16 and 268.18, and all moneys received in the form of voluntary contributions to this account and interest thereon. All moneys in such account shall be supplemental to all federal moneys that would be available to the commissioner but for the existence of this account. Moneys in this account are hereby appropriated to the commissioner and shall be expended in accordance with the provisions of section 3.30, in connection with the administration of sections 268.03 to 268.24. *Commencing with the fiscal year beginning July 1, 1985, the commissioner is authorized to expend annually, in addition to any federal moneys and without reference to section 3.30, the sum of \$500,000, from available moneys in this fund which are derived from interest and penalties collected pursuant to sections 268.16 and 268.18 and moneys received in the form of voluntary payments and interest thereon, for the purpose of providing for: (1) the investigation of fraud on the part of any person in claiming or obtaining benefits under sections 268.03 to 268.24 or fraud on the part of any employer in attempting to avoid or reduce any contribution or other payment required from an employing unit under those sections; (2) determination of benefit overpayments and contribution underpayments for reasons other than fraud; (3) recovery of moneys due to the commissioner as a result of clauses (1) and (2); (4) the verification of work search efforts especially in areas with robust economies; and (5) those special services which are reasonably directed toward assisting the unemployed in returning to suitable work. Whenever the commissioner expends moneys from said contingent account for the proper and efficient administration of the Minnesota economic security law for which funds have not yet been made available by the federal government, such moneys so withdrawn from the contingent account shall be replaced as hereinafter provided. Upon the deposit in the economic security administration fund*

of moneys which are received in reimbursement of payments made as above provided for said contingent account, the commissioner shall certify to the state treasurer the amount of such reimbursement and thereupon the state treasurer shall transfer such amount from the economic security administration fund to said contingent account. All moneys in this account shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for the other special accounts in the state treasury. The state treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the economic security contingent account provided for herein. Notwithstanding anything to the contrary contained herein, on June 30 of each year, except 1982, all amounts in excess of \$300,000 in this account shall be paid over to the unemployment compensation fund established under section 268.05 and administered in accordance with the provisions set forth therein.

Sec. 20. Minnesota Statutes 1984, section 268.16, subdivision 2, is amended to read:

Subd. 2. [REPORTS; DELINQUENCIES; PENALTIES.]  
(1) (a) Any employer who knowingly fails to make and submit to the department of economic security any *contribution report* (OF WAGES PAID BY OR DUE FROM HIM FOR INSURED WORK IN THE MANNER AND) at the time (SUCH) *the report* is required by (REGULATIONS) *rules* prescribed by the commissioner shall pay to the department of economic security for the contingent account a penalty in the amount of one and one-half percent of contributions accrued during the period for which (SUCH) *the report* is required, for each month from and after (SUCH) *the due date* until (SUCH) *the report* is properly made and submitted to the department of economic security. In no case shall the amount of the penalty imposed hereby be less than \$5 per month. The maximum penalty imposed hereby shall be \$25 or the amount determined at the rate of 1-1/2 percent per month, whichever is greater. (ANY EMPLOYING UNIT WHICH FAILS TO MAKE AND SUBMIT TO THE COMMISSIONER ANY REPORT, OTHER THAN ONE OF WAGES PAID OR PAYABLE FOR INSURED WORK, AS AND WHEN REQUIRED BY THE REGULATIONS OF THE COMMISSIONER, SHALL BE SUBJECT TO A PENALTY IN THE SUM OF \$10 PAYABLE TO THE DEPARTMENT OF ECONOMIC SECURITY FOR THE CONTINGENT ACCOUNT. ALL SUCH PENALTIES SHALL BE IN ADDITION TO INTEREST AND ANY OTHER PENALTIES PROVIDED FOR BY SECTIONS 268.03 TO 268.24 AND SHALL BE COLLECTED AS PROVIDED BY SECTION 268.161.)

((2)) (b) If any employing unit required by sections 268.03 to 268.24 to make and submit contribution reports shall fail to do so within the time prescribed by these sections or by regulations under the authority thereof, or shall make, willfully or

otherwise, an incorrect, false or fraudulent contribution report, he shall, on the written demand of the commissioner, make such contribution report, or corrected report, within ten days after the mailing of such written demand and at the same time pay the whole contribution, or additional contribution, due on the basis thereof. If such employer shall fail within that time to make such report, or corrected report, the commissioner shall make for him a report, or corrected report, from his own knowledge and from such information as he can obtain through testimony, or otherwise, and assess a contribution on the basis thereof, which contribution, plus penalties and interest which thereafter accrued (less any payments theretofore made) shall be paid within ten days after the commissioner has mailed to such employer a written notice of the amount thereof and demand for its payment. Any such contribution report or assessment made by the commissioner on account of the failure of the employer to make a report or corrected report shall be prima facie correct and valid, and the employer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto. Whenever such delinquent employer shall file a report or corrected report, the commissioner may, if he finds it substantially correct, substitute it for the commissioner's report.

*(c) Any employer who fails to file the wage detail report required by section 268.121 shall pay to the department of economic security for the contingent account a penalty of one tenth of one percent of total wages paid and wages due but not paid during the period for each month the report is delinquent. The penalty shall not be assessed if the wage detail report is properly made and filed within 30 days after a demand for the report is mailed to the employer's address of record. In no case shall the amount of the penalty, if assessed, be less than \$25. Penalties due under this subdivision may be waived where good cause for late filing is found by the commissioner.*

*(d) Any employer who files the wage detail report required by section 268.121 but knowingly fails to include any of the required information or knowingly enters erroneous information shall be subject to a penalty of \$25 for each individual for whom the information is missing or erroneous.*

*(e) Any employing unit which fails to make and submit to the commissioner any report, other than a contribution report or wage detail report, as and when required by rule, shall be subject to a penalty in the sum of \$25 payable to the department of economic security for the contingent account.*

*(f) Penalties provided for in paragraphs (a), (c), (d) and (e) shall be in addition to interest and any other penalties imposed by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.*

Sec. 21. Minnesota Statutes 1984, section 268.16, is amended by adding a subdivision to read:

*Subd. 3a. [COSTS.] Any employing unit which fails to make and submit reports or pay any contributions or reimbursement when due shall be liable to the department for any recording fees, sheriff fees, or litigation costs incurred in the collection of the amounts due or obtaining the reports.*

*If any check or money order, in payment of any amount due under this chapter, is not honored when presented for payment, the employing unit will be assessed a fee of \$20 which shall be in addition to any other fees provided by this chapter. The fee shall be assessed regardless of the amount of the check or money order or the reason for non-payment with the exception of processing errors made by a financial institution.*

*Costs due under this subdivision shall be paid to the department and credited to the employment services administration fund.*

Sec. 22. [REPEALER.]

*Minnesota Statutes 1984, section 268.04, subdivisions 29 and 30 are repealed.*

Sec. 23. [EFFECTIVE DATES.]

*Sections 1, 2, 3, 6, 10, 11, 12, 13, 14, 15, 16, 17, and 22 are effective October 1, 1985 for benefit years subsequent to September 30, 1985."*

Further amend the title by deleting it in its entirety and inserting:

*"A bill for an act relating to unemployment compensation; regulating the payment, amount, and eligibility for benefits; setting employer contribution rates; making administrative changes; providing a penalty; amending Minnesota Statutes 1984, sections 268.04, subdivisions 2, 4, 24, and by adding subdivisions; 268.06, subdivisions 2, 3a, and 8; 268.07, subdivisions 2, 2a, and 3; 268.08, subdivision 1; 268.09, by adding a subdivision; 268.10, subdivisions 1 and 2; 268.12, subdivision 8; 268.121; 268.15, subdivision 3; 268.16, subdivision 2, and by adding a subdivision; repealing Minnesota Statutes 1984, section 268.04, subdivisions 29 and 30."*

A roll call was requested and properly seconded.

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

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

There were 53 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Battaglia	Knuth	Nelson, K.	Price	Solberg
Beard	Kostohryz	Neuenschwander	Quinn	Sparby
Begich	Krueger	Norton	Rest	Staten
Brandl	Lieder	O'Connor	Rice	Tomlinson
Carlson, L.	Long	Ogren	Riveness	Tunheim
Cohen	McEachern	Olson, E.	Rodosovich	Vanasek
Elioff	Metzen	Osthoff	Sarna	Vellenga
Jacobs	Minne	Otis	Scheid	Welle
Jaros	Munger	Pappas	Schoenfeld	Wenzel
Kahn	Murphy	Peterson	Segal	
Kelly	Nelson, D.	Piper	Skoglund	

Those who voted in the negative were:

Anderson, R.	Ellingson	Jennings, L.	Ozment	Thiede
Backlund	Erickson	Johnson	Pauly	Thorson
Becklin	Fjoslien	Kalis	Piepho	Tjornhom
Bennett	Forsythe	Kiffmeyer	Poppenhagen	Tompkins
Bishop	Frederick	Knickerbocker	Quist	Uphus
Blatz	Frederickson	Kvam	Rees	Valan
Boerboom	Frerichs	Levi	Richter	Valento
Brinkman	Greenfield	Marsh	Rose	Voss
Burger	Gruenes	McDonald	Schafer	Waltman
Carlson, J.	Gutknecht	McKasy	Seaberg	Wynia
Clausnitzer	Hartinger	McPherson	Shaver	Zaffke
Dempsey	Hartle	Miller	Sherman	Spk. Jennings, D.
DenOuden	Haukoos	Olsen, S.	Simoneau	
Dimler	Heap	Omann	Stanis	
Dyke	Himle	Onnen	Svigum	

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

Welle; Olson, E.; Kalis; Cohen; Krueger; Brown; Peterson; Tunheim; Segal; Rodosovich; Lieder; Neuenschwander and Jennings, L., moved to amend H. F. No. 847, the second engrossment, as follows:

Page 8, line 11, after "(60)" delete "one" and insert "50"

Page 8, line 14, after "individuals" delete "total base period wage credits" and insert "average weekly wage"

Page 9, delete lines 13 to 19 and insert: "each year thereafter, shall be \$200."

Page 10, delete lines 2 to 35

Page 19, delete lines 22 to 24

Page 40, after line 20, insert:

"Article 3

Section 1. [STUDY OF SEASONALITY.]

*Subdivision 1. [GENERALLY.] The legislature finds that a workable definition of seasonality, and a reasonable approach toward seasonal workers is essential to ensure that the Minnesota unemployment compensation system fulfill its public purpose of providing wage replacement to only those workers who demonstrate a permanent attachment to the work force.*

*Subd. 2. [STUDY.] The senate employment committee and the house labor-management relations committee shall; (1) study the issue of seasonality, (2) evaluate other states' seasonality provisions, (3) investigate the types of legislative alternatives available, and (4) recommend a suitable definition of seasonal employment that best reflects the requirement of permanent attachment to the labor force to their respective bodies no later than February 1, 1986."*

A roll call was requested and properly seconded.

The question was taken on Welle et al., amendment and the roll was called. There were 24 yeas and 109 nays as follows:

Those who voted in the affirmative were:

Brandl	Jennings, L.	Long	Peterson	Sparby
Brinkman	Kalis	Murphy	Rest	Tunheim
Brown	Knuth	Nelson, K.	Rodosovich	Vanasek
Cohen	Krueger	Neuenschwander	Schoenfeld	Welle
Jaros	Lieder	Olson, E.	Segal	

Those who voted in the negative were:

Anderson, R.	Dimler	Jacobs	Nelson, D.	Rees
Backlund	Dyke	Johnson	Norton	Rice
Battaglia	Elioff	Kahn	O'Connor	Richter
Beard	Ellingson	Kelly	Ogren	Riveness
Becklin	Erickson	Kiffmeyer	Olsen, S.	Rose
Begich	Fjoslien	Knickerbocker	Omann	Sarna
Bennett	Forsythe	Kostohryz	Onnen	Schafer
Bishop	Frederick	Kvam	Osthoff	Scheid
Blatz	Frederickson	Levi	Otis	Schreiber
Boerboom	Frerichs	Marsh	Ozment	Seaberg
Boo	Greenfield	McDonald	Pappas	Shaver
Burger	Gruenes	McEachern	Pauly	Sherman
Carlson, D.	Gutknecht	McKasy	Piepho	Simoneau
Carlson, J.	Halberg	McLaughlin	Piper	Skoglund
Carlson, L.	Hartinger	McPherson	Poppenhagen	Solberg
Clark	Hartle	Metzen	Price	Stanis
Clausnitzer	Haukoos	Miller	Quinn	Staten
Dempsey	Heap	Minne	Quist	Swiggum
DenOuden	Himle	Munger	Redalen	Thiede

Thorson  
Tjornhom  
Tomlinson

Tompkins  
Uphus  
Valan

Valento  
Vellenga  
Voss

Waltman  
Wenzel  
Wynia

Zaffke  
Spk. Jennings, D.

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

H. F. No. 847, A bill for an act relating to unemployment compensation; altering the public policy statement; changing the taxable wage base; defining credit week; providing for employer charging; increasing the eligibility requirement; eliminating certain tax rate limitations; changing the weekly benefit amount; capping the maximum weekly benefit; providing for the duration of benefits; increasing the duration of benefits for claimants in counties with high unemployment; providing for seasonal employees; making the waiting week nonreimbursable; amending the benefit offset for severance pay; increasing the period of time and earnings necessary for requalification after disqualification; changing the definition of suitable work; transferring duties to the office of administrative hearings; amending Minnesota Statutes 1984, sections 14.03, subdivision 2; 14.51; 14.53; 43A.18, subdivision 4; 179A.10, subdivision 1; 268.03; 268.04, subdivisions 25 and 29; 268.06, subdivisions 5, 8, 18, 19, and 20; 268.07, subdivisions 2 and 2a; 268.08, subdivisions 1 and 3; 268.09, subdivisions 1 and 2; 268.10, subdivisions 2, 3, 4, 5, 6, and 9; 268.12, subdivisions 8, 9, 10, and 13; and 268.18, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1984, section 268.04, subdivision 30.

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 74 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Anderson, R.  
Backlund  
Becklin  
Bennett  
Bishop  
Blatz  
Boerboom  
Boo  
Burger  
Carlson, D.  
Carlson, J.  
Clausnitzer  
Dempsey  
DenOuden  
Dimler

Dyke  
Erickson  
Fjoslien  
Forsythe  
Frederick  
Frederickson  
Frerichs  
Gruenes  
Gutknecht  
Halberg  
Hartinger  
Hartle  
Haukoos  
Heap  
Hinle

Johnson  
Kalis  
Kiffmeyer  
Knickerbocker  
Krueger  
Kvam  
Levi  
Lieder  
Marsh  
McDonald  
McKasy  
McPherson  
Miller  
Olsen, S.  
Omann

Onnen  
Ozment  
Pauly  
Piepho  
Poppenhagen  
Quist  
Redalen  
Rees  
Richter  
Rodosovich  
Rose  
Schafer  
Schoenfeld  
Schreiber  
Seaberg

Shaver  
Sherman  
Stanius  
Sviggum  
Thiede  
Thorson  
Tjornhom  
Tompkins  
Uphus  
Valan  
Valento  
Waltman  
Zaffke  
Spk. Jennings, D.



Those who voted in the negative were:

Battaglia	Jacobs	Munger	Peterson	Solberg
Beard	Jaros	Murphy	Piper	Sparby
Begich	Jennings, L.	Nelson, D.	Price	Staten
Brandl	Kahn	Nelson, K.	Quinn	Tomlinson
Brinkman	Kelly	Neuenschwander	Rest	Tunheim
Brown	Knuth	Norton	Rice	Vanasek
Carlson, L.	Kostohryz	O'Connor	Riveness	Vellenga
Clark	Long	Ogren	Sarna	Voss
Cohen	McEachern	Olson, E.	Scheid	Welle
Eloff	McLaughlin	Osthoff	Segal	Wenzel
Ellingson	Metzen	Otis	Simoneau	Wynia
Greenfield	Minne	Pappas	Skoglund	

The bill was passed and its title agreed to.

#### CALL OF THE HOUSE LIFTED

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

H. F. No. 1263 was reported to the House.

Rose moved that H. F. No. 1263 be continued on Special Orders for one day. The motion prevailed.

The Speaker called Halberg to the Chair.

H. F. No. 654 was reported to the House and given its third reading.

#### POINT OF ORDER

Kahn raised a point of order pursuant to rule 5.7 that H. F. No. 654 be re-referred to the Committee on Appropriations. The Speaker pro tempore Halberg ruled the point of order not well taken.

H. F. No. 654, A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for the crimes of residential burglary, burglary of an occupied dwelling, aggravated robbery of a pharmacy, and selling cocaine, heroin, and hallucinogens; amending Minnesota Statutes 1984, sections 152.15, by adding subdivisions; 609.245; and 609.582, by adding subdivisions.

The bill was placed upon its final passage.

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

Those who voted in the affirmative were:

Anderson, R.	Beard	Bennett	Boerboom	Brinkman
Backlund	Becklin	Bishop	Boo	Brown
Battaglia	Begich	Blatz	Brandl	Burger

Carlson, D.	Hartle	McPherson	Piper	Sparby
Carlson, J.	Haukoos	Metzen	Poppenhagen	Stanius
Carlson, L.	Heap	Miller	Price	Staten
Clark	Himle	Minne	Quinn	Svigggum
Clausnitzer	Jacobs	Munger	Quist	Thiede
Cohen	Jaros	Murphy	Redalen	Thorson
Dempsey	Jennings, L.	Nelson, D.	Rees	Tjornhom
DenOuden	Johnson	Nelson, K.	Rest	Tomlinson
Dimler	Kahn	Neuenschwander	Richter	Tunheim
Dyke	Kalis	Norton	Riveness	Uphus
Elioff	Kelly	O'Connor	Rodosovich	Valan
Ellingson	Knickerbocker	Ogren	Rose	Valento
Erickson	Knuth	Olsen, S.	Sarna	Vanasek
Fjoslien	Kostohryz	Olson, E.	Schafer	Vellenga
Forsythe	Kvam	Omann	Scheid	Voss
Frederick	Levi	Onnen	Schreiber	Waltman
Frederickson	Lieder	Osthoff	Seaberg	Welle
Frerichs	Long	Otis	Segal	Wenzel
Greenfield	Marsh	Ozment	Shaver	Wynia
Gruenes	McDonald	Pappas	Sherman	Zaffke
Gutknecht	McEachern	Pauly	Simoneau	
Halberg	McKasy	Peterson	Skoglund	
Hartinger	McLaughlin	Piepho	Solberg	

The bill was passed and its title agreed to.

H. F. No. 766 was reported to the House.

Vanasek moved to amend H. F. No. 766, the first engrossment, as follows:

Page 1, delete lines 21 and 22

The motion prevailed and the amendment was adopted.

H. F. No. 766, A bill for an act relating to crimes; creating a presumption in favor of the confinement of certain convicted defendants pending imposition of sentence; proposing coding for new law in Minnesota Statutes, chapter 629.

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

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

Those who voted in the affirmative were:

Anderson, R.	Brandl	Dempsey	Frederickson	Jaros
Backlund	Brinkman	DenOuden	Frerichs	Jennings, L.
Battaglia	Brown	Dimler	Greenfield	Johnson
Beard	Burger	Dyke	Gruenes	Kahn
Becklin	Carlson, D.	Elioff	Gutknecht	Kalis
Begich	Carlson, J.	Ellingson	Hartinger	Kelly
Bennett	Carlson, L.	Erickson	Hartle	Kiffmeyer
Blatz	Clark	Fjoslien	Haukoos	Knickerbocker
Boerboom	Clausnitzer	Forsythe	Himle	Knuth
Boo	Cohen	Frederick	Jacobs	Kostohryz

Krueger	Nelson, D.	Peterson	Scheid	Tomlinson
Kvam	Nelson, K.	Piepho	Schoenfeld	Tompkins
Levi	Neuenschwander	Piper	Schreiber	Tunheim
Lieder	Norton	Poppenhagen	Seaberg	Uphus
Long	O'Connor	Price	Segal	Valan
Marsh	Ogren	Quinn	Sherman	Valento
McDonald	Olsen, S.	Quist	Simoneau	Vanasek
McEachern	Olson, E.	Redalen	Skoglund	Vellenga
McKasy	Omann	Rees	Solberg	Voss
McLaughlin	Onnen	Rest	Sparby	Waltman
McPherson	Osthoff	Rice	Stanius	Welle
Metzen	Otis	Richter	Staten	Wenzel
Minne	Ozment	Rodosovich	Sviggum	Wynia
Munger	Pappas	Sarna	Thiede	Zaffke
Murphy	Pauly	Schafer	Tjornhom	Spk. Jennings, D.

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

The Speaker resumed the Chair.

H. F. No. 9 was reported to the House.

Vanasek moved to amend H. F. No. 9, as follows:

Page 1, line 24, delete "believing that"

Page 2, line 1, delete ", we firmly" and insert " ;"

Page 2, delete lines 2 and 3

Page 2, line 4, after "and" insert "*Now, Therefore,*"

Page 2, delete lines 5 to 12

Page 2, after line 14, insert:

"(1) The President shall submit to Congress a proposal for a balanced budget for fiscal year 1987.

(2) The Congress shall enact a balanced budget for fiscal year 1987."

Page 2, delete lines 15 to 35

A roll call was requested and properly seconded.

The question was taken on the Vanasek amendment and the roll was called. There were 69 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Battaglia	Bishop	Brinkman	Clark	Ellingson
Beard	Boo	Brown	Cohen	Greenfield
Beigh	Brandl	Carlson, L.	Elioff	Halberg

Jacobs	McEachern	Ogren	Riveness	Staten
Jaros	McLaughlin	Olson, E.	Rodosovich	Tomlinson
Jennings, L.	Metzen	Osthoff	Sarna	Tompkins
Kahn	Minne	Otis	Scheid	Tunheim
Kalis	Munger	Pappas	Schoenfeld	Vanasek
Kelly	Murphy	Peterson	Segal	Vellenga
Knuth	Nelson, D.	Piper	Shaver	Voss
Kostohryz	Nelson, K.	Price	Simoneau	Welle
Krueger	Neuenschwander	Quinn	Skoglund	Wenzel
Lieder	Norton	Rest	Soiberg	Wynia
Long	O'Connor	Rice	Sparby	

Those who voted in the negative were:

Anderson, R.	Dyke	Himle	Onnen	Sherman
Backlund	Erickson	Johnson	Ozment	Stanis
Becklin	Fjoslien	Kiffmeyer	Pauly	Sviggum
Bennett	Forsythe	Knickerbocker	Piepho	Thiede
Blatz	Frederick	Kvam	Poppenhagen	Thorson
Boerboom	Frederickson	Levi	Quist	Tjornhom
Burger	Frerichs	Marsh	Redalen	Uphus
Carlson, D.	Gruenes	McDonald	Rees	Valan
Carlson, J.	Gutknecht	McKasy	Richter	Valento
Clausnitzer	Hartinger	McPherson	Rose	Waltman
Dempsey	Hartle	Miller	Schafer	Zaffke
DenOuden	Haukoos	Olsen, S.	Schreiber	Spk. Jennings, D.
Dimler	Heap	Omann	Seaberg	

The motion prevailed and the amendment was adopted.

H. F. No. 9, as amended, was read for the third time.

Piepho moved that H. F. No. 9, as amended, be continued on Special Orders for one day.

A roll call was requested and properly seconded.

The question was taken on the Piepho motion and the roll was called. There were 68 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dimler	Heap	Onnen	Stanis
Backlund	Dyke	Himle	Ozment	Sviggum
Becklin	Erickson	Johnson	Pauly	Thiede
Bennett	Fjoslien	Kiffmeyer	Piepho	Thorson
Blatz	Forsythe	Knickerbocker	Poppenhagen	Tjornhom
Boerboom	Frederick	Kvam	Quist	Tompkins
Boo	Frederickson	Levi	Redalen	Uphus
Burger	Frerichs	Marsh	Rees	Valan
Carlson, D.	Gruenes	McDonald	Richter	Valento
Carlson, J.	Gutknecht	McKasy	Rose	Waltman
Clausnitzer	Halberg	McPherson	Schafer	Zaffke
Cohen	Hartinger	Miller	Schreiber	Spk. Jennings, D.
Dempsey	Hartle	Olsen, S.	Seaberg	
DenOuden	Haukoos	Omann	Sherman	

Those who voted in the negative were:

Battaglia	Jaros	Minne	Peterson	Simoneau
Beard	Jennings, L.	Munger	Piper	Skoglund
Begich	Kahn	Murphy	Price	Solberg
Bishop	Kalis	Nelson, D.	Quinn	Sparby
Brandl	Kelly	Nelson, K.	Rest	Staten
Brinkman	Knuth	Neuenschwander	Rice	Tomlinson
Brown	Kostohryz	Norton	Riveness	Tunheim
Carlson, L.	Krueger	O'Connor	Rodosovich	Vanasek
Clark	Lieder	Ogren	Sarna	Vellenga
Elioff	Long	Olson, E.	Scheid	Voss
Ellingson	McEachern	Osthoff	Schoenfeld	Welle
Greenfield	McLaughlin	Otis	Segal	Wenzel
Jacobs	Metzen	Pappas	Shaver	Wynia

The motion prevailed and H. F. No. 9, as amended, was continued on Special Orders for one day.

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

H. F. No. 576, A bill for an act relating to local government; setting authority to regulate firearms and related matters; amending Minnesota Statutes 1984, sections 624.7132, subdivision 16; and 624.717; proposing coding for new law in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1984, section 624.718.

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

The question was taken on the passage of the bill and the roll was called. There were 91 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Backlund	Ellingson	Knickerbocker	Ozment	Stanisus
Battaglia	Erickson	Krueger	Pauly	Sviggum
Beard	Fjoslien	Kvam	Peterson	Thiede
Becklin	Forsythe	Levi	Piepho	Thorson
Begich	Frederick	Lieder	Poppenhagen	Tjornhom
Bennett	Frederickson	Marsh	Quinn	Tompkins
Bishop	Frerichs	McDonald	Quist	Tunheim
Blatz	Gruenes	McEachern	Redalen	Uphus
Boerboom	Gutknecht	McPherson	Rees	Valan
Brinkman	Halberg	Metzen	Richter	Valento
Brown	Hartinger	Miller	Rodosovich	Vanasek
Carlson, D.	Hartle	Minne	Rose	Waltman
Carlson, J.	Haukoos	Murphy	Schafer	Wenzel
Clausnitzer	Himle	Nelson, D.	Schoenfeld	Zaffke
Dempsey	Jacobs	Neuenschwander	Schreiber	Spk. Jennings, D.
DenOuden	Jennings, L.	Ogren	Shaver	
Dimler	Johnson	Olson, E.	Sherman	
Dyke	Kalis	Omann	Solberg	
Elioff	Kiffmeyer	Onnen	Sparby	

Those who voted in the negative were:

Boo	Kelly	Nelson, K.	Price	Skoglund
Burger	Knuth	Norton	Rest	Staten
Carlson, L.	Kostohryz	Olsen, S.	Rice	Tomlinson
Clark	Long	Osthoff	Scheid	Vellenga
Greenfield	McKasy	Otis	Seaberg	Voss
Jaros	McLaughlin	Pappas	Segal	Welle
Kahn	Munger	Piper	Simoneau	Wynia

The bill was passed and its title agreed to.

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

H. F. No. 191 was reported to the House.

Bishop and Valento moved to amend H. F. No. 191, the first engrossment, as follows:

Page 3, line 5, following "*parties*" delete the remainder of the line

Page 3, lines 6 and 7, delete all of line 6 and all of line 7 except the period

Page 3, line 27, delete "30" and insert "45"

Page 3, line 35, delete "45" and insert "60"

Page 4, line 9, delete "*calculate and*"

Page 4, line 17, delete "*calculated and*"

Page 4, line 30, delete "*calculated and*"

A roll call was requested and properly seconded.

The question was taken on the Bishop and Valento amendment and the roll was called. There were 25 yeas and 93 nays as follows:

Those who voted in the affirmative were:

Becklin	Greenfield	Kiffmeyer	Poppenhagen	Simoneau
Bishop	Gutknecht	Krueger	Rice	Thiede
Boo	Halberg	Levi	Rose	Valento
Forsythe	Jennings, L.	Lieder	Seaberg	Wenzel
Frerichs	Kalis	McLaughlin	Sherman	Spk. Jennings, D.

Those who voted in the negative were:

Anderson, R.	Beard	Blatz	Burger	Carlson, L.
Backlund	Begich	Brinkman	Carlson, D.	Clark
Battaglia	Bennett	Brown	Carlson, J.	Clausnitzer

Dempsey	Jacobs	Norton	Quist	Sviggum
DenOuden	Knickerbocker	O'Connor	Redalen	Thorson
Dimler	Knuth	Ogren	Rees	Tjornhom
Dyke	Kostohryz	Olsen, S.	Rest	Tomlinson
Elioff	Long	Omann	Richter	Tompkins
Ellingson	Marsh	Onnen	Riveness	Tunheim
Erickson	McDonald	Osthoff	Sarna	Valan
Fjoslien	McKasy	Otis	Schafer	Vanasek
Frederick	McPherson	Ozment	Scheid	Vellenga
Frederickson	Metzen	Pappas	Segal	Voss
Gruenes	Miller	Pauly	Shaver	Waltman
Hartinger	Minne	Peterson	Skoglund	Welle
Hartle	Murphy	Piepho	Solberg	Wynia
Haukoos	Nelson, D.	Piper	Sparby	Zaffke
Heap	Nelson, K.	Price	Stanisus	
Himle	Neuenschwander	Quinn	Staten	

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

Piepho moved to amend H. F. No. 191, the first engrossment, as follows:

Page 1, line 15, delete everything after "16A.011"

Page 1, line 16, delete the new language

Page 2, after line 26, insert:

"Sec. 3. Minnesota Statutes 1984, section 16A.124, is amended by adding a subdivision to read:

*Subd. 5a. [UNIVERSITY OF MINNESOTA; PAYMENT OF INTEREST ON LATE PAYMENTS AUTHORIZED.] The University of Minnesota may comply with the requirements of subdivision 5."*

Page 4, line 11, after "or" insert "*, if no contract terms apply,*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, before the semicolon, insert "*, and by adding a subdivision*"

The motion prevailed and the amendment was adopted.

H. F. No. 191, A bill for an act relating to local and state government; requiring prompt payment of local government bills; amending Minnesota Statutes 1984, section 16A.124, subdivi-

sions 1, 5, and 8, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 471.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	Marsh	Pauly	Solberg
Backlund	Frederickson	McDonald	Peterson	Sparby
Battaglia	Frerichs	McEachern	Piepho	Stanius
Beard	Gruenes	McKasy	Piper	Staten
Becklin	Gutknecht	McLaughlin	Poppenhagen	Svigum
Begich	Halberg	McPherson	Price	Thiede
Bennett	Hartinger	Metzen	Quist	Thorson
Blatz	Hartle	Miller	Redalen	Tjornhom
Boerboom	Haukoos	Minne	Rees	Tomlinson
Boo	Heap	Munger	Rest	Tompkins
Brinkman	Himle	Murphy	Rice	Tunheim
Brown	Jacobs	Nelson, D.	Richter	Uphus
Carlson, D.	Jaros	Nelson, K.	Riveness	Valan
Carlson, J.	Kahn	Neuenschwander	Rose	Valento
Carlson, L.	Kalis	Norton	Sarna	Vellenga
Clark	Kelly	O'Connor	Schafer	Voss
Clausnitzer	Kiffmeyer	Ogren	Scheid	Waltman
Dempsey	Knickerbocker	Olsen, S.	Schoenfeld	Welle
DenOuden	Knuth	Olson, E.	Schreiber	Wenzel
Dyke	Kostohryz	Omann	Seaberg	Wynla
Elioff	Krueger	Onnen	Segal	Zaffke
Ellingson	Kvam	Osthoff	Shaver	Spk. Jennings, D.
Erickson	Levi	Otis	Sherman	
Fjoslien	Lieder	Ozment	Simoneau	
Forsythe	Long	Pappas	Skoglund	

Those who voted in the negative were:

Bishop	Greenfield	Jennings, L.	Johnson	Quinn
Dimler				

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

H. F. No. 839 was reported to the House.

Bishop moved to amend H. F. No. 839, the first engrossment, as follows:

Page 1, after line 24, insert:

"Sec. 2. Minnesota Statutes 1984, section 609.485, is amended by adding a subdivision to read:

*Subd. 3a. [DISMISSAL OF CHARGE.] A felony charge brought under subdivision 2, clause (4) shall be dismissed if the person charged voluntarily returns to the facility within 14 days after the escape."*



Renumber the remaining sections

Page 2, line 2, after the headnote, insert "*Except as otherwise provided in section 2,*"

Page 2, line 29, delete "*and 2*" and insert "*to 3*"

Amend the title as follows:

Page 1, line 4, delete "*and 4*" and insert "*, 4, and by adding a subdivision*"

The motion prevailed and the amendment was adopted.

H. F. No. 839, A bill for an act relating to crimes; prohibiting escape from custody by certain mental patients; amending Minnesota Statutes 1984, section 609.485, subdivisions 2, 4, and by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Levi	Ozment	Simoneau
Backlund	Forsythe	Lieder	Pappas	Skoglund
Battaglia	Frederick	Long	Pauly	Solberg
Beard	Frederickson	Marsh	Peterson	Sparby
Becklin	Frerichs	McDonald	Picpho	Stanius
Begich	Greenfield	McEachern	Piper	Svigum
Bennett	Gruenes	McKasy	Poppenhagen	Thiede
Bishop	Gutknecht	McLaughlin	Price	Thorson
Blatz	Halberg	McPherson	Quinn	Tjornhom
Boerboom	Hartinger	Metzen	Quist	Tomlinson
Boo	Hartle	Miller	Redalen	Tompkins
Brinkman	Haukoos	Minne	Rees	Tunheim
Brown	Heap	Munger	Rest	Uphus
Burger	Himle	Murphy	Rice	Valan
Carlson, D.	Jacobs	Nelson, D.	Richter	Valento
Carlson, J.	Jaros	Nelson, K.	Riveness	Vanasek
Carlson, L.	Jennings, L.	Neuenschwander	Rose	Vellenga
Clark	Johnson	Norton	Sarna	Voss
Clausnitzer	Kahn	O'Connor	Schafer	Waltman
Dempsey	Kelly	Ogren	Scheid	Welle
DenOuden	Kiffmeyer	Olsen, S.	Schoenfeld	Wenzel
Dimler	Knickerbocker	Olson, E.	Schreiber	Wynia
Dyke	Knuth	Omman	Seaberg	Zaffke
Elioff	Kostohryz	Onnen	Segal	Spk. Jennings, D.
Ellingson	Krueger	Osthoff	Shaver	
Erickson	Kvam	Otis	Sherman	

Those who voted in the negative were:

Staten

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

H. F. No. 1163 was reported to the House.

Thorson moved that H. F. No. 1163 be returned to General Orders. The motion prevailed.

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

### CONSENT CALENDAR

Levi moved that the bills on the Consent Calendar for today be continued one day. The motion prevailed.

### CALENDAR

Levi moved that the bills on the Calendar for today be continued one day. The motion prevailed.

### GENERAL ORDERS

Levi 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

Blatz from the Committee on Crime and Family Law to which was referred:

H. F. No. 1231, A bill for an act relating to crimes; transferring administration of crime victim crisis centers and the crime victims reparations board to the office of attorney general; amending Minnesota Statutes 1984, sections 611A.41, subdivision 2; 611A.44; 611A.53, subdivision 2; 611A.54; 611A.55, subdivision 1; and 611A.56, subdivision 1; repealing Minnesota Statutes 1984, section 611A.42.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 611A.41, subdivision 2, is amended to read:

Subd. 2. (THE COMMISSIONER OF CORRECTIONS, NOT LATER THAN JANUARY 1, 1978, SHALL ESTABLISH AT

LEAST TWO OPERATIONAL CENTERS) *The crisis centers operational on the effective date of this act are transferred to the office of the attorney general. The attorney general shall supervise the centers and encourage the establishment of additional centers as the attorney general deems desirable.* The (COMMISSIONER OF CORRECTIONS) attorney general may contract with a public or private agency for the purposes of planning, implementing and evaluating the centers established herein.

Sec. 2. Minnesota Statutes 1984, section 611A.44, is amended to read:

**611A.44 [EVALUATION.]**

Within three years of (MAY 28, 1977, THE COMMISSIONER OF CORRECTIONS) *the effective date of this act and every three years after that the attorney general shall evaluate the operation of all the centers. This evaluation shall determine the centers impact in assisting crime victims, its impact on the criminal justice system, the nature of community attitudes generated by the centers, the necessity for maintaining the two existing centers, the desirability of establishing additional centers and propose alternative means to accomplish the purposes of sections 611A.41 to 611A.44 in all areas of the state.*

Sec. 3. Minnesota Statutes 1984, section 611A.52, is amended to read:

**611A.52 [DEFINITIONS.]**

For the purposes of sections 611A.51 to 611A.67 the following terms shall have the meanings given them:

(1) "Accomplice" means any person who would be held criminally liable for the crime of another pursuant to section 609.05.

(2) "Board" means the crime victims reparations board established by section 611A.55.

(3) "Claimant" means a person entitled to apply for reparations pursuant to sections 611A.51 to 611A.67.

(4) "Collateral source" means a source of benefits or advantages for economic loss otherwise reparable under sections 611A.51 to 611A.67 which the victim or claimant has received, or which is readily available to him, from:

(a) the offender;

(b) the government of the United States or any agency thereof, a state or any of its political subdivisions, or an instru-

mentality of two or more states, unless the law providing for the benefits or advantages makes them excess or secondary to benefits under sections 611A.51 to 611A.67;

- (c) social security, medicare, and medicaid;
- (d) state required temporary nonoccupational disability insurance;
- (e) workers' compensation;
- (f) wage continuation programs of any employer;
- (g) proceeds of a contract of insurance payable to the victim for economic loss which he sustained because of the crime;
- (h) a contract providing prepaid hospital and other health care services, or benefits for disability; or
- (i) any private source as a voluntary donation or gift.

The term does not include a life insurance contract.

- (5) (a) "Crime" means conduct that
  - (i) occurs or is attempted in this state,
  - (ii) poses a substantial threat of personal injury or death, and
  - (iii) is included within the definition of "crime" in Minnesota Statutes 1971, section 609.02, subdivision 1, or would be included within that definition but for the fact that the person engaging in the conduct lacked capacity to commit the crime under the laws of this state.

(b) A crime occurs whether or not any person is prosecuted or convicted but the conviction of a person whose acts give rise to the claim is conclusive evidence that a crime was committed unless an application for rehearing, appeal, or petition for certiorari is pending or a new trial or rehearing has been ordered.

(c) "Crime" does not include conduct arising out of the use of a motor vehicle, as defined in section 169.01, subdivision 2, an aircraft or watercraft unless

- (i) the conduct was intended to cause personal injury or death, or

(ii) the use of the motor vehicle, aircraft or watercraft in the commission of a felony was a proximate cause of the victim's injury or death, or

(iii) *the claim arises out of a violation of section 609.21.*

(6) "Dependent" means any person who was dependent upon a deceased victim for support at the time of the crime.

(7) "Economic loss" means actual economic detriment incurred as a direct result of injury or death.

(a) In the case of injury the term is limited to:

(i) reasonable expenses incurred for necessary medical, chiropractic, hospital, rehabilitative, and dental products, services, or accommodations, including ambulance services, drugs, appliances and prosthetic devices;

(ii) reasonable expenses incurred for psychological or psychiatric products, services or accommodations where the nature of the injury or the circumstances of the crime are such that the treatment is necessary to the rehabilitation of the victim;

(iii) loss of income the victim would have earned had he not been injured; and

(iv) reasonable expenses incurred for substitute child care or household services to replace those the victim would have performed had he not been injured.

(b) In the case of death the term is limited to:

(i) reasonable expenses incurred for funeral, burial or cremation;

(ii) reasonable expenses for medical, chiropractic, hospital, rehabilitative, psychological and psychiatric services, products or accommodations which were incurred prior to the victim's death and for which the victim's survivors or estate are liable;

(iii) loss of support, including contributions of money, products or goods, but excluding services which the victim would have supplied to his dependents if he had lived; and

(iv) reasonable expenses incurred for substitute child care and household services to replace those which the victim would have performed for the benefit of his dependents if he had lived.

(8) "Injury" means actual bodily harm including pregnancy and mental or nervous shock.

(9) "Victim" means a person who suffers personal injury or death as a direct result of

(a) a crime;

(b) the good faith effort of any person to prevent a crime;  
or

(c) the good faith effort of any person to apprehend a person suspected of engaging in a crime.

Sec. 4. Minnesota Statutes 1984, section 611A.53, subdivision 2, is amended to read:

Subd. 2. No reparations shall be awarded to a claimant otherwise eligible if

(a) the crime was not reported to the police within five days of its occurrence or, if it could not reasonably have been reported within that period, within five days of the time when a report could reasonably have been made;

(b) the victim or claimant failed or refused to cooperate fully with the police and other law enforcement officials;

(c) (THE VICTIM IS THE SPOUSE OF OR A PERSON LIVING IN THE SAME HOUSEHOLD WITH THE OFFENDER OR HIS ACCOMPLICE OR THE PARENT, CHILD, BROTHER OR SISTER OF THE OFFENDER OR HIS ACCOMPLICE UNLESS THE BOARD DETERMINED THAT THE INTERESTS OF JUSTICE OTHERWISE REQUIRE IN A PARTICULAR CASE;)

((D)) the claimant was the offender or an accomplice of the offender or an award to the claimant would unjustly benefit the offender or an accomplice; or

((E)) (d) no claim was filed with the board within one year of victim's injury or death but if it could not have been made within that period, then the claim can be made within one year of the time when a claim could have been made ( ;)

((F) THE CLAIM IS LESS THAN \$100).

*The limitations contained in clauses (a) and (d) do not apply to victims of domestic child abuse as defined in section 260.015, subdivision 24.*

Sec. 5. Minnesota Statutes 1984, section 611A.54, is amended to read:

## 611A.54 [AMOUNT OF REPARATIONS.]

Reparations shall equal economic loss except that:

(1) reparations shall be reduced to the extent that economic loss is recouped from a collateral source or collateral sources;

(2) reparations shall be reduced to the extent, if any, that the board deems reasonable because of the contributory misconduct of the claimant or of a victim through whom he claims (AND BY THE FIRST \$100 OF ECONOMIC LOSS); and

(3) reparations paid to all claimants suffering economic loss as the result of the injury or death of any one victim shall not exceed (\$25,000) \$50,000.

Sec. 6. Minnesota Statutes 1984, section 611A.55, subdivision 1, is amended to read:

Subdivision 1. (THERE IS CREATED IN THE DEPARTMENT OF PUBLIC SAFETY, FOR BUDGETARY AND ADMINISTRATIVE PURPOSES, THE CRIME VICTIMS REPARATIONS BOARD, WHICH SHALL CONSIST OF THREE MEMBERS APPOINTED BY THE COMMISSIONER OF PUBLIC SAFETY) *The crime victims reparations board is transferred to the office of the attorney general which shall exercise administrative and budgeting control over the board. For purposes of continuity of board functions, the effect of the transfer of the board is governed by section 15.039.*

*The board shall consist of five members appointed by the attorney general and selected from among the membership of the crime victim and witness advisory council created in section 10. One of the members shall be designated as (CHAIRMAN) chairperson by the (COMMISSIONER OF PUBLIC SAFETY) attorney general and serve as such at his pleasure. At least one member shall be a person who is admitted to the bar of this state, (AND) at least one member shall be a medical or osteopathic physician licensed to practice in this state, and at least one member shall be a victim, as defined in section 611A.01.*

*The executive director of the crime victim and witness advisory council shall be the executive director of the crime victim reparations board.*

Sec. 7. Minnesota Statutes 1984, section 611A.55, subdivision 2, is amended to read:

Subd. 2. The membership terms, compensation, removal of members, and filling of vacancies on the board shall be as provided in section 15.0575. *Members of the board who are also*

*members of the crime victim and witness advisory council created in section 10 shall not be compensated while performing duties for the advisory council.*

Sec. 8. Minnesota Statutes 1984, section 611A.56, subdivision 1, is amended to read:

Subdivision 1. [DUTIES.] In addition to carrying out any duties specified elsewhere in sections 611A.51 to 611A.67 or in other law, the board shall:

(a) provide all claimants with an opportunity for hearing pursuant to chapter 14;

(b) (ESTABLISH AND MAINTAIN A PRINCIPAL OFFICE AND OTHER NECESSARY OFFICES AND APPOINT EMPLOYEES AND AGENTS AS NECESSARY AND FIX THEIR DUTIES;)

((C)) promulgate within 90 days following the effective date of Laws 1974, chapter 463 rules to implement sections 611A.51 to 611A.67, including rules governing the method of practice and procedure before the board, prescribing the manner in which applications for reparations shall be made, and providing for discovery proceedings;

((D)) (c) publicize widely the availability of reparations and the method of making claims; and

((E)) (d) prepare and transmit annually to the governor, the attorney general, and the legislature a report of its activities including the name of each claimant, a brief description of the facts in each case, the amount of reparation awarded, and a statistical summary of claims and awards made and denied.

Sec. 9. [611A.70] [CITATION.]

*Sections 9 and 10 may be cited as the "Minnesota crime victim and witness advisory council act."*

Sec. 10. [611A.71] [COUNCIL; ESTABLISHMENT.]

Subdivision 1. [CREATION.] *The Minnesota crime victim and witness advisory council is established and shall consist of 12 members.*

Subd. 2. [MEMBERSHIP.] *The crime victim and witness advisory council shall consist of the following members, appointed by the attorney general:*



(1) *two members of the Minnesota legislature, one from each house;*

(2) *one district court judge appointed upon recommendation of the chief justice of the supreme court;*

(3) *one county attorney appointed upon recommendation of the Minnesota county attorneys association;*

(4) *one public defender appointed upon recommendation of the state public defender;*

(5) *one peace officer;*

(6) *one medical or osteopathic physician licensed to practice in this state; and*

(7) *five members who are crime victims or crime victim assistance representatives.*

*The appointments should take into account sex, race, and geographic distribution. One of the members must be designated by the attorney general as chair of the council.*

*Subd. 3. [TERMS OF OFFICE.] Each appointed member must be appointed for four years and shall continue to serve during that time as long as the member occupies the position which made that member eligible for the appointment. Each member shall continue in office until that member's successor is duly appointed. Members are eligible for reappointment and appointment may be made to fill an unexpired term. The members of the council shall elect any additional officers necessary for the efficient discharge of their duties.*

*Subd. 4. [COMPENSATION.] Each member of the council shall serve without compensation.*

*Subd. 5. [DUTIES.] The council shall:*

(1) *review on a regular basis the treatment of victims by the criminal justice system and the need and availability of services to victims;*

(2) *advocate necessary changes and monitor victim-related legislation;*

(3) *provide information, training, and technical assistance to state and local agencies and groups involved in victim and witness assistance;*

(4) *serve as a clearinghouse for information concerning victim and witness programs;*

(5) *develop guidelines for the implementation of victim and witness assistance programs and aid in the creation and development of programs;*

(6) *coordinate the development and implementation of policies and guidelines for the treatment of victims and witnesses; and*

(7) *develop ongoing public awareness efforts and programs to assist victims.*

*Subd. 6. [EXECUTIVE DIRECTOR.] The attorney general shall select and employ an executive director for the council who shall aid the council in the performance of its duties under subdivision 5 and supervise the administration of the following:*

(1) *the crime victim ombudsman; and*

(2) *the crime victim crisis centers.*

*The executive director of the council shall also be the executive director of the crime victims reparations board.*

**Sec. 11. [611A.72] [CITATION.]**

*Sections 11 to 13 may be cited as the "crime victim ombudsman act."*

**Sec. 12. [611A.73] [DEFINITIONS.]**

*Subdivision 1. [DEFINITIONS.] The definitions in this section apply to sections 12 and 13.*

*Subd. 2. [APPROPRIATE AUTHORITY.] "Appropriate authority" includes anyone who is the subject of a complaint to the crime victim ombudsman or anyone who is in a position to take possible action relating to one who is the subject of a complaint.*

*Subd. 3. [ELEMENTS OF THE CRIMINAL JUSTICE SYSTEM.] "Elements of the criminal justice system" refers to county attorneys and members of their staff; public defenders and members of their staff; peace officers; probation and corrections officers; state officials involved in the criminal justice system; and does not include the judiciary.*

*Subd. 4. [VICTIM.] "Victim" refers to anyone or the next of kin of anyone who has been or purports to have been sub-*

jected to a criminal act, whether a felony, a gross misdemeanor, or misdemeanor.

Subd. 5. [VICTIM ASSISTANCE PROGRAM.] "*Victim assistance program*" refers to any entity which provides or claims to provide services and assistance to victims on a regular, ongoing basis.

Sec. 13. [611A.74] [CRIME VICTIM OMBUDSMAN; CREATION.]

Subdivision 1. [CREATION.] *The office of crime victim ombudsman for Minnesota is created. The ombudsman will serve at the pleasure of the attorney general. The ombudsman is directly accountable to the executive director of the crime victim and witness advisory council and, through the executive director, accountable to the attorney general.*

Subd. 2. [DUTIES.] *The crime victim ombudsman may investigate complaints concerning possible violation of the rights of crime victims or witnesses, the delivery of victim services, the administration of the crime victims reparations act, and other complaints of mistreatment by or misconduct of elements of the criminal justice system or victim assistance programs. The ombudsman shall act as a liaison, when the ombudsman deems necessary, between agencies, either in the criminal justice system or in victim assistance programs, and victims and witnesses. The ombudsman must be made available through the use of a toll free telephone number and shall answer questions concerning the criminal justice system and victim services put to the ombudsman by victims and witnesses in accordance with the ombudsman's knowledge of the facts or law, unless the information is otherwise restricted. The ombudsman shall establish a procedure for referral to the crime victim crisis centers, the crime victims reparations board, and other victim assistance programs when services are requested by crime victims or deemed necessary by the ombudsman.*

Subd. 3. [POWERS.] *The crime victim ombudsman has those powers necessary to carry out the duties set out in subdivision 1, including:*

(a) *The ombudsman may investigate, upon a complaint or upon his or her own initiative, any action of an element of the criminal justice system or a victim assistance program.*

(b) *The ombudsman may request and shall be given access to information pertaining to a complaint, unless the information is otherwise restricted.*

(c) *After completing investigation of a complaint, the ombudsman shall inform in writing the complainant, the investi-*

*gated person or entity, and other appropriate authorities, of the action taken.*

*Subd. 4. [NO COMPELLED TESTIMONY.] Neither the ombudsman nor any member of the ombudsman's staff may be compelled to testify in any court with respect to matters involving the exercise of official duties except as may be necessary to enforce the provisions of this section.*

*Subd. 5. [RECOMMENDATIONS.] (a) If, after duly considering a complaint and whatever material he or she deems pertinent, the ombudsman is of the opinion that the complaint is valid, the ombudsman may recommend action to the attorney general or other appropriate authority.*

*(b) If the ombudsman makes a recommendation to an appropriate authority for action, the authority shall, within the time specified by the ombudsman, inform the ombudsman about the action taken or the reasons for not complying with the recommendation.*

*Subd. 6. [REPORTS.] The ombudsman may publish conclusions and suggestions by transmitting them to the attorney general. Before announcing a conclusion or recommendation that expressly or impliedly criticizes any person, the ombudsman shall inform that person of the contents of the report. When publishing an opinion adverse to any person, the ombudsman shall include in the publication any statement of reasonable length made to the ombudsman by that person in defense or mitigation of the action.*

*Subd. 7. [REPORT.] In addition to whatever reports the ombudsman may make on an ad hoc basis, the ombudsman shall, at the end of each year, submit a written report to the attorney general and the legislature concerning the exercise of the ombudsman's functions during the preceding year.*

#### **Sec. 14. [REPEALER.]**

*Minnesota Statutes 1984, section 611A.42, is repealed.*

#### **Sec. 15. [EFFECTIVE DATE.]**

*Sections 1 to 14 are effective January 1, 1986."*

**Delete the title and insert:**

**"A bill for an act relating to crimes; transferring administration of crime victim crisis centers and the crime victims reparations board to the office of attorney general; changing a definition; establishing a crime victim and witness advisory council and a crime victim ombudsman; providing the council**

with extensive duties to assist victims and witnesses; providing the ombudsman with authority to investigate complaints with regard to treatment of victims; amending Minnesota Statutes 1984, sections 611A.41, subdivision 2; 611A.44; 611A.52; 611A.53, subdivision 2; 611A.54; 611A.55, subdivisions 1 and 2; and 611A.56, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1984, section 611A.42."

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

The report was adopted.

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

H. F. No. 1427, A bill for an act relating to the economic crisis in northeastern Minnesota; creating the Northeastern Minnesota Economic Development Corporation to promote economic development in northeastern Minnesota and to provide incentives for industrial and manufacturing enterprises to locate in northeastern Minnesota; providing for a board of directors and an advisory committee; establishing a northeastern Minnesota economic recovery fund; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 116N.

Reported the same back with the following amendments:

Page 1, line 15, delete "12" and insert "13"

Page 1, line 15, delete "*Northeastern*"

Page 1, line 16, delete "*Economic*" and insert "*Industrial*"

Page 1, line 19, delete "*northeastern*" and insert "*portions of*"

Page 1, line 21, delete "*northeastern Minnesota's*"

Page 1, line 27, delete "*northeastern Minnesota*" and insert "*distressed areas*"

Page 2, line 6, delete "*northeastern Minnesota*" and insert "*distressed areas*"

Page 2, line 8, delete "*northeastern Minnesota*" and insert "*these areas*"

Page 2, line 10, delete *"northeastern"*

Page 2, line 10, delete *"economic"* and insert *"industrial"*

Page 2, line 12, delete *"in northeastern"* and insert *"for all of"*

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

Page 2, line 18, delete *"Northeastern"*

Page 2, line 19, delete *"Economic"* and insert *"Industrial"*

Page 2, line 20, delete *"northeastern"*

Page 2, line 21, delete *"economic"* and insert *"industrial"*

Page 2, line 21, delete *"9"* and insert *"8"*

Page 2, line 22, delete everything after the period and insert *"**Industrial recovery area** means the area consisting of all counties in which the unemployment rate is ten percent or more in February of 1985 or in February of any year thereafter as determined by the commissioner of economic security."*

Page 2, delete lines 23 and 24

Page 3, delete lines 1 and 2

Page 3, line 3, delete *"NORTHEASTERN"*

Page 3, line 3, delete *"ECONOMIC"* and insert *"INDUSTRIAL"*

Page 3, line 5, delete *"Northeastern"*

Page 3, line 6, delete *"Economic"* and insert *"Industrial"*

Page 3, line 9, delete *"region"* and insert *"industrial recovery area"*

Page 3, line 12, delete *"region"* and insert *"industrial recovery area"*

Page 3, line 20, delete *"the provost of the"*

Page 3, delete lines 21 to 23

Page 3, line 24, delete everything before the *"and"*

Page 3, line 25, delete *"nine"* and insert *"ten"*

Page 3, line 25, delete everything after "*persons*"

Page 3, line 26, delete "*officials or public employees and*"

Page 3, line 28, delete "*Five of the nine*" and insert "*The*"

Page 3, line 30, after the colon insert "*education,*"

Page 3, delete lines 33 and 34

Page 4, delete section 5

Page 5, line 3, delete "*14*" and insert "*13*"

Page 6, line 33, delete "*7*" and insert "*6*"

Page 8, line 5, delete "*6*" and insert "*5*"

Page 8, line 8, delete "*6, clause (13) and 7*" and insert "*5, clause (13) and 6*"

Page 8, line 11, delete "*NORTHEASTERN*"

Page 8, line 11, delete "*ECONOMIC*" and insert "*INDUSTRIAL*"

Page 8, line 13, delete "*northeastern*"

Page 8, line 13, delete "*economic*" and insert "*industrial*"

Page 8, line 18, delete "*6, 7, and 8*" and insert "*5, 6, and 7*"

Page 8, line 20, delete "*region*" and insert "*industrial recovery area*"

Page 8, line 23, delete everything after "*will*" and insert "*increase opportunities for employment and strengthen the economy of the county in which the project is to be located.*"

Page 8, delete lines 24 to 26

Page 8, line 28, delete "*region*" and insert "*industrial recovery area*"

Page 9, line 10, delete "*8*" and insert "*7*"

Page 10, line 1, delete "*northeastern*"

Page 10, line 2, delete "*economic*" and insert "*industrial*"

Page 10, line 2, delete "*9*" and insert "*8*"

Renumber the sections in order

Amend the title as follows:

Page 1, line 2, delete "northeastern"

Page 1, line 3, delete "Northeastern"

Page 1, line 4, delete "Economic" and insert "Industrial"

Page 1, line 5, delete "northeastern"

Page 1, line 7, delete "northeastern"

Page 1, line 8, delete "and an advisory"

Page 1, line 9, delete "committee"

Page 1, line 9, delete "northeastern"

Page 1, line 10, delete "economic" and insert "industrial"

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

The report was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 331:

McEachern, Stanius and Vellenga.

#### MOTIONS AND RESOLUTIONS

Pauly moved that the name of Bennett be added as second author on H. F. No. 785. The motion prevailed.

DenOuden moved that the name of Tompkins be added as an author on H. F. No. 1074. The motion prevailed.

Olsen, S., moved that H. F. No. 55 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Taxes. The motion prevailed.



Carlson, L., moved that S. F. No. 1045 be recalled from the Committee on Commerce and Economic Development and together with H. F. No. 1225, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

House Resolution No. 21 was reported to the House.

HOUSE RESOLUTION NO. 21

A house resolution congratulating the DeLaSalle boys basketball team upon its 1985 state championship.

*Whereas*, DeLaSalle has many gifted athletes and is proud of all of them; and

*Whereas*, the DeLaSalle boys basketball team has worked its way to the state tournament; and

*Whereas*, the fans of DeLaSalle are proud of their team; and

*Whereas*, the boys basketball team members are good citizens, athletes, and students; and

*Whereas*, the boys' coaches Don Zierden, Scott Buffie, Mark Johnson, Kevin Cassidy, Scott Zierden, and Mike Callender, are sensitive, hardworking, knowledgeable, and dedicated coaches; and

*Whereas*, DeLaSalle basketball team has an outstanding win-loss record for two years; and

*Whereas*, DeLaSalle is the boys Class A State High School Basketball Champion for 1984-1985; and

*Whereas*, team members Damon Dragotis, Brad Baker, Len Boylan, Scott Kopp, Eyasemer Aberra, Kevin Kennedy, Tony Wojack, Mike Wynne, Douge Schildgen, Andy Longen, Harry Kaiser, Nathan Carson, Greg Moser, Sean Ogren, Tom McLaughlin, and Player-Managers, Jeff Johnson, Steve Kroening, and Wesley Clarke have done an outstanding job; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that it is proud of all the teams in the state and that DeLaSalle truly has proven they are No. 1.

*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 the principal of DeLaSalle High School.

McEachern moved that House Resolution No. 21 be now adopted. The motion prevailed and House Resolution No. 21 was adopted.

House Resolution No. 24 was reported to the House.

#### HOUSE RESOLUTION NO. 24

A house resolution congratulating the Ramblers boys basketball team from Winona Cotter High School for winning runner-up in the 1985 Class A State High School Boys Basketball Championship.

*Whereas*, high school athletic competition contributes to good citizenship by teaching high school students the principles of cooperation and fair play; and

*Whereas*, high school sports promote vigorous good health of the participants and lift the spirits of fans; and

*Whereas*, the Ramblers from Winona Cotter participated in the Class A State Boys Basketball Tournament as one of just 16 teams from among the 486 teams that originally participated in the tournament; and

*Whereas*, every member of the Ramblers contributed to an impressive effort to win the final game of the tournament over a very tough and determined DeLaSalle High School; and

*Whereas*, the Ramblers won the District 3A and Region 1A Championships and runner-up in the 1985 Class A State Boys Basketball Championship; and

*Whereas*, Winona Cotter High School won the Hiawatha Valley League Championship; and

*Whereas*, the Ramblers finished the year with an outstanding 23 and 3 win-loss record; and

*Whereas*, Winona Cotter High School's players and fans have exhibited outstanding sportsmanship, skill, and desire throughout the season; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that congratulations are extended to the Ramblers of Winona Cotter High School on the accomplishments, talents, and determination of their boys basketball team, the team's coach, and to the team's fans. In particular, congratulations are extended to team members Joel Bergeson, Mark Drussell, Mike Drussell, Jim Galkowski, Jeff Glowacki, James Gostomski, Jeff

Hundt, Hai Le, Matt Maly, Mike Maly, Steve Modjeski, Tony Speltz, Mark Thein, and Kevin Troke; managers Jeff Kosidowski and John Wineski; assistant coaches Michael Leaf and Randy Lisowski; and head coach Michael O'Brien.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to enroll a copy of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to the principal of Winona Cotter High School.

Sherman moved that House Resolution No. 24 be now adopted. The motion prevailed and House Resolution No. 24 was adopted.

House Resolution No. 26 was reported to the House.

#### HOUSE RESOLUTION NO. 26

A house resolution congratulating the gymnastic team from Winona State University for winning the 1985 National Association of Intercollegiate Athletics National Championship.

*Whereas*, college athletic competition contributes to good citizenship by teaching college students the principles of cooperation and fair play; and

*Whereas*, college sports promote vigorous good health of the participants and lift the spirits of fans; and

*Whereas*, the gymnastic team from Winona State University participated in the National Association of Intercollegiate Athletics Gymnastics Tournament; and

*Whereas*, the gymnastics team won the 1985 NAIA National Championship and also the NCAA Division II Central Region Championship and third place in the NCAA Division II Championship; and

*Whereas*, the gymnastics team finished the year with an outstanding win-loss record; and

*Whereas*, Winona State University gymnastics team members and fans have exhibited outstanding sportsmanship, skill, and desire throughout the season; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that congratulations are extended to the gymnastics team of Winona State University on the accomplishments, talents, and determination of their gymnastics team and to the team's coach, and to the team's fans.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to enroll a copy of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to the coach of Winona State University's gymnastics team.

Sherman moved that House Resolution No. 26 be now adopted. The motion prevailed and House Resolution No. 26 was adopted.

House Concurrent Resolution No. 10 was reported to the House.

#### HOUSE CONCURRENT RESOLUTION NO. 10

A house concurrent resolution congratulating Minnesota Rural Electric Cooperatives on their 50th Anniversary.

*Whereas*, fifty years ago virtually all of rural Minnesota did not have central station electric service available to farmers and homes; and

*Whereas*, President Franklin D. Roosevelt signed the executive order creating the Rural Electrification Administration on May 11, 1935; and

*Whereas*, the REA program, through Minnesota's Rural Electric Cooperatives, has brought the benefits of electricity to some 425,000 rural Minnesota farms and homes; and

*Whereas*, May 11, 1985, is the 50th Anniversary of the REA program; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota, the Senate concurring, that it congratulates the Rural Electric Cooperatives of Minnesota for the outstanding contribution they have made to the economic development and improved living standards of Minnesota citizens.

*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 those of the Speaker, the President of the Senate, and the Secretary of the Senate, and present it to the Minnesota Rural Electric Association.

Redalen moved that House Concurrent Resolution No. 10 be now adopted. The motion prevailed and House Concurrent Resolution No. 10 was adopted.

## ADJOURNMENT

Levi moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, April 22, 1985. The motion prevailed.

Levi moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, April 22, 1985.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

