

STATE OF MINNESOTA

SEVENTY-FOURTH SESSION - 1985

FORTY-SECOND DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 22, 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 Rabbi Stacy Offner, Mount Zion Temple, St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Kalis and Olson, E., were excused.

Simoneau was excused until 3:10 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Gruenes moved that further reading of the Journal be dis-

pensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 529, 863, 1558, 1570, 601, 610, 1225, 1307, 1421, 1431, 1435, 1578, 766, 961, 9, 191 and 839 and S. F. No. 882 have been placed in the members' files.

S. F. No. 1045 and H. F. No. 1225, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Carlson, L., moved that the rules be so far suspended that S. F. No. 1045 be substituted for H. F. No. 1225 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 16, 1985

The Honorable David M. Jennings
Speaker of the House
The State of Minnesota

Dear Sir:

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

H. F. No. 327, relating to transportation; defining "trees" and "hedges" for purposes of removal from highway right of way; amending Minnesota Statutes 1984, section 160.22, by adding a subdivision.

H. F. No. 894, relating to utilities; defining independent telephone company; amending Minnesota Statutes 1984, section 237.01, subdivision 3.

H. F. No. 621, relating to mental health; revising the language of statutes concerning persons with mental illness and mental retardation and revising the language of statutes concerning state treatment facilities; amending Minnesota Statutes 1984, sections 147.021, subdivision 1; 243.55, subdivision 3; 245.072; 245.52; 245.821, subdivision 1; 245.825, subdivision 1; 246.01; 246.013; 246.014; 246.13; 246.23; 246.234; 246.41; 246.50; 246.511; 246.52; 246.53; 246.54; 246.55; 246.56; 252.025; 252.05; 252.06; 252.07; 252.09; 252.10; 252.21; 252.22; 252.23; 252.24; 252.25; 252.27; 252.275, subdivisions 1 and 7; 252.28; 252.291; 252.30; 252.31; 252.32; 253.015; 253.10; 253.19; 253.20; 253.21; 253.25; 253.26; 256.01, subdivisions 2 and 5; 256.91; 256.93, subdivision 1; 256B.02, subdivisions 2 and 8, and by adding a subdivision; 256B.092; 256B.36; 256B.501; 256E.03, subdivision 2; 256E.06, subdivision 2a; 260.092; 260.36; 284.05; 299F.77; 447.42; 447.45; 501.27; and 517.03; proposing coding for new law in Minnesota Statutes, chapter 252.

Sincerely,

RUDY PERPICH
Governor

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

April 16, 1985

The Honorable David M. Jennings
Speaker of the House of Representatives

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1985 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1985</i>	<i>Date Filed 1985</i>
247		17	April 16	April 16
287		18	April 16	April 16
546		19	April 16	April 16
	327	20	April 16	April 16

621	21	April 16	April 16
894	22	April 16	April 16

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 17, 1985

The Honorable David M. Jennings
Speaker of the House
The State of Minnesota

Dear Sir:

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

H. F. No. 470, relating to education; authorizing the establishment of joint vocational technical districts; providing for a governing board; authorizing post-secondary and adult vocational programs, secondary educational programs, and secondary services; providing for separate bargaining units and certain other labor issues; transferring all school district real and personal property to the joint district; authorizing the joint district to levy for certain purposes; providing for state funding of construction; providing for bonded indebtedness, fund transfers, and debt service; amending Minnesota Statutes 1984, sections 136C.02, subdivisions 6 and 8, and by adding a subdivision; 136C.41, by adding a subdivision; 136C.44; and 275.125, subdivisions 1 and 14a; proposing coding for new law as Minnesota Statutes, chapter 136E.

Sincerely,

RUDY PERPICH
Governor

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

April 17, 1985

The Honorable David M. Jennings
Speaker of the House of Representatives

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1985 Session of the State Legislature have been re-

ceived from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1985</i>	<i>Date Filed 1985</i>
	470	23	April 17	April 17

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

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

H. F. No. 235, A bill for an act relating to the regulation of securities; modifying fees payable on certain security registrations; amending Minnesota Statutes 1984, section 80A.28, subdivisions 1 and 3.

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

The report was adopted.

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

H. F. No. 346, A bill for an act relating to health; providing for physical therapy evaluation and referral; prohibiting certain practices by physical therapists; amending Minnesota Statutes 1984, sections 148.65, subdivision 1; 148.75; and 148.76.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 148.65, subdivision 1, is amended to read:

Subdivision 1. [PHYSICAL THERAPY.] As used in sections 148.65 to 148.78 the term "physical therapy" means the evaluation or treatment or both of any person by the employment of physical measures and the use of therapeutic exercises and rehabilitative procedures, with or without assistive devices, for the purpose of preventing, correcting, or alleviating a physical or

mental disability. Physical measures shall include but shall not be limited to heat or cold, air, light, water, electricity and sound. Physical therapy includes *evaluation other than medical diagnosis*, treatment planning (AND), *treatment*, documentation, performance of appropriate tests and measurement, interpretation of orders (FROM PHYSICIANS) or *referrals*, instruction, consultative services, and supervision of supportive personnel.

Sec. 2. Minnesota Statutes 1984, section 148.75, is amended to read:

148.75 [CERTIFICATES; DENIAL, SUSPENSION, REVOCATION.]

The state board of medical examiners may refuse to grant registration to any physical therapist, or may suspend or revoke the registration of any physical therapist for any of the following grounds:

(a) (PRACTICING AS A PHYSICAL THERAPIST OTHER THAN UPON THE ORDER AND DIRECTION OF A PHYSICIAN LICENSED IN THIS STATE TO PRACTICE MEDICINE;)

((B)) Using drugs or intoxicating liquors to an extent which affects professional competence;

((C)) (b) Been convicted of a felony;

((D)) (c) Conviction for violating any state or federal narcotic law;

((E)) (d) Procuring, aiding or abetting a criminal abortion;

((F)) (e) Registration or attempted registration by fraud or deception;

((G)) (f) Conduct unbecoming a person registered as a physical therapist or conduct detrimental to the best interests of the public;

((H)) (g) Gross negligence in the practice of physical therapy as a physical therapist;

((I)) (h) Treating human ailments by physical therapy *treatment* except by the order or referral of a person licensed in this state to practice medicine and whose license is in good standing; or when a previous diagnosis exists indicating an ongoing condition warranting physical therapy treatment, subject to periodic review defined by board of medical examiners rule;

((J)) (i) Treating human ailments other than by physical therapy unless duly licensed or registered to do so under the laws of this state;

((K)) (j) Inappropriate delegation to a physical therapist assistant or inappropriate task assignment to an aide or inadequate supervision of either level of supportive personnel;
(AND)

((L)) (k) Treating human ailments other than by performing physical therapy procedures unless duly licensed or registered to do so under the laws of this state;

(l) *Practicing as a physical therapist performing medical diagnosis, the practice of medicine as defined in section 147.10, or the practice of chiropractic as defined in section 148.01;*

(m) *Failure to comply with a reasonable request to obtain appropriate clearance for mental or physical conditions which would interfere with the ability to practice physical therapy, and which may be potentially harmful to patients; and*

(n) *Dividing fees with, or paying or promising to pay a commission or part of his or her fee to, any person who contacts the physical therapist for consultation or sends patients to the physical therapist for treatment.*

A certificate of registration to practice as a physical therapist is suspended if (1) a guardian of the person of the physical therapist is appointed by order of a probate court pursuant to sections 525.54 to 525.612, for reasons other than the minority of the physical therapist; or (2) the physical therapist is committed by order of a probate court pursuant to 253B or sections 526.09 to 526.11. The certificate of registration remains suspended until the physical therapist is restored to capacity by a court and, upon petition by the physical therapist, the suspension is terminated by the board of medical examiners after a hearing.

Sec. 3. Minnesota Statutes 1984, section 148.76, is amended to read:

148.76 [PROHIBITED CONDUCT.]

Subdivision 1. No person shall

(a) Use the title of physical therapist without a certificate of registration as a physical therapist issued to him pursuant to the provisions of sections 148.65 to 148.78;

(b) In any manner represent himself as a physical therapist, or use in connection with his name the words or letters Physical

Therapist, Physiotherapist, Physical Therapy Technician, Registered Physical Therapist, Licensed Physical Therapist, P.T., P.T.T., R.P.T., L.P.T., or any letters, words, abbreviations or insignia indicating or implying that he is a physical therapist, without a certificate of registration as a physical therapist issued to him pursuant to the provisions of sections 148.65 to 148.78. To do so is a gross misdemeanor;

(c) Employ fraud or deception in applying for or securing a certificate of registration as a physical therapist.

Nothing contained in sections 148.65 to 148.78 shall prohibit any person licensed or registered in this state under another law from carrying out the therapy or practice for which he is duly licensed or registered.

Subd. 2. No physical therapist shall

(a) Treat human ailments by physical therapy *treatment except by the order (AND DIRECTION) or referral of a person licensed in this state to practice medicine and whose license is in good standing; or when a previous diagnosis exists indicating an ongoing condition warranting physical therapy treatment, subject to periodic review defined by board of medical examiners rule;*

(b) Treat human ailments other than by physical therapy unless duly licensed or registered to do so under the laws of this state."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 384, A bill for an act relating to the city of Minneapolis; permitting the establishment of special service districts in the city and providing taxing and other authority.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.]

Subdivision 1. [TERMS DEFINED.] For the purposes of sections 1 to 7, the terms defined in this section have the following meanings.

Subd. 2. [CITY.] *"City" means the city of Minneapolis.*

Subd. 3. [SPECIAL SERVICES.] *"Special services" means all services rendered or contracted for by the city for snow, ice, and litter removal and cleaning of sidewalks, curbs, gutters, and streets and for banners and other decorations to be used to identify and promote the commercial area.*

Special services do not include services that are ordinarily provided throughout the city from ordinary revenues of the city unless an increased level of service is provided in the special service district.

Subd. 4. [SPECIAL SERVICE DISTRICT.] *"Special service district" means that defined area within the city where special services are rendered and their costs are paid from revenues collected from taxes and service charges imposed within the area.*

Subd. 5. [ASSESSED VALUE.] *"Assessed value" means the assessed value as most recently certified by the commissioner of revenue on the effective date of the ordinance or resolution adopted pursuant to section 2 or 3.*

Subd. 6. [LAND AREA.] *"Land area" means the land area located within the district that is subject to property taxation.*

Sec. 2. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.]

Subdivision 1. [ORDINANCE.] *The governing body of the city may adopt an ordinance establishing a special service district in the part of Minneapolis which is south of 28th Street, west of Fremont Avenue South, north of 31st Street, and east of Humboldt Avenue South.*

Only property which is zoned for commercial, business, or industrial use under a municipal zoning ordinance may be included in a special service district. The ordinance shall describe with particularity the areas to be included in the district and the special services to be furnished. The ordinance may not be adopted until after a public hearing on the question. Notice of the hearing shall include:

- (1) *the time and place of the hearing;*
- (2) *a map showing the boundaries of the proposed district; and*
- (3) *a statement that all persons owning property in the proposed district will be given an opportunity to be heard at the hearing.*

Subd. 2. [NOTICE.] Notice of the hearing shall be given by publication in two issues of the official newspaper of the city. The two publications shall be a week apart and the hearing shall be held at least three days after the last publication. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel of real estate within the area proposed to be included in the district. For the purpose of giving mailed notice, owners shall be those shown on the records of the county auditor. Other records may be used to supply necessary information. For properties which are tax exempt or subject to taxation on a gross earning basis in lieu of property tax and are not listed on the records of the county auditor, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing, any person affected by a proposed district may be heard orally in respect to any issues embodied in the notice. The hearing may be adjourned from time to time and the ordinance establishing a district may be adopted at any time within six months after the date of the conclusion of the hearing by a vote of the majority of the governing body of the city.

Sec. 3. [TAXING AUTHORITY; NOTICE AND HEARING REQUIREMENTS.]

Subdivision 1. [TAXES; HEARING.] A tax may be levied on taxable property, or service charges may be imposed by the city within a special service district at a rate or in an amount sufficient to produce revenues required to provide the special services within the district. For purposes of determining the appropriate tax rate, taxable property or value shall be determined without regard to captured or original assessed value under Minnesota Statutes, section 273.76, or to the distribution or contribution value under Minnesota Statutes, section 473F.08. Taxes and service charges may be imposed to finance a special service that is ordinarily provided by the city only if the service is provided in the district at an increased level and, then, only in an amount sufficient to pay for the increase. A service charge may not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Before the levy of taxes or imposition of service charges in a district, for each calendar year, notice shall be given and hearing shall be held pursuant to section 2 and notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section, the notice shall also include:

(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding the proposed tax levy or service charge.

(b) The proposed rate or amount of taxes to be levied or the proposed service charge to be imposed in the district during the calendar year and the nature and character of special services to be rendered in the district during the calendar year.

Within six months of the public hearing, the city may adopt a resolution levying a tax or imposing a service charge within the district that does not exceed the amount or rate stated in the notice issued pursuant to this section.

Subd. 2. [EXEMPTION OF CERTAIN PROPERTIES FROM TAXES.] *Property exempt from taxation by Minnesota Statutes, section 272.02, is exempt from any property taxes imposed pursuant to sections 1 to 7.*

Subd. 3. [LEVY LIMIT EXEMPTIONS.] *Taxes and service charges imposed pursuant to sections 1 to 7 shall not be included in the calculation of levies or limits on levies provided by other law or home rule charter.*

Subd. 4. [EXCLUSION FROM HOMESTEAD CREDIT.] *Taxes levied under this section shall not be reduced pursuant to Minnesota Statutes, section 273.13, subdivisions 7, 7d, or 14a.*

Sec. 4. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]

The boundary of a special service district may be enlarged within the part of Minneapolis described in section 2 only after hearing and notice as provided in section 2. Notice shall be served in the original district and in the area proposed to be added to the district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district.

Sec. 5. [COLLECTION OF TAXES.]

Property taxes levied within a special service district shall be collected like other property taxes but only from property described in the ordinance. Service charges imposed shall be collected as provided by ordinance. Taxes collected pursuant to sections 1 to 7 shall not be included in computations under Minnesota Statutes, section 273.76, chapter 473F, or any other law that applies to general property taxes.

Sec. 6. [ADVISORY BOARD.]

The governing body of the city shall create and appoint an advisory board for the special service district in the city to advise the governing body in connection with the construction, maintenance, and operation of improvements, and the furnishing of special services in a district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants, and users of property within the district and members of the public. Before the adoption of any proposal by the governing body to provide services or impose

taxes or service charges within the district, the advisory board of the district must have an opportunity to review and comment upon the proposal. All members of the advisory board shall be residents or property owners within the part of Minneapolis described in section 2.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Minneapolis."

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. 495, A bill for an act relating to public finance; modifying provisions that allocate industrial revenue bond authority; clarifying the duties of the department of energy and economic development; amending Minnesota Statutes 1984, sections 116J.58, subdivision 4; 474.16, subdivisions 1 and 5, and by adding subdivisions; 474.17, subdivisions 1, 2, and 3; 474.18, subdivisions 2, 3, and 4, and by adding a subdivision; 474.19, subdivisions 1, 2, 3, 4, 5, 6, and 7, and by adding subdivisions; 474.20, subdivisions 1 and 2; 474.22; and 474.23.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 116J.58, subdivision 4, is amended to read:

Subd. 4. [FEDERAL LIMITATION ACT ALLOCATION.]
The commissioner shall:

(1) in accordance with sections 474.16 to 474.23, review applications for and grant allocations of authority to issue bonds or other obligations subject to a federal limitation act; and

(2) adopt rules, including emergency rules under sections 14.29 to 14.36, to provide for the allocation of the amount of issuance authority allocated pursuant to section (462.556) 474.17, subdivision 3. The rules shall contain criteria and procedures for allocation of authority for use by the department, and to other state agencies, political subdivisions, or other authorities authorized by other law to issue bonds subject to a federal limitation act.

For the purposes of this subdivision, a "federal limitation act" is an act of congress defined in section 474.16, subdivision 5.

Sec. 2. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 6. "Manufacturing project" means properties, real or personal, used or useful in connection with a revenue producing enterprise engaged or to be engaged in assembling, fabricating, manufacturing, mixing, or processing any products of agriculture, forestry, mining, or manufacture. Properties used for storing, warehousing, or distributing qualify under this definition (a) if they are used as part of or in connection with an assembly, fabricating, manufacturing, mixing, or processing facility or (b) if they are used for the storing of agricultural products and are located outside of the metropolitan area, as defined in section 473.121, subdivision 2. Manufacturing project includes properties, real or personal, used in connection with research and development activity to develop or improve products, production processes, or materials. For purposes of this subdivision, "a product of manufacture" includes information and directions which dictate the functions to be performed by data processing equipment, commonly called computer software, regardless of whether they are embodied in or recorded on tangible personal property. A project qualifies as a manufacturing project only if 75 percent of the proceeds of the proposed obligations will be used for construction, acquisition, installation, or addition of properties described in this subdivision.

Sec. 3. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 7. "Pollution control project" means properties, real or personal, used or useful in the abatement or control of noise, air, or water pollution, or in the disposal of solid waste, in connection with a revenue producing enterprise, engaged in or to be engaged in any business or industry. A project qualifies as a pollution control project only:

(a) if 75 percent of the proceeds of the obligations will be used for the construction, acquisition, installation, or addition of properties described in this subdivision; or

(b) if it is not a manufacturing project and 75 percent of the proceeds of the obligations will be used for the construction, acquisition, installation, or addition of properties described in this subdivision and in subdivision 6.

Sec. 4. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 8. "Waste management project" means a project which is authorized by chapter 115A or 400, or sections 473.801 to 473.834.

Sec. 5. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 9. "Commercial redevelopment project" means a project as defined in section 474.02, if it is not a manufacturing or pollution control project and one of the following conditions is met:

(a) The project site would qualify as a redevelopment district as defined in section 273.73, subdivision 10. To qualify the project need not be included in a tax increment financing district.

(b) Seventy-five percent of the proceeds of the obligations will be used to acquire and rehabilitate or replace an existing structure which is functionally obsolete or contains structural or other defects justifying substantial renovation or clearance.

(c) The project will be undertaken and the obligations issued pursuant to a written program administered by the local issuer and the financing provides for a substantial commitment of local public funds by the issuer.

(d) Substantially all of the proceeds of the obligations will be used to finance facilities with respect to which an urban development action grant has been made under section 119 of the federal Housing and Community Development Act of 1974.

Sec. 6. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 10. "Written development program" or "program" means a written economic development plan that contains at least substantially all of the following:

(a) a description of the area subject to the plan, which may not exceed 20 percent of the total acreage of the issuer;

(b) a statement of the objectives for the development of the area subject to the plan;

(c) a statement of the development plan for the area subject to the plan, including the property within the area, if any, which is to be acquired by a governmental unit;

(d) a description of the type of specific development reasonably expected to take place within the area subject to the plan; and

(e) a description of the kind and an estimate of the amount of public funds, including local public funds, expected to be spent in connection with the development of the area subject to the plan.

Sec. 7. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 11. "Substantial commitment of local public funds" means that either of the following two conditions is satisfied.

(a) Under the project financing the governmental unit appropriates, pledges, guarantees, or otherwise provides local public funds to pay part of the cost of financing the obligations, including bond issuance, debt service, loan origination, and carrying expenses, or of the facility financed with the proceeds of the obligations. This condition is satisfied only if at the time the obligations are issued, the issuer reasonably expects that the aggregate value of the local public funds will exceed the lesser of \$1,000,000 or one percent of the face amount of the obligations. No provision may be made for a nonexempt person to reimburse the governmental unit for the local public funds.

(b) The governmental unit appropriates, pledges, guarantees, or otherwise provides a program contribution of local public funds or governmental services to the program or a facility financed with the proceeds of the obligations. This condition is satisfied only if the issuer reasonably expects at the time the obligations are issued that the aggregate value of the local public funds will exceed \$5,000,000 or five percent of the aggregate face amount of the obligations. The issuer must value the services at the reasonable cost of delivering them. The program contribution must be used for one or more of the following purposes:

(i) reducing the cost of financing the obligations, as described in paragraph (a);

(ii) securing the payment of debt service on obligations issued pursuant to the program;

(iii) financing public improvements under a comprehensive redevelopment or renewal program, if the costs are reasonably allocable to a facility financed with the proceeds of the obligations and if the improvements are made no earlier than three years prior to issuance of the obligations to which the contribution applies or more than one year after issuance; or

(iv) other costs reasonably related to the program. If the governmental unit is reimbursed by a nonexempt person for any part of the program within five years after the contribution was

made, the reimbursement must be applied for one or more of the purposes described in this paragraph.

For purposes of this subdivision, "governmental unit" means the local issuer that issues the obligations for the project or the governmental unit that approves the obligations for purposes of section 103(k)(2) of the Internal Revenue Code of 1954, as amended through December 31, 1984, or both.

Sec. 8. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 12. "Local public funds" means the funds of a governmental unit except the following:

(a) the proceeds of an obligation subject to a federal limitations act;

(b) payments or property furnished by a nonexempt person to repay or secure the loan of proceeds of an obligation subject to a federal limitations act or other payments made in consideration of the issuance of an obligation subject to a federal limitations act;

(c) payments furnished by a nonexempt person for its right to use in its trade or business a facility financed with the proceeds of obligations subject to a federal limitations act; or

(d) tax increments, as defined in section 273.76, resulting from improvements financed with obligations subject to a federal limitation act; or

(e) tax reductions provided pursuant to sections 273.1312 to 273.1314.

Sec. 9. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 13. "Nonexempt person" means a person or entity other than an exempt person as defined in section 103(b)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1984.

Sec. 10. Minnesota Statutes 1984, section 474.16, is amended by adding a subdivision to read:

Subd. 14. "Preliminary resolution" means a resolution adopted by the governing body of the issuer or in the case of the iron range resources and rehabilitation board by the commissioner of the board. The resolution must express a preliminary intention of the issuer to issue obligations for a specific project and

must identify the proposed project, the proposed site for the project, and the proposed amount of the obligations to be issued. The requirement that the resolution identify the proposed site for the project does not apply to a waste management project.

Sec. 11. Minnesota Statutes 1984, section 474.17, subdivision 1, is amended to read:

Subdivision 1. [HIGHER EDUCATION COORDINATING BOARD ALLOCATION.] (\$30,000,000 FOR CALENDAR YEAR 1984 AND) \$10,000,000 for calendar year 1985 and \$25,000,000 for subsequent calendar years of the aggregate limit of bond issuance authority allocated to the state pursuant to a federal limitation act is allocated to the higher education coordinating board for the issuance of obligations pursuant to chapter 136A. On September 1, 1985, any unused portion of the bonding authority allocated to the higher education coordinating board shall be canceled and the authority shall be allocated pursuant to section 474.19. (IF THE ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY DETERMINES THAT PURSUANT TO A FEDERAL LIMITATION ACT, THE HIGHER EDUCATION COORDINATING BOARD CANNOT ISSUE OBLIGATIONS WHOSE INTEREST IS EXEMPT FROM INCLUSION IN GROSS INCOME FOR PURPOSES OF FEDERAL INCOME TAXATION PURSUANT TO SECTION 103 (A) OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED, THIS ALLOCATION SHALL CANCEL AND THE ALLOCATION PROVIDED IN SUBDIVISION 3 SHALL BE INCREASED TO \$55,000,000 FOR CALENDAR YEAR 1984 AND TO \$65,000,000 FOR CALENDAR YEAR 1985.)

Sec. 12. Minnesota Statutes 1984, section 474.17, subdivision 4, is amended to read:

Subd. 4. [(LOCAL ISSUER) POOL ALLOCATION.] Any amount of the aggregate limit of bond issuance authority allocated to the state for any calendar year pursuant to a federal limitation act which is not allocated pursuant to subdivisions 1 to 3 shall be allocated among (LOCAL) issuers pursuant to sections (474.18) 474.19 to 474.23.

Sec. 13. Minnesota Statutes 1984, section 474.19, is amended to read:

Subdivision 1. [POOL AMOUNT.] From January 1 to (AUGUST 31 OF EACH YEAR, 20 PERCENT OF THE AMOUNT DETERMINED PURSUANT TO SECTION 474.17 SHALL BE AVAILABLE SOLELY FOR LOCAL ISSUERS THAT DO NOT QUALIFY AS ENTITLEMENT ISSUERS AND SHALL BE ALLOCATED AS PROVIDED IN THIS SECTION. FROM SEPTEMBER 1 TO) October 31 of any calendar year, (ANY) the amounts (REMAINING) available for allocation or realloca-

tion pursuant to section (474.18) 474.17 or this section shall be allocated among (ALL) local issuers and the energy and economic development authority and the iron range resources and rehabilitation commissioner, pursuant to this section. (AN ENTITLEMENT ISSUER, THE ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY OR) The iron range resources and rehabilitation commissioner may apply for an allocation pursuant to this section only if the applicant has issued bonds equal to any allocation received pursuant to section 474.17 (OR 474.18) or has returned any remaining allocation for reallocation pursuant to this section.

Subd. 2. [APPLICATION.] (A LOCAL ISSUER THAT IS NOT) An (ENTITLEMENT) issuer may apply for an allocation of bond issuance authority pursuant to this section by submitting to the *department of energy and economic development* (AUTHORITY) on or before the (20TH) 10th or the 25th day of any month from December to September an application on forms provided by the *department of energy and economic development* (AUTHORITY), accompanied by (i) a *preliminary* resolution of the local issuer (EXPRESSING A PRELIMINARY INTENTION TO ISSUE OBLIGATIONS ADOPTED IN ACCORDANCE WITH SECTION 474.01, SUBDIVISION 7B, IF APPLICABLE, WHICH IDENTIFIES THE PROPOSED PROJECT AND THE PROPOSED AMOUNT OF THE OBLIGATIONS TO BE ISSUED); and (ii) an application deposit in the amount of one percent of the requested allocation. (A LOCAL ISSUER MAY ENTER INTO A JOINT POWERS AGREEMENT WITH ANY OTHER STATE OR MUNICIPAL ENTITY WHICH HAS AUTHORITY TO ISSUE OBLIGATIONS SUBJECT TO A FEDERAL LIMITATION ACT WHEREBY THE OTHER ENTITY ISSUES THE BONDS ON BEHALF OF THE LOCAL ISSUER FOR THE PROJECT FOR WHICH AN ALLOCATION WAS RECEIVED BY THE LOCAL ISSUER. A LOCAL ISSUER MAY REQUEST AN ALLOCATION FOR OBLIGATIONS ISSUED PRIOR TO THE EFFECTIVE DATE OF THIS SUBDIVISION.) A local issuer may elect not to submit an application for an allocation of bond issuance authority for a project for which the local issuer previously adopted a preliminary resolution.

(AFTER JULY 31 OF ANY YEAR, AN ENTITLEMENT ISSUER MAY ALSO APPLY FOR AN ALLOCATION UNDER THIS SECTION. ITS APPLICATION NEED NOT COMPLY WITH CLAUSE (I).)

Subd. 3. [ALLOCATION CRITERIA.] The *department of energy and economic development* (AUTHORITY) shall rank each application on the basis of the number of points awarded to it, with one point being awarded for each of the following criteria satisfied:

(1) The current rate of unemployment for the applicant is at or above 110 percent of the statewide average unemployment

rate for the (PREVIOUS YEAR) *most recently available reporting period*, as determined by the department of economic security. The unemployment rate for the applicant shall be the greater of (i) the most recent estimate available for the smallest jurisdiction which wholly includes the jurisdiction of the applicant, as reported by the department of economic security, or (ii) another estimate supplied by the applicant with respect to its jurisdiction, which is documented by the applicant.

(2) The number of individuals employed in the applicant's jurisdiction declined from the second calendar year before the application, to the first calendar year before the application. The estimate of the number of individuals employed for each year shall be based on the same source, and shall be (i) the most recent estimate available for the smallest jurisdiction which wholly includes the applicant, as reported by the department of economic security, or (ii) another estimate supplied by the applicant with respect to its jurisdiction, which is documented by the applicant.

(3) (THE NUMBER OF JOBS TO BE CREATED BY THE PROJECT DESCRIBED IN THE APPLICATION IS AT LEAST 1/10 OF ONE PERCENT OF THE NUMBER OF INDIVIDUALS EMPLOYED IN THE APPLICANT'S JURISDICTION IN THE FIRST CALENDAR YEAR BEFORE THE APPLICATION AS DETERMINED IN THE MANNER PROVIDED IN CLAUSE (2)) *The project will provide additional general tax revenue to the taxing jurisdictions in which the project is located beginning not later than three years after issuance and sale of the obligations.*

(4) The number of jobs to be created by the project described in the application is at least two jobs for each \$100,000 of issuance authority requested for the project.

(5) As of the date of application the total market value of all taxable property in the applicant's jurisdiction, as based on the most recent certification of assessed value to the commissioner of revenue, has either (i) declined in relation to the first calendar year before the certification, or (ii) increased in relation to the first calendar year before the certification at a rate which is not in excess of 90 percent of the rate of increase of the state average market value over the same period.

(6) (THE ESTIMATED MARKET VALUE OF THE PROJECT DESCRIBED IN THE APPLICATION IS AT LEAST ONE-HALF OF ONE PERCENT OF THE TOTAL MARKET VALUE OF ALL TAXABLE PROPERTY IN THE APPLICANT'S JURISDICTION AS BASED ON THE MOST RECENT CERTIFICATION OF ASSESSED VALUE TO THE COMMISSIONER OF REVENUE) *The total capital expenditures for the project exceed by ten percent the amount of the proceeds of the obligations to be issued for the project.*

(7) The project is wholly located in an enterprise zone designated pursuant to section 273.1312.

(8) The project site meets the criteria necessary to qualify as a tax increment redevelopment district as defined in section 273.73, subdivision 10. To qualify under this clause the project need not be included in a tax increment financing district.

(9) The project meets one of the following energy conservation criteria: (i) the project is eligible for the additional federal investment tax credits for energy property, (ii) the project involves construction or expansion of a district heating system as defined in section 116J.36, or (iii) the project involves construction of an (ALTERNATIVE) energy source as described in section 116J.26, clause (a), (b), or (d) (,) or (116J.922, SUBDIVISION 6 OR 7) 116M.03, subdivisions 23 and 26.

(10) (NINETY PERCENT OR MORE OF THE PROCEEDS OF THE PROPOSED OBLIGATIONS WILL BE USED FOR CONSTRUCTION, INSTALLATION, OR ADDITION OF EQUIPMENT USED PRIMARILY TO ABATE OR CONTROL POLLUTANTS TO MEET OR EXCEED STATE LAWS, RULES, OR STANDARDS.)

((11)) The project consists of the renovation, rehabilitation, or reconstruction of an existing building which is (i) located in a historic district designated under section 138.73, or on a site listed in the state registry of historical sites under sections 138.53 to 138.5819; or (ii) designated in the National Register pursuant to United States Code, title 16, section 470a.

((12) NINETY PERCENT OR MORE OF THE PROCEEDS OF THE PROPOSED OBLIGATIONS WILL BE USED TO FINANCE FACILITIES FOR WASTE MANAGEMENT AS DEFINED IN SECTION 115A.03, SUBDIVISION 36, OR SOLID WASTE AS DEFINED IN SECTION 116.06, SUBDIVISION 10.)

((13)) (11) Service connections to sewer and water systems are available to the project at the time the application is submitted.

((14) THE MINORITY POPULATION IN THE APPLICANT'S JURISDICTION IS AT LEAST 110 PERCENT OF THE STATEWIDE AVERAGE AS DETERMINED BY THE AFFIRMATIVE ACTION DIVISION OF THE DEPARTMENT OF ECONOMIC SECURITY ACCORDING TO THE MOST RECENT CENSUS DATA.)

(12) As provided by a binding agreement with the municipality, at least ten percent of the individuals employed by the

principal user or users of the project will be minority or low income individuals.

((15)) (13) When the application is submitted either (a) neither the anticipated owner of the project, nor any party of which the owner was a controlling partner or shareholder, or which was a controlling shareholder or partner of the owner, owned or operated a substantially similar business within the state or (b) the project is an expansion of the operations of an existing business which is not likely to have the effect of transferring existing employment from one or more other municipalities within the state to the municipality in which the project is located.

((16)) (14) A controlling interest in the project will be owned by one or more women or minority persons.

((17)) (15) Seventy-five percent or more of the proceeds of the proposed issue will be used to rehabilitate an existing structure.

((18) AT THE TIME OF APPLICATION, THE PROPERTY ON WHICH THE PROJECT IS TO BE LOCATED IS PROPERLY ZONED FOR THE PROPOSED USE.)

((19) THE BOND ISSUE INVOLVES A CREDIT ENHANCEMENT DEVICE PROVIDING ADDITIONAL SECURITY FOR BONDHOLDERS INVOLVING COMMITMENTS OR FEES TO BE PAID BY THE ISSUER OTHER THAN FROM BOND PROCEEDS. NO POINTS SHALL BE AWARDED FOR CREDIT ENHANCEMENT DEVICES FINANCED DIRECTLY OR INDIRECTLY BY A PRIVATE, FOR-PROFIT PARTY WHICH HAS A FINANCIAL INTEREST IN OR IS RELATED TO ANY PARTY WHICH HAS A FINANCIAL INTEREST IN THE PROJECT.)

Subd. 4. [ALLOCATION PROCEDURE.] (a) *The department of energy and economic development (AUTHORITY) shall allocate available issuance authority to applications by the (FIFTH) tenth day (OF THE MONTH) succeeding each application deadline specified in subdivision 2 in the following order of priority and available issuance authority may not be allocated to any other project:*

- (i) *applications for manufacturing projects;*
- (ii) *applications for pollution control projects or waste management projects; and*
- (iii) *applications for commercial redevelopment projects.*

Within each category of applications available authority shall be assigned on the basis of the numerical rank determined pursuant to this section (, BUT (I) NO ALLOCATION SHALL BE AWARDED TO AN APPLICATION DEMONSTRATING LESS THAN FOUR POINTS, (II) ANY PROJECT WHICH IS AUTHORIZED BY CHAPTER 115A, CHAPTER 400, OR SECTIONS 473.801 TO 473.834, SHALL RECEIVE AN ALLOCATION OF ISSUANCE AUTHORITY WITHOUT REGARD TO ITS NUMERICAL RANK TO THE EXTENT THAT THE AMOUNT OF ISSUANCE AUTHORITY ALLOCATED TO THE PROJECT WHEN ADDED TO THE ISSUANCE AUTHORITY PREVIOUSLY ALLOCATED DURING THE CALENDAR YEAR PURSUANT TO THIS CLAUSE DOES NOT EXCEED 49 PERCENT OF THE AMOUNT PROVIDED IN SUBDIVISION 1, PROVIDED THAT IF OBLIGATIONS FOR ANY PROJECT DESCRIBED IN THIS CLAUSE ARE NOT SUBJECT TO A FEDERAL LIMITATION ACT, NO ALLOCATION SHALL BE MADE PURSUANT TO THIS CLAUSE, (III) IF ON OR BEFORE SEPTEMBER 1, THE ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY RETURNS A PORTION OF ITS ALLOCATION FOR REALLOCATION PURSUANT TO THIS SECTION, AND THE IRON RANGE RESOURCES AND REHABILITATION COMMISSIONER HAS ISSUED OBLIGATIONS IN AN AMOUNT EQUAL TO ITS ALLOCATION OR HAS SUBMITTED A LETTER OF INTENT FOR ANY AMOUNT NOT ISSUED, APPLICATIONS FROM THE IRON RANGE RESOURCES AND REHABILITATION COMMISSIONER WHICH DEMONSTRATE FOUR OR MORE POINTS SHALL RECEIVE AN ALLOCATION UP TO AN AMOUNT EQUAL TO \$10,000,000 OR THE AMOUNT RETURNED FOR REALLOCATION BY THE ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY OR THE AMOUNT REMAINING TO BE ALLOCATED, WHICHEVER IS LESS, (IV) IF ON OR BEFORE SEPTEMBER 1, THE IRON RANGE RESOURCES AND REHABILITATION COMMISSIONER RETURNS A PORTION OF HIS ALLOCATION FOR REALLOCATION PURSUANT TO THIS SECTION, AND THE ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY HAS ISSUED OBLIGATIONS IN AN AMOUNT EQUAL TO ITS ALLOCATION OR HAS SUBMITTED A LETTER OF INTENT FOR ANY AMOUNT NOT ISSUED, APPLICATIONS FROM THE ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY WHICH DEMONSTRATE FOUR OR MORE POINTS SHALL RECEIVE AN ALLOCATION UP TO AN AMOUNT EQUAL TO \$10,000,000 OR THE AMOUNT RETURNED FOR REALLOCATION BY THE IRON RANGE RESOURCES AND REHABILITATION COMMISSIONER OR THE AMOUNT REMAINING TO BE ALLOCATED, WHICHEVER IS LESS, AND (V)). If two or more applications have the same numerical rank, the allocation of issuance authority as between the applications shall be by lot unless otherwise agreed by the respective local issuers. If an application is rejected, the *department of energy and economic*

development (AUTHORITY) shall return the application deposit to the applicant within 30 days.

(b) (i) *From January 1 through October 31, no more than 20 percent of the total amount of issuance authority available for allocation during the calendar year pursuant to this section may be allocated to pollution control and waste management projects.*

(ii) *From January 1 through October 31, no more than 35 percent of the total amount of issuance authority available for allocation during the calendar year pursuant to this section may be allocated to commercial redevelopment projects. This amount is increased to 55 percent of the total available authority for the next month's allocation if the following two conditions occur. (A) On or after June 30 the total amount of issuance authority available under this section which has not been allocated or has been allocated to but was returned by an issuer exceeds 45 percent of the total amount of issuance authority available for allocation under this section for the calendar year. (B) The entire amount of issuance authority available under this subparagraph for commercial redevelopment projects has been allocated.*

Subd. 5. [LETTER OF INTENT.] A local issuer which has received an allocation pursuant to this section prior to September 1 and which intends to issue obligations pursuant to it after August 31 of the year in which the allocation was received, shall submit to the department of energy and economic development (AUTHORITY) on or before September 1 a letter stating its intent to issue bonds before the end of the calendar year or within the time period permitted by a federal limitation act. If the letter of intent is not submitted to the department of energy and economic development (AUTHORITY), the one percent application deposit shall be returned to the local issuer, the issuance authority shall be canceled, and the issuance authority previously allocated to the local issuer will be available for reallocation pursuant to this section. If a local issuer returns for reallocation all or any part of its allocation on or before October 31, that portion of its application deposit equal to one percent of the amount returned shall be refunded within 30 days.

Subd. 6. [FINAL ALLOCATION.] From November 1 to December 31 of each year any amount determined pursuant to section 474.17, which is not both previously allocated and subject to a preliminary resolution for a specific project, whether or not committed pursuant to a letter of intent, is available for allocation or reallocation and shall be allocated among (LOCAL) issuers (BASED ON A RANKING OF POINTS FOR CRITERIA AS SET FORTH IN SUBDIVISIONS 3 AND 4. NO MINIMUM NUMBER OF POINTS SHALL BE REQUIRED FOR ALLOCATION. IF TWO OR MORE APPLICATIONS RECEIVE AN EQUAL NUMBER OF POINTS, ALLOCATION AMONG THEM SHALL BE MADE BY LOT UNLESS OTHERWISE

AGREED BY THE RESPECTIVE APPLICANTS). *Amounts available for allocation pursuant to this subdivision shall be allocated on November 5, December 5, and December 20. An application for this allocation shall be submitted by October (20) 25 or November 25, shall include evidence of passage of a preliminary resolution (GIVING APPROVAL TO A SPECIFIC PROJECT) and (STATING) which states that it is the intent of the applicant that the obligations will be issued by the end of the year or within the time period permitted by a federal limitation act, and shall be accompanied by an application deposit in the amount of one percent of the requested allocation. The department of energy and economic development (AUTHORITY) shall notify applicants of their allocation on or before (NOVEMBER 5) the fifth day of the month following the month in which applications were submitted.*

Any amounts of authority which (MAY) become available for reallocation after (NOVEMBER) December 5 shall be allocated among all issuers which have filed an application (BY OCTOBER 20, PURSUANT TO THE CRITERIA STATED IN SUBDIVISION 3). *This allocation must be made on December 20.*

Authority may be allocated under this subdivision to any project, notwithstanding the percentage limits and other restrictions contained in subdivision 4. Applications must be ranked and authority allocated first according to the order of priority and ranking of points under subdivisions 3 and 4. The remaining authority must be allocated according to the ranking of points under subdivision 3. If two or more applications receive an equal number of points, allocations among them shall be made by lot unless otherwise agreed by the respective applicants.

If issuance authority remains or becomes available following the final December 20th allocation, the department of energy and economic development must allocate the available authority to the higher education coordinating board.

Subd. 7. [RETURN OF ALLOCATION.] If prior to December 20 of any year, an issuer determines that it will not issue obligations pursuant to authority allocated to it pursuant to this section or section (459.35 OR 462.556) 474.17 by the end of that year or within the time period permitted by a federal limitation act, the issuer may notify the department of energy and economic development (AUTHORITY) and such amount will be available for reallocation pursuant to this subdivision. In such case, the department of energy and economic development (AUTHORITY) shall refund to the issuer within 30 days that portion of any application deposit equal to one-third of one percent of the amount returned for reallocation. The amounts available for reallocation shall be allocated on or before December 31 (OF EACH YEAR AMONG ISSUERS WHICH HAVE SUBMITTED AN APPLICATION BY DECEMBER 10, AND WHICH HAVE

CERTIFIED THAT THE PROJECT TO WHICH THE APPLICATION RELATES QUALIFIES FOR CARRYOVER TREATMENT OF ALLOCATED AUTHORITY ACCORDING TO THE TERMS OF A FEDERAL LIMITATION ACT, SUCH THAT OBLIGATIONS MAY BE ISSUED PURSUANT TO SUCH ALLOCATION OF AUTHORITY AFTER THE END OF THE YEAR, WITHOUT EXPIRATION OF SUCH AUTHORITY. IF THERE IS INSUFFICIENT AUTHORITY FOR ALLOCATION AMONG APPLICATIONS RECEIVED PURSUANT TO THIS SUBDIVISION, ALLOCATION AMONG THEM SHALL BE MADE BY LOT UNLESS OTHERWISE AGREED BY THE RESPECTIVE APPLICANTS) *pursuant to subdivision 6.*

Sec. 14. Minnesota Statutes 1984, section 474.20, is amended to read:

474.20 [NOTICES REQUIRED.]

Subdivision 1. [NOTICE OF ISSUE.] Any issuer of obligations subject to limitation under a federal limitation act shall give a notice of issue stating the date of issuance of the obligations, the allocation under which the obligations are issued, and the principal amount of the obligations to the *department of energy and economic development (AUTHORITY)* within five days after the obligations are issued. If the notice of issue is not filed within five days after the obligations are issued, the obligations shall be void unless this provision is waived by the *department of energy and economic development (AUTHORITY)*. Within 30 days after receipt of the notice, the *department of energy and economic development (AUTHORITY)* shall refund a portion of any application deposit equal to one percent of the principal amount of the obligations issued.

Subd. 2. [NOTICE OF AVAILABLE AUTHORITY.] The *department of energy and economic development (AUTHORITY)* shall as soon as possible after the fifth day of each month publish in the State Register a notice of the amount of authority available for allocation or reallocation in the following month as of the fifth day of the month during which the notice is published, after allocation of authority pursuant to section 474.19.

Sec. 15. Minnesota Statutes 1984, section 474.22, is amended to read:

474.22 [LEGISLATIVE REVIEW.]

On March 1, 1986, the *department of energy and economic development (AUTHORITY)* shall deliver a comprehensive report to the secretary of the senate and the clerk of the house which provides detailed information concerning the allocation of issuing authority pursuant to sections 474.16 to 474.20.

Sec. 16. Minnesota Statutes 1984, section 474.23, is amended to read:

474.23 [ADDITIONAL CONDITIONS.]

(IF A FEDERAL LIMITATION ACT AS DEFINED IN SECTION 474.16, SUBDIVISION 5, IS ADOPTED,) Action under chapter 474 with respect to any project which is to be financed by obligations which are subject to a federal limitation act shall be subject to the following conditions:

(a) No municipality or redevelopment agency shall undertake any project, except a project referred to in section 474.02, subdivision 1f, unless its governing body finds that the project would not be undertaken but for the availability of industrial development bond financing.

(b) Notwithstanding any provision of this chapter, the term "project" shall not include: an airplane; a private luxury box; a facility primarily used for gambling; or a store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(c) (NO MORE THAN TEN PERCENT OF THE PROCEEDS OF REVENUE BONDS MAY BE USED TO FINANCE MOVABLE EQUIPMENT NOT CONSTITUTING A FIXTURE,) No more than 25 percent of the proceeds of revenue bonds may be used to finance the acquisition of land, and not more than \$10,000,000 in revenue bonds which are industrial development bonds subject to the exemption described in section 103(b)(6) of the Internal Revenue Code of 1954, as amended through December 31, 1983, may be issued with respect to any one building which is used for commercial, office or industrial purposes, without regard to ownership of condominium units within the building.

(THIS SECTION TAKES EFFECT 90 DAYS AFTER THE FEDERAL LIMITATION ACT IS SIGNED BY THE PRESIDENT OR PASSED OVER HIS VETO.)

Sec. 17. [474.26] [APPROPRIATION.]

The amount necessary to pay the return or refund of application desposits required by section 474.19 is annually appropriated to the department of energy and economic development from the general fund.

Sec. 18. [TRANSITION PROVISION; 1985 ALLOCATIONS.]

Sections 1 to 15 and 19 do not apply to obligations (a) which received allocations of calendar 1985 authority pursuant to Min-

Minnesota Statutes 1984, sections 474.16 to 474.25 and which were issued and sold within 120 days after the effective date of this act or (b) which received an allocation pursuant to Minnesota Statutes 1984, section 474.19 for a waste management project. Any allocation of calendar 1985 authority pursuant to Minnesota Statutes 1984, sections 474.16 to 474.25 which do not qualify under the preceding sentence cancel and must be reallocated pursuant to section 474.19, as amended by section 13. The total amount of authority to be allocated for calendar year 1985 pursuant to section 474.19 as amended by section 13 must be determined by deducting the amount of calendar 1985 authority qualifying under the first sentence of this section from the amount otherwise available. Notwithstanding the provisions of section 13, the resulting amounts available for allocation during calendar year 1985 may be allocated solely to manufacturing and pollution control projects and up to one-half of the amount shall be available for pollution control projects. The restrictions imposed by the preceding sentence do not apply to the final allocations made during the months of November and December.

Sec. 19. [REPEALER.]

Minnesota Statutes 1984, sections 474.16, subdivisions 3 and 4; 474.17, subdivision 3; 474.18; 474.24; and Laws 1984, chapter 582, section 23, are repealed. Laws 1984, chapter 582, sections 1, 6, and 9 to 22 remain in effect until provided otherwise by other law.

Sec. 20. [EFFECTIVE DATE.]

Sections 1 to 19 are effective the day following final enactment. The amendment to the last sentence of Minnesota Statutes 1984, section 474.19, subdivision 1, is effective 120 days after the day following final enactment."

Delete the title and insert:

"A bill for an act relating to private activity bonds; modifying the method of allocating authority to issue private activity obligations; correcting erroneous references; appropriating money; amending Minnesota Statutes 1984, sections 116J.58, subdivision 4; 474.16, by adding subdivisions; 474.17, subdivisions 1 and 4; 474.19; 474.20; 474.22; and 474.23; proposing coding for new law in Minnesota Statutes, chapter 474; repealing Minnesota Statutes 1984, sections 474.16, subdivisions 3 and 4; 474.17, subdivision 3; 474.18; 474.24; and Laws 1984, chapter 582, section 23."

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. 568, A bill for an act relating to causes of action; allowing an award of damages for mental anguish in actions for death by wrongful act; amending Minnesota Statutes 1984, section 573.02, subdivisions 1 and 4.

Reported the same back with the following amendments:

Page 2, delete section 2

Amend the title as follows:

Page 1, line 5, delete "subdivisions 1 and 4" and insert "subdivision 1"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 584, A bill for an act relating to Lake of the Woods county; authorizing the issuance of bonds for the construction of jetties and related public improvements; and authorizing the levy of special assessments.

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

The report was adopted.

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

H. F. No. 592, A bill for an act relating to the city of New Ulm; permitting the establishment of special service districts; providing taxing and other financial authority for New Ulm.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [DIVISIONS.]

Subdivision 1. For the purpose of this act the terms defined in this section have the following meanings.

Subd. 2. "City" means the city of New Ulm.

Subd. 3. "Special services" means all services rendered or contracted for by the city, including, but not limited to:

(a) the repair, maintenance, operation, and construction of any improvements authorized by Minnesota Statutes, section 429.021;

(b) parking services rendered or contracted for by the city;
and

(c) any other service provided to the public by the city that is authorized by law or charter provision.

Special services do not include any service that is ordinarily provided throughout the city from general fund revenues of the city unless an increased level of the service is provided in the special service district.

Subd. 4. "Special service district" means a defined area within the city where special services are rendered and the costs of the special services are paid from revenues collected from taxes and service charges imposed within that area.

Subd. 5. "Assessed value" means the assessed value as most recently certified by the commissioner of revenue before the effective date of the ordinance or resolution adopted pursuant to section 2 or 3.

Subd. 6. "Land area" means the land area in the district which is subject to property taxation.

Sec. 2. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.]

Subdivision 1. [ORDINANCE.] The governing body of the city may adopt an ordinance establishing a special service district. Only property which is zoned for commercial, business, or industrial use under a municipal zoning ordinance may be included in a district. The ordinance shall describe with particularity the area within the city to be included in the district and the special services to be furnished in the district. The ordinance may not be adopted until after a public hearing has been held on the question. Notice of the hearing shall include:

(a) the time and place of hearing;

(b) a map showing the boundaries of the proposed district;
and

(c) a statement that all persons owning property in the proposed district will be given opportunity to be heard at the hearing.

Subd. 2. [NOTICE.] Notice of the hearing shall be given by publication in two issues of the official newspaper of the city. The two publications shall be a week apart and the hearing shall be held at least three days after the last publication. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel within the area proposed to be included in the district. For the purpose of giving mailed notice, owners shall be those shown on the records of the county auditor. Other records may be used to supply the necessary information. For properties which are tax exempt or subject to taxation on a gross earnings basis in lieu of property tax and are not listed on the records of the county auditor, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing any person affected by the proposed district may be heard orally in respect to any issues relevant to the proposed district. The hearing may be adjourned from time to time and the ordinance establishing the district may be adopted at any time within six months after the date of the conclusion of the hearing by a vote of the majority of the governing body of the city.

Sec. 3. [TAXING AUTHORITY; NOTICE AND HEARING REQUIREMENTS.]

Subdivision 1. [TAXES; HEARING.] Ad valorem taxes may be levied on taxable nonhomestead property or service charges may be imposed by the city within the special service district at a rate or amount sufficient to produce the revenues required to provide special services within the district. To determine the appropriate mill rate, nonhomestead taxable property or value shall be determined without regard to captured or original assessed value under Minnesota Statutes, section 273.76 or to the distribution or contribution value under Minnesota Statutes, section 473F.08. Taxes and service charges shall not be imposed to finance a special service if the service is ordinarily provided by the city from its general fund revenues unless the service is provided in the district at an increased level, in which case only an amount to pay for the increased level may be imposed. A service charge shall not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Before the levy of taxes or imposition of service charges in a district, for each calendar year, notice shall be given and hearing shall be held pursuant to section 2 and notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section the notice shall also include:

(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding a proposed tax levy or service charge.

(b) The estimated cost of improvements to be paid for in whole or in part by taxes or service charges imposed pursuant to this section, the estimated cost of operating and maintaining

the improvements during the first year after completion of the improvements, the proposed method and source of financing the improvements and the annual cost of operating and maintaining the improvements.

(c) The proposed rate or amount of taxes to be extended or the proposed service charge to be imposed in the district during the calendar year and the nature and character of special services to be rendered in the district during the calendar year.

(d) A statement that the petition requirements of section 8 have either been met or do not apply to the proposed taxes or service charge.

Within six months of the public hearing, the city may adopt a resolution levying a tax or imposing a service charge within the district not exceeding the amount or rate expressed in the notice issued pursuant to this section.

Subd. 2. [EXEMPTION OF CERTAIN PROPERTIES FROM TAXES.] *Property exempted from taxation by Minnesota Statutes, section 272.02, is exempt from any ad valorem taxes imposed pursuant to this act.*

Subd. 3. [LEVY LIMIT EXEMPTION.] *Taxes and service charges imposed pursuant to this act shall not be included in the calculation of levies or limits on levies provided by other law or home rule charter provision.*

Subd. 4. [EXCLUSION FROM HOMESTEAD CREDIT.] *Taxes levied under this section shall not be reduced pursuant to Minnesota Statutes, section 273.13, subdivision 6, 7, 7d, or 14a.*

Sec. 4. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]

Boundaries of a special service district may be enlarged only after hearing and notice as provided in sections 2 and 3. Notice shall be served in the original district and in the area proposed to be added to the district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district. The petition requirement in section 8 and the veto power in section 9 shall only apply to owners, individuals, and business organizations in the area proposed to be added to the district.

Sec. 5. [COLLECTION OF TAXES.]

Ad valorem taxes levied within a special service district shall be collected and paid over as other ad valorem taxes, but shall be spread only upon the assessed value of property described in

the ordinance. Service charges imposed shall be collected as provided by ordinance. Taxes collected pursuant to this act shall not be included in computations under Minnesota Statutes, section 273.76, chapter 473F, or any other law that applies to general ad valorem levies.

Sec. 6. [BONDS.]

At any time after a contract for the construction of all or part of an improvement authorized pursuant to this act has been entered into or the work has been ordered done by day labor, the governing body of the city may issue obligations in the amount it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making the improvement, including every item of cost from inception to completion and all fees and expenses incurred in connection with the improvement or the financing. The obligations shall be payable primarily out of the proceeds of the tax levied pursuant to section 3, or from any other special assessment or nontax revenues available to be pledged for their payment under charter or other statutory authority, or from any two or more of such sources. The governing body may, by resolution adopted prior to the sale of obligations, pledge the full faith, credit, and taxing power of the municipality to assure payment of the principal and interest if the proceeds of the tax levy in the district are insufficient to pay the principal and interest. The obligations shall be issued in accordance with Minnesota Statutes, chapter 475, except that an election shall not be required, and the amount of the obligations shall not be included in determining the net debt of the city under the provisions of any law or charter limiting debt.

Sec. 7. [ADVISORY BOARD.]

The governing body of the city may create and appoint an advisory board for each special service district in the city to advise the governing body in connection with the construction, maintenance, and operation of improvements, and the furnishing of special services in a district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants, and users of property within the district and members of the public. Before the adoption of any proposal by the governing body to provide services or impose taxes or service charges within the district, the advisory board of the district shall have an opportunity to review and comment upon the proposal.

Sec. 8. [PETITION REQUIRED.]

No action may be taken pursuant to section 2 unless owners of ten percent or more of the land area of the proposed special

service district and owners of ten percent or more of the assessed value of the proposed district file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 3 to impose an ad valorem tax unless owners of ten percent or more of the land area subject to a proposed tax and owners of ten percent or more of the assessed value subject to a proposed tax file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 3 to impose a service charge unless ten percent or more of the individual or business organizations subject to the proposed service charge file a petition requesting a public hearing on the proposed action with the city clerk. If the boundaries of a proposed district are changed or the land area or assessed value subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.

Sec. 9. [VETO POWER OF OWNERS.]

Subdivision 1. [NOTICE OF RIGHT TO FILE OBJECTIONS.] Except as provided in section 10, the effective date of any ordinance or resolution adopted pursuant to sections 2 and 3 shall be at least 45 days after it is adopted. Within five days after adoption of the ordinance or resolution, a copy of the ordinance or resolution shall be mailed to the owner of each parcel included in the special service district and any individual or business organization subject to a service charge in the same manner that notice is mailed pursuant to section 2. The mailing shall include a notice that owners subject to a tax and individuals and business organizations subject to a service charge have a right to veto the ordinance or resolution by filing the required number of objections with the city clerk before the effective date of the ordinance or resolution.

Subd. 2. [REQUIREMENT FOR VETO.] If owners of 35 percent of the land area in the district and owners of 35 percent of the assessed value in the district file an objection to the ordinance adopted by the city pursuant to section 2 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 35 percent of the land area subject to a tax and owners of 35 percent of the assessed value subject to a tax file an objection to the resolution adopted levying an ad valorem tax pursuant to section 3 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If 35 percent of individuals and business organizations subject to a service charge file an objection to the resolution adopted imposing a service charge pursuant to section 3 with the city clerk before the effective date of the resolution, the resolution shall not become effective.

Sec. 10. [EXCLUSION FROM PETITION REQUIREMENTS AND VETO POWER.]

The petition requirement of section 8 and the right of owners and those subject to a service charge to veto a resolution in section 9 do not apply to second or subsequent years' applications of a tax or service charge which is authorized to be in effect for more than one year pursuant to a resolution which has met the petition requirements of section 8 and which has not been vetoed under section 9 for the first year's application. A resolution levying a tax or imposing a service charge for more than one year shall not be adopted unless the notice of public hearing required by section 3 and the notice mailed with the adopted resolution pursuant to section 9 include the following information:

(a) In the case of improvements, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years the taxes will be levied or service charges imposed to pay for the improvement.

(b) In the case of operating and maintenance services, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years, or a statement that the tax will be imposed for an indefinite number of years, the taxes will be levied or service charges imposed to pay for operation and maintenance services.

The resolution may provide that the maximum amount of tax to be levied or maximum service charge to be imposed in any year will increase or decrease from the maximum amount authorized in the preceding year based on an indicator of increased cost or a percentage amount established by the resolution.

Sec. 11. [REPORT TO LEGISLATURE.]

The manager of the city of New Ulm shall file a written report with the chairman of the house local and urban affairs committee and the chairman of the senate local and urban government committee on or before January 31, 1986. The report shall apprise the committee as to the activities undertaken pursuant to this act and recommend any changes that should be considered if the legislature were to enact statewide legislation for the establishment of special service districts.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 10 are effective for the city of New Ulm the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of New Ulm."

Delete the title and insert:

"A bill for an act relating to local government; permitting the establishment of special service districts in the city of New Ulm; providing taxing and other financial authority for New Ulm."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 594, A bill for an act relating to the city of Warroad; permitting the establishment of a port authority.

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:

H. F. No. 609, A bill for an act relating to health; providing for the distribution of maternal and child health block grant funds to special projects; amending Minnesota Statutes 1984, sections 145.882; 145.884; 145.885; and 145.886.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 145.882, is amended to read:

145.882 [MATERNAL AND CHILD HEALTH BLOCK GRANT DISTRIBUTION.]

Subdivision 1. [CONTINUATION OF 1983 PROJECTS.] Recipients of maternal and child health grants for special projects in state fiscal year 1983 shall continue to be funded at the same level as in state fiscal year 1983 until (SEPTEMBER 30, 1985 IF THEY COMPLY WITH THE PROVISIONS OF SECTIONS 145.881, AND 145.882 TO 145.888) December 31, 1986. Beginning January 1, 1987, recipients of maternal and child health special project grants awarded in state fiscal year 1983 must receive:

(1) for calendar year 1987, no less than 90 percent of the amount awarded in state fiscal year 1983;

(2) for calendar year 1988, no less than 80 percent of the amount awarded in state fiscal year 1983; and

(3) for calendar year 1989, no less than 70 percent of the amount awarded in state fiscal year 1983.

The amount of grants awarded under this subdivision to grantees receiving an excess of \$100,000 annually must be deducted from the allocation due to the community health services area within which the grantee is located. If the community health services area includes more than one local board of health, the amount of the grant must be deducted only from the allocation due to the area served by the local board of health within which the grantee is located. The remaining areas served by local boards of health within that community health services area which do not include a grantee under this subdivision must be treated as a separate community health services area for purposes of the formula in subdivision 4. In order to receive money under this subdivision, grantees must continue to comply with the provisions of sections 145.881, and 145.882 to 145.888. These recipients are also eligible to apply for (STATE) grants under sections 145.883 to 145.888. Any increase or decrease in the amount of federal funding to the state for the maternal and child health block grant shall be apportioned to reflect a proportional increase or decrease for each recipient (UNTIL SEPTEMBER 30, 1985). Any increase in the amount of federal funding to the state shall be distributed (FOR SERVICES TO CHILDREN WITH HANDICAPS AND TO SPECIAL PROJECTS AS PROVIDED IN SECTIONS 145.883 TO 145.888, EXCEPT THAT AN AMOUNT NOT TO EXCEED TEN PERCENT MAY BE RETAINED BY THE COMMISSIONER OF HEALTH TO ADDRESS COST OF LIVING INCREASES AND INCREASES IN SUPPLIES AND SERVICES) according to the formula in subdivision 3 of this section.

(AFTER SEPTEMBER 30, 1985,) The advisory task force shall review and recommend the proportion of maternal and child health block grant funds to be expended for indirect costs, direct services and special projects. (THE PROPORTION OF FUNDS EXPENDED IN DIRECT SERVICES THROUGH SPECIAL PROJECTS SHALL BE MAINTAINED AT NOT LESS THAN THE LEVEL EXPENDED IN STATE FISCAL YEAR 1984.)

Subd. 2. [ALLOCATION TO THE DEPARTMENT OF HEALTH.] Beginning January 1, 1986, up to one-third of the total maternal and child health block grant money may be retained by the commissioner of health for administrative and technical assistance services, projects of regional or statewide

significance, direct services to children with handicaps, indirect costs, and other activities of the department.

Subd. 3. [DISTRIBUTION FORMULA.] The maternal and child health block grant money remaining after distributions made under subdivisions 1 and 2 shall be allocated to community health services area for distribution by local boards of health to qualified programs that provide essential services within the community health services area. For purposes of this section, "community health services area" means a city, county, or multi-county area which is organized as a local board of health under section 145.913 and for which a state subsidy is received pursuant to sections 145.911 to 145.922. The amount of funds available for each community health services area shall be determined according to the following formula:

(a) Each community health services area shall be allocated an amount based on the following three variables:

(1) proportion of resident mothers within the county or counties who are under 20 years of age or over 35 years of age, as determined by averaging the data available for the three most current years;

(2) proportion of resident infants within the county or counties whose weight at birth is less than 2,500 grams, as determined by averaging the data available for the three most current years; and

(3) proportion of resident children within the county or counties under the age of 19 who are on general assistance or medicaid and the proportion of resident women within the county or counties aged 19 to 49 who are on general assistance or medicaid, as determined by using the data available for the most current year.

(b) Each variable must be expressed as a county score consisting of the county frequency of each variable divided by the statewide frequency of the variable.

(c) A total score for each county jurisdiction shall be computed by totaling the scores of the foregoing three factors and dividing the score obtained by three.

(d) Each community health services area must be allocated an amount equal to the score obtained above for the city, county, or counties in its area multiplied by the amount of funds determined to be available for special projects of local significance.

If no approvable applications are received for a community health services area, the commissioner may reallocate the funds available for that area to other community health service areas for which approvable applications have been received.

This formula also applies to any city or county that is not participating in the community health services subsidy in order to determine the amount of funds available for purposes of this subdivision. The commissioner shall convene a meeting of public and private nonprofit agencies in cities or counties who have expressed an intent to submit an application for funding. The meeting shall be used for purposes of attempting to develop a single coordinated grant application for each city or county. All applications, whether consolidated into a single application or as individual applications, shall be submitted according to section 145.885. If no approvable applications are received, the commissioner may reallocate the funds to community health service areas for which applications have been received.

Subd. 4. [USE OF BLOCK GRANT MONEY.] Maternal and child health block grant money received by a local board of health or community health services area under this section must be used for qualified programs for high risk and low income individuals. Block grant money must be used for programs that:

(1) specifically address the highest risk populations, particularly low income and minority groups with a high rate of infant mortality and low birth weight children, by providing services calculated to produce measurable decreases in infant mortality rates and instances of low birth weight children and medical complications associated with pregnancy and childbirth;

(2) specifically target pregnant women whose age, medical condition, or maternal history substantially increases the likelihood of complications associated with pregnancy and childbirth, or the birth of a child with an illness, disability, or special medical needs;

(3) specifically address the health needs of young children who have, or are likely to have, a chronic disease or disability or special medical needs;

(4) provide preventive and primary care services, including dental services, to low income and high risk children from birth through 18 years of age; or

(5) provide family planning and preventive medical care for specifically identified target populations, such as minority and low income teenagers, in a manner calculated to decrease the occurrence of inappropriate pregnancy and minimize the risk of complications associated with pregnancy and childbirth.

Maternal and child health block grant money may be used for purposes other than the purposes listed in this subdivision only if the local board of health or community health services area can demonstrate that existing programs fully address the needs of the highest risk target populations described in this subdivision.

Subd. 5. [REPORT.] The commissioner shall prepare, with the advice of the advisory task force, an annual report to the legislature which details the distribution of maternal and child health block grant funds, including the amounts to be expended for indirect costs, direct services, and (SPECIAL PROJECTS) local grants. The report shall (ALSO) identify the statewide needs of low income and high risk populations and the department of health's plans and local board plans for meeting their needs. The report must also identify recommended decreases in funding of programs by the department of health and the effects of those decreases in funding on maternal and child health care program. Decreases in funding must not be made in direct services to children with handicaps.

The commissioner of health, before May 1, 1985, shall report to the chairs of the house of representatives and senate health and human services committees, and the chairs of the house appropriations and senate finance committees, on their proposed allocation of funds under section 1, subdivision 2. The legislature must receive the report no later than January of each year.

Sec. 2. Minnesota Statutes 1984, section 145.883, subdivision 8, is amended to read:

Subd. 8. [MATERNAL AND CHILD HEALTH BLOCK GRANT MONEY.] "Maternal and child health block grant money" means the money received by the state from the federal maternal and child health block grant. The commissioner shall carry forward from state fiscal year 1985, and succeeding years, only sufficient funds for qualified programs approved through the federal (FISCAL YEAR) award period.

Sec. 3. Minnesota Statutes 1984, section 145.884, subdivision 1, is amended to read:

Subdivision 1. [RULES.] The commissioner shall, in the name of the state and within the limit of the federal maternal and child health block grant appropriation, make grants (TO PUBLIC AND PRIVATE NONPROFIT AGENCIES ADMINISTERING) under sections 145.881 to 145.888 for qualified programs of maternal and child health care services. The commissioner shall promulgate rules for the administration of grants (AUTHORIZED BY THIS SUBDIVISION). The rules shall establish and contain as a minimum:

- (a) procedures for grant applications;
- (b) conditions and procedures for the administration of grants;
- (c) criteria of eligibility for grants; and

(d) other matters the commissioner finds necessary for the proper administration of the grant program.

Sec. 4. Minnesota Statutes 1984, section 145.885, is amended to read:

145.885 [APPLICATION FOR A GRANT.]

An application for a grant shall be submitted to the commissioner at a time and in a form and manner as the commissioner prescribes. Department of health technical staff shall be available to provide technical assistance in development of grant applications. The application must contain:

(a) A complete description of the program and the manner in which the applicant intends to conduct the program;

(b) *A description of the manner in which the program responds to needs and priorities for services identified by the maternal and child health task force pursuant to section 145.881, subdivision 2, and rules adopted by the commissioner. The rationale for any differences must be explained in detail;*

(c) A budget and justification for the amount of grant funds requested;

((C)) (d) A description of the target population served by the qualified program and estimates of the number of low income or high risk patients the program is expected to serve;

((D)) (e) The name or names of the person or persons who shall have primary responsibility for the administration and delivery of services of the qualified program; and

((E)) (f) The reporting and accounting procedures to be followed by the qualified agency to enable the commissioner to evaluate the activities of the qualified program.

Applications by local boards under section 145.882, subdivision 3, must also contain a summary of the process used to develop the local program, including evidence that the local board notified local public and private providers of the availability of funding through the local board for maternal and child health services, a list of all public and private agency requests for grants submitted to the local board indicating which requests were included in the grant application, and an explanation of how priorities were established for selecting the requests to be included in the grant application. The local board shall include, with grant application materials, a written statement of the criteria to be applied to public and private agency requests for funding. Written criteria of the grant selection process shall

be available to public and private agencies making requests for funding. In addition, the local board shall include a written assurance which provides that:

(1) maternal and child health block grant funds will not be used to supplant any other funding source;

(2) maternal and child health programs will be conducted in accordance with applicable federal and state requirements;

(3) administrative costs will conform with guidelines as prescribed by the federal government and negotiated by the state department of health; and

(4) consideration will be given to contracting with public and private agencies which provide comparable quality and cost maternal and child health service.

Sec. 5. Minnesota Statutes 1984, section 145.886, is amended to read:

145.886 [GRANT REVIEW PROCESS.]

Primary review of all grant applications shall be conducted by the department of health technical staff. All technically completed applications will be forwarded for secondary review to (A GRANTS REVIEW PANEL ESTABLISHED BY THE COMMISSIONER. A MAJORITY OF THE GRANTS REVIEW PANEL MUST BE PROFESSIONALS WITH EXPERTISE IN MATERNAL AND CHILD HEALTH CARE. NO MEMBER OF THE PANEL MAY BE AN EMPLOYEE OF A PUBLIC OR PRIVATE NONPROFIT AGENCY RECEIVING OR APPLYING FOR MATERNAL AND CHILD HEALTH BLOCK GRANT MONEY. THE ADVISORY TASK FORCE SHALL REVIEW THE RECOMMENDATIONS OF THE GRANTS REVIEW PANEL FOR COMMENT TO THE COMMISSIONER) *the advisory task force.* The commissioner shall award grants under section 145.885 and this section only after receiving the comments and recommendation of (THE GRANTS REVIEW PANEL AND) the advisory task force on completed grant applications.

Sec. 6. [FUND DISTRIBUTION.]

Any additional maternal and child health program state funds shall be distributed proportionately according to section 1.

Sec. 7. [REPEALER.]

Minnesota Statutes 1984, section 145.884, subdivision 2, is repealed."

Delete the title and insert:

"A bill for an act relating to health; providing for the distribution of maternal and child health block grant funds; amending Minnesota Statutes 1984, sections 145.882; 145.883, subdivision 8; 145.884, subdivision 1; 145.885; and 145.886; repealing Minnesota Statutes 1984, section 145.884, subdivision 2."

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

The report was adopted.

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

H. F. No. 679, A bill for an act relating to nursing homes; establishing an educational program for nursing home consumer advisory councils; authorizing a surcharge on nursing home license fees; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [144A.33] [RESIDENT AND FAMILY ADVISORY COUNCIL EDUCATION.]

Subdivision 1. [EDUCATIONAL PROGRAM.] Each resident and family council authorized under section 144.651, subdivision 27, shall be educated and informed about the following:

- (1) care in the nursing home or board and care home;*
- (2) resident rights and responsibilities;*
- (3) resident and family council organization and maintenance;*
- (4) laws and rules that apply to homes and residents;*
- (5) human relations; and*
- (6) resident and family self-help methods to increase quality of care and quality of life in a nursing home or board and care home.*

Subd. 2. [PROVIDING EDUCATIONAL SERVICES.] The Minnesota board on aging shall provide a grant-in-aid to a state-

wide, independent, nonprofit, consumer-sponsored agency to provide educational services to councils.

Subd. 3. [FUNDING OF ADVISORY COUNCIL EDUCATION.] *For the biennium ending June 30, 1987, a license application or renewal fee under section 144A.07 must be increased by \$2 per bed to fund the development and education of resident and family advisory councils.*

Subd. 4. [APPROPRIATION; SPECIAL ACCOUNT.] *All money collected by the commissioner of health under subdivision 3 must be deposited in the state treasury and credited to a special account called the nursing home advisory council fund. Money in the account is annually appropriated to the Minnesota board on aging for the purposes of this section.*

Subd. 5. [REPORT; EVALUATION.] *The Minnesota board on aging shall evaluate the programs established under this section and shall report to the legislature by February 1 of each year concerning the programs established and the effectiveness of the programs.*

Sec. 2. Minnesota Statutes 1984, section 256B.421, subdivision 8, is amended to read:

Subd. 8. [OPERATING COSTS.] "Operating costs" means the day-to-day costs of operating the facility in compliance with licensure and certification standards. Operating cost categories are: nursing, including nurses and nursing assistants training; dietary; laundry and linen; housekeeping; plant operation and maintenance; other care-related services; medical directors; licenses (AND), other than license fees required by the Minnesota department of health; permits; general and administration; payroll taxes; real estate taxes, license fees required by the Minnesota department of health, and actual special assessments paid; and fringe benefits, including clerical training; and travel necessary for training programs for nursing personnel and dieticians required to maintain licensure, certification, or professional standards requirements.

Sec. 3. Minnesota Statutes 1984, section 256B.431, subdivision 2b, is amended to read:

Subd. 2b. [OPERATING COSTS, AFTER JULY 1, 1985.]
(a) For rate years beginning on or after July 1, 1985, the commissioner shall establish procedures for determining per diem reimbursement for operating costs.

(b) The commissioner shall contract with an econometric firm with recognized expertise in and access to national eco-

conomic change indices that can be applied to the appropriate cost categories when determining the operating cost payment rate.

(c) The commissioner shall analyze and evaluate each nursing home's cost report of allowable operating costs incurred by the nursing home during the reporting year immediately preceding the rate year for which the payment rate becomes effective.

(d) The commissioner shall establish limits on actual allowable historical operating cost per diems based on cost reports of allowable operating costs for the reporting year that begins October 1, 1983, taking into consideration relevant factors including resident needs, geographic location, age, size of the nursing home, and the costs that must be incurred for the care of residents in an efficiently and economically operated nursing home. The limits established by the commissioner shall not be less, in the aggregate, than the 60th percentile of total actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1 based on cost reports of allowable operating costs in the previous reporting year. The limits established under this paragraph remain in effect until the commissioner establishes a new base period. Until the new base period is established, the commissioner shall adjust the limits annually using the appropriate economic change indices established in paragraph (e). In determining allowable historical operating cost per diems for purposes of setting limits and nursing home payment rates, the commissioner shall divide the allowable historical operating costs by the actual number of resident days, except that where a nursing home is occupied at less than 90 percent of licensed capacity days, the commissioner may establish procedures to adjust the computation of the per diem to an imputed occupancy level at or below 90 percent. The commissioner shall establish efficiency incentives as appropriate. The commissioner may establish efficiency incentives for different operating cost categories. The commissioner shall consider establishing efficiency incentives in care related cost categories. The commissioner may combine one or more operating cost categories and may use different methods for calculating payment rates for each operating cost category or combination of operating cost categories.

(e) The commissioner shall establish a composite index or indices by determining the appropriate economic change indicators to be applied to specific operating cost categories or combination of operating cost categories.

(f) Each nursing home shall receive an operating cost payment rate equal to the sum of the nursing home's operating cost payment rates for each operating cost category. The operating cost payment rate for an operating cost category shall be the lesser of the nursing home's historical operating cost in the category increased by the appropriate index established in paragraph

(e) for the operating cost category plus an efficiency incentive established pursuant to paragraph (d) or the limit for the operating cost category increased by the same index. If a nursing home's actual historic operating costs are greater than the prospective payment rate for that rate year, there shall be no retroactive cost settle-up. In establishing payment rates for one or more operating cost categories, the commissioner may establish separate rates for different classes of residents based on their relative care needs.

(g) The commissioner shall include the reported actual real estate tax liability of each proprietary nursing home as an operating cost of that nursing home. The commissioner shall include a reported actual special assessment, *and reported actual license fees required by the Minnesota department of health*, for each nursing home as an operating cost of that nursing home. Total real estate tax liability (AND), actual special assessments paid, *and license fees paid as required by the Minnesota department of health*, for each nursing home (1) shall be divided by actual resident days in order to compute the operating cost payment rate for this operating cost category, (2) shall not be used to compute the 60th percentile or other operating cost limits established by the commissioner, and (3) shall not be increased by the composite index or indices established pursuant to paragraph (e)."

Amend the title as follows:

Page 1, line 3, delete "nursing home consumer" and insert "resident and family"

Page 1, line 4, delete "nursing home"

Page 1, line 5, after the semicolon insert "amending Minnesota Statutes 1984, sections 256B.421, subdivision 8; and 256B.431, subdivision 2b;"

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

The report was adopted.

McDonald from the Committee on Agriculture to which was referred:

H. F. No. 687, A bill for an act relating to agriculture; repealing requirements for a department slogan on printed matter; changing emergency rulemaking authority; creating a statistical services account in the state treasury; clarifying membership requirements for the soil and water conservation board; appropriating money; amending Minnesota Statutes 1984, sections

17.03, by adding a subdivision; and 40.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1984, sections 16.51; 16.52; and 16.53.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 17.101, is amended by adding a subdivision to read:

Subd. 5. [PROMOTIONAL FUND.] The Minnesota trade office fund is established as an account in the state treasury. The commissioner may request, accept, and spend money for the promotion of international trade and foreign investments under this section. Money received by the commissioner under this subdivision must be deposited in the state treasury and credited to the Minnesota trade office fund. Money in the fund including interest earned is annually appropriated to the commissioner for the purposes that the money has been received. The appropriation does not cancel and is available until expended.

Sec. 2. [17.038] [STATISTICAL SERVICES.]

All payments for statistical services performed by the agricultural statistics division of the department of agriculture must be deposited in the statistical services account which is created in the state treasury. The money in the account is annually appropriated to the commissioner of agriculture to administer the programs of the agricultural statistics division.

Sec. 3. Minnesota Statutes 1984, section 40.03, subdivision 1, is amended to read:

Subdivision 1. [MEMBERS.] There is hereby established, to serve as an agency within the department of agriculture and to perform the functions conferred upon it in this chapter, the state soil and water conservation board to be composed of 12 members, seven of whom shall be elected supervisors and the following five ex-officio members: The director of the agricultural extension service of the University of Minnesota; the (DEAN) *deputy vice president* of the Institute of Agriculture, Forestry, and Home Economics of the University of Minnesota; the director of the pollution control agency; the commissioner of agriculture; and the commissioner of natural resources. Each ex-officio member may designate a person within his organization to act in his stead as a member of the state board, with all his rights and privileges. The designation shall be filed with the secretary of state. The state board shall invite the state conservationist of the United States soil conservation service to serve as an advisory member. The state board may also invite a repre-

sentative of the state association of soil and water conservation districts, the association of Minnesota counties, the league of Minnesota cities and any other organizations and appropriate agencies deemed necessary to serve as advisory members. The seven members of the state board who are elected supervisors shall be appointed by the governor. In making these appointments the governor may consider persons recommended by the state association of soil and water conservation district. One member shall be appointed from each of the state soil and water conservation board administrative regions.

Sec. 4. Minnesota Statutes 1984, section 296.01, subdivision 7, is amended to read:

Subd. 7. [DISTRIBUTOR OR DEALER.] "*Distributor or dealer*" means any person (1) who receives petroleum products in this state for storage and subsequent distribution by tank car or tank truck or both, or (2) who produces, manufactures or refines petroleum products in this state, or (3) who imports petroleum products into this state via boat, barge or pipe line for storage and subsequent delivery at or further transportation from boat, barge or pipe line terminals in this state, or (4) who blends agricultural alcohol gasoline in a tank truck upon receipt from another person.

Sec. 5. Minnesota Statutes 1984, section 296.01, subdivision 24, is amended to read:

Subd. 24. [AGRICULTURAL ALCOHOL GASOLINE.] "*Agricultural alcohol gasoline*" means: (a) a gasoline blend (AT LEAST) up to ten percent of which is agriculturally derived fermentation (ETHYL ALCOHOL) ethanol of a purity of at least 99 percent, or (b) an alcohol which is agriculturally derived fermentation alcohol of a purity of at least 55 percent and designed to be used in conjunction with diesel fuel in a diesel engine's internal combustion process, both of which are determined without regard to any added denaturants, denatured in conformity with one of the approved methods set forth by the United States Department of Treasury, Bureau of Alcohol, Tobacco and Firearms, and derived from agricultural products such as cereal grains, cheese whey, sugar beets, or forest products or other renewable resources (, DISTILLED IN THE UNITED STATES AND DERIVED FROM AGRICULTURAL PRODUCTS PRODUCED IN THE UNITED STATES).

Sec. 6. Minnesota Statutes 1984, section 296.02, subdivision 7, is amended to read:

Subd. 7. [TAX REDUCTION FOR AGRICULTURAL ALCOHOL GASOLINE.] (THE TAX ON GASOLINE IMPOSED BY SUBDIVISION 1 SHALL BE REDUCED BY TWO CENTS PER GALLON BEGINNING JULY 1, 1983, AND

CONTINUING THROUGH JUNE 30, 1985, AND FOUR CENTS PER GALLON BEGINNING JULY 1, 1985, AND CONTINUING THROUGH JUNE 30, 1992, FOR GASOLINE WHICH IS AGRICULTURAL ALCOHOL GASOLINE AS DEFINED IN SECTION 296.01, SUBDIVISION 24, WHICH IS BLENDED BY A DISTRIBUTOR WITH ALOCHOL DISTILLED IN THE UNITED STATES FROM AGRICULTURAL PRODUCTS PRODUCED IN THE UNITED STATES, AND WHICH IS USED ON THE PUBLIC HIGHWAYS OF THIS STATE. THE TAX IMPOSED BY THIS SUBDIVISION SHALL BE PAYABLE AT THE SAME TIME, AND COLLECTED IN THE SAME MANNER, AS THE TAX IMPOSED BY SUBDIVISION 1) *A distributor or dealer of blended or purchased agricultural alcohol gasoline shall receive a credit on each gallon of that gasoline for which the tax imposed by subdivision 1 is due and payable. The amount of the credit is \$.40 for every gallon of fuel-grade alcohol blended with unleaded gasoline to produce agricultural alcohol gasoline; or \$.22 for every gallon of agricultural grade alcohol designed to be used in conjunction with diesel fuel in an engine's internal combustion process. The credit allowed a distributor or dealer must not exceed the total tax liability under subdivision 1. Any credit that would exceed the amount of a distributor's or dealer's monthly tax liability may be carried over into subsequent months. No credit may be given unless the distributor or dealer provides the information required by section 296.14, subdivision 1. A supplier of agricultural alcohol gasoline must also provide the information required by section 296.14, subdivision 1.*

Sec. 7. Minnesota Statutes 1984, section 296.14, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS; PAYMENT OF TAX; SHRINKAGE ALLOWANCE.] On or before the twenty-third day of each month, every person who is required to pay gasoline tax or inspection fee on petroleum products and every distributor shall file in the office of the commissioner at St. Paul, Minnesota, a report in a manner approved by the commissioner showing the number of gallons of petroleum products received by him during the preceding calendar month, and such other information as the commissioner may require. The number of gallons of gasoline shall be reported in U.S. standard liquid gallons (231 cubic inches), except that the commissioner may upon written application therefor and for cause shown permit the distributor to report the number of gallons of such gasoline as corrected to a 60 degree Fahrenheit temperature. If such application is granted, all gasoline covered in such application and as allowed by the commissioner must continue to be reported by the distributor on the adjusted basis for a period of one year from the date of the granting of the application. *The report must specify the number of gallons of leaded and unleaded gasoline received.* The number of gallons of petroleum products other than gasoline shall be reported as originally invoiced.

Each report shall show separately the number of gallons of agricultural gasoline blended, the name and address of each source of fuel-grade alcohol, the quantity and place of origin of the fuel-grade alcohol received from each source, the total number of gallons of fuel-grade alcohol on which the agricultural alcohol gasoline blend credit is claimed, and the signature of the dealer or agent of the dealer, verifying that the fuel-grade alcohol is derived from cereal grains, cheese whey, sugar beets, or forest products or other renewable resources, and that the fuel-grade alcohol will be used in internal combustion engines.

Each report shall show separately the number of gallons of aviation gasoline received by him during such calendar month.

Each report shall be accompanied by remittance covering inspection fees on petroleum products and gasoline tax on gasoline received by him during the preceding month; provided that in computing such tax a deduction of three percent of the quantity of gasoline received by a distributor shall be made for evaporation and loss; provided further that at the time of remittance the distributor shall submit satisfactory evidence that one-third of such three percent deduction shall have been credited or paid to dealers on quantities sold to them. The report and remittance shall be deemed to have been filed as herein required if post-marked on or before the twenty-third day of the month in which payable.

Each report shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.

Sec. 8. [TRAINING OF FARMERS FOR ALCOHOL FUEL PLANT AND GREENHOUSE MANAGEMENT.]

The state board of vocational technical education may offer a program to help farmers find alternative profitable uses for grain, to train farmers and students to manage and operate an alcohol fuel plant, to train farmers and students to use a greenhouse heated by the fuel plant, to educate farmers to use and manage grain mash and sweetwater to feed livestock, to find efficient ways to manufacture alcohol fuel in Minnesota, and to educate farmers about alcohol fuel plants and greenhouses to determine their business possibilities.

Sec. 9. [APPROPRIATION.]

\$. is appropriated from the general fund to the state board of vocational technical education for the purposes of section 8."

Delete the title and insert:

"A bill for an act relating to agriculture; establishing a trade office promotional fund and statistical services account; clarifying membership of the soil and water conservation board; defining terms, extending a tax credit to dealers or distributors, and prescribing reports in connection with agricultural alcohol gasoline; establishing courses and appropriating money for alcohol fuel courses; amending Minnesota Statutes 1984, sections 17.101, by adding a subdivision; 40.03, subdivision 1; 296.01, subdivisions 7 and 24; 296.02, subdivision 7; and 296.14, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 17."

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

The report was adopted.

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

H. F. No. 693, A bill for an act relating to the city of North Mankato; permitting the establishment of a port authority; authorizing the port authority to exercise the powers of a municipal housing and redevelopment authority.

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:

H. F. No. 696, A bill for an act relating to human services; adjusting eligibility requirements for the child day care sliding fee program; permitting county boards to set limits on the day care rates that will be subsidized; amending Minnesota Statutes 1984, section 245.84.

Reported the same back with the following amendments:

Page 3, line 15, to page 4, line 1, delete the language and insert:

"Subd. 4. [FINANCIAL ELIGIBILITY.] (AS MONEY THAT IS ALLOWED OR REQUIRED TO BE USED FOR PROVIDING CHILD CARE BECOMES AVAILABLE TO THE COUNTY FROM FEDERAL, STATE, OR LOCAL SOURCES,) (a) The county board shall (TO THE EXTENT PRACTICAL) make child care services available to (SINGLE PARENT) fam-

ilies (IN WHICH THE PARENT NEEDS) *who need child care (SERVICES UNDER THIS SECTION) to (SECURE OR RETAIN) find or keep employment (,) or to obtain the training or education necessary to (SECURE) find employment (, OR FOR OTHER CIRCUMSTANCES, ESTABLISHED BY THE COMMISSIONER, RELATED TO EDUCATION, TRAINING, OR EMPLOYMENT, AND, IN THE FOLLOWING ORDER OF PRIORITY) and who:*

(1) (WHO ARE RECEIVING) *receive aid to families with dependent children under sections 256.72 to 256.87 (. CHILD CARE SERVICES TO THESE FAMILIES SHALL BE MADE AVAILABLE AS IN KIND SERVICES, TO COVER THE DIFFERENCE BETWEEN THE ACTUAL COST AND \$160 PER MONTH PER CHILD OR THE AMOUNT DISREGARDED UNDER RULES FOR PERSONS NOT EMPLOYED FULL TIME; THEN); or*

(2) (WHOSE) *have household income (IS WITHIN THE) below the eligibility levels for aid to dependent families; or*

(3) *have household income within a range established by the county board.*

(b) Child care services (TO THESE) *for the families (SHALL) receiving aid to families with dependent children must be made available (ON A SLIDING FEE) as in-kind services, to cover any difference between the actual cost and the amount disregarded under the aid to families with dependent children program."*

Page 4, line 14, after the period insert "*The maximum set by any county shall not be lower than the median rate for like care arrangements in that county minus the amount paid by the state according to the sliding fee schedule.*"

Page 4, line 26, after the period insert "*The fee schedule must be designed to use any available tax credits.*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to House Rule No. 9.3, H. F. No. 696 was re-referred to the Committee on Rules and Legislative Administration.

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

H. F. No. 743, A bill for an act relating to the city of Plymouth; permitting the establishment of a port authority; amending Laws 1984, chapter 397, section 1.

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 :

H. F. No. 765, A bill for an act relating to human services; restricting and subsequently abolishing the state share of Title IV-E foster care maintenance payments; repealing transfer of funds; restricting and subsequently abolishing the dependent or neglected state ward appropriation; creating permanency planning grants to counties; amending Minnesota Statutes 1984, sections 256.82, subdivision 2; and 260.38; proposing coding for new law as Minnesota Statutes, chapter 256F; repealing Minnesota Statutes 1984, section 259.405.

Reported the same back with the following amendments :

Delete everything after the enacting clause and insert :

"Section 1. Minnesota Statutes 1984, section 256.82, subdivision 2, is amended to read:

Subd. 2. [FOSTER CARE MAINTENANCE PAYMENTS.] Notwithstanding subdivision 1, for the purposes of foster care maintenance payments under Title IV-E of the federal Social Security Act, 42 U.S.C. Sections 670 to 676, during the (BIENNIUM ENDING JUNE 30, 1983) *period beginning July 1, 1985, and ending December 31, 1985*, the county paying the maintenance costs shall be reimbursed for the costs from those federal funds available for that purpose together with an amount of state funds equal to a percentage of the difference between the total cost and the federal funds made available for payment. This percentage shall not exceed the percentage specified in subdivision 1 for the aid to families with dependent children program. In the event that the state appropriation for this purpose is less than the state percentage set in subdivision 1, the reimbursement shall be rateably reduced to the county. *Beginning January 1, 1986, for the purpose of foster care maintenance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676, the county paying the maintenance costs shall be reimbursed for the costs from the federal funds available for the purpose.*

Sec. 2. Minnesota Statutes 1984, section 260.38, is amended to read:

260.38 [COST, PAYMENT.]

In addition to the usual care and services given by public and private agencies, the necessary cost incurred by the commissioner of human services in providing care for such child shall be paid by the county committing such child which, subject to uniform regulations established by the commissioner of human services, may receive a reimbursement not exceeding one-half of such costs from funds made available for this purpose by the legislature during the period beginning July 1, 1985, and ending December 31, 1985. Beginning January 1, 1986, the necessary cost incurred by the commissioner of human services in providing care for the child shall be paid by the county committing the child. Where such child is eligible to receive a grant of aid to families with dependent children or supplemental security income for the aged, blind, and disabled, or a foster care maintenance payment under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676, his needs shall be met through these programs.

Sec 3. [256F.01] [PUBLIC POLICY.]

It is the public policy of this state that all children, regardless of minority racial or ethnic heritage, are entitled to live in families that offer a safe, permanent relationship with nurturing parents or caretakers and have the opportunity to establish lifetime relationships. To help assure this opportunity, public social services shall be directed toward accomplishment of the following purposes:

(1) *preventing the unnecessary separation of children from their families by identifying family problems, assisting families in resolving their problems, and preventing breakup of the family where the prevention of child removal is desirable and possible;*

(2) *restoring to their families children who have been removed, by the continued provision of services to the reunited child and the families;*

(3) *placing children in suitable adoptive homes, in cases where restoration to the biological family is not possible or appropriate; and*

(4) *assuring adequate care of children away from their homes, in cases where the child cannot be returned home or cannot be placed for adoption.*

Sec. 4. [256F.02] [CITATION.]

Sections 3 to 9 may be cited as the "permanency planning grants to counties act."

Sec. 5. [256F.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For purposes of sections 3 to 9, the terms defined in this section have the meanings given them, unless the context clearly indicates otherwise.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of human services.

Subd. 3. [COUNTY PLAN.] "County plan" means the community social services plan required by section 256E.09.

Subd. 4. [COUNTY BOARD.] "County board" means the board of county commissioners in each county.

Subd. 5. [FAMILY-BASED SERVICES.] "Family-based services" means the provision of intensive family-centered services to families primarily in their own home for a time-limited period.

Subd. 6. [HUMAN SERVICES BOARD.] "Human services board" means a board established under section 402.02, Laws 1974, chapter 293, or Laws 1976, chapter 340.

Subd. 7. [PERMANENCY PLANNING.] "Permanency planning" means the systematic process of carrying out, within a brief, time-limited period, a set of goal-oriented activities designed to help children live in families that offer continuity of relationships with nurturing parents or caretakers, and the opportunity to establish lifetime relationships.

Subd. 8. [PLACEMENT PREVENTION AND FAMILY REUNIFICATION SERVICES.] "Placement prevention and family reunification services" means a continuum of services designed to help children remain with their families or to facilitate reunification of children with their parents.

Subd. 9. [RESIDENTIAL FACILITY.] "Residential facility" means a residential facility as defined in section 257.071, subdivision 1.

Sec. 6. [256F.04] [DUTIES OF COMMISSIONER OF HUMAN SERVICES.]

Subdivision 1. [GRANT PROGRAM.] The commissioner shall establish a statewide permanency planning grant program to assist counties in providing placement prevention and family reunification services beginning January 1, 1986.

Subd. 2. [FORMS AND INSTRUCTIONS.] *The commissioner shall provide necessary forms and instructions to the counties for their community social services plan, as required in section 256E.09, that incorporate the permanency plan format and information necessary to apply for a permanency planning grant.*

For purposes of calendar year 1986, the local social services agency shall submit an amendment to their approved biennial community social services plan according to the forms and instructions provided by the commissioner. Beginning January 1, 1986, the biennial community social services plan shall include the permanency plan.

Subd. 3. [MONITORING.] *The commissioner shall design and implement methods for monitoring the delivery and evaluating the effectiveness of placement prevention and family reunification services including family-based services within the state according to section 256E.05, subdivision 3, paragraph (e). An evaluation report describing program implementation, client outcomes, cost, and the effectiveness of those services in relation to measurable objectives and performance criteria to keep families unified and minimize the use of out-of-home placements for children shall be prepared by the commissioner covering the period January 1, 1986 through June 30, 1988.*

Sec. 7. [256F.05] [DISTRIBUTION OF GRANTS.]

Subdivision 1. [FUNDS AVAILABLE DUE TO TRANSFER; MINIMUM FUNDING LEVEL.] *No county shall receive less in state aids for its permanency planning grant in calendar years 1986 and 1987 than the sum of their reimbursement received under title IV-E foster care and children under state guardianship accounts in state fiscal year 1984. Beginning calendar year 1988, the reimbursement received under title IV-E foster care and children under state guardianship accounts shall be distributed according to formula in this section.*

Subd. 2. [ADDITIONAL FUNDS.] *Additional funds appropriated for family-based services, together with a sum as determined by the commissioner of title IV-B funds distributed to Minnesota according to the Social Security Act, United States Code, title 42, section 621, shall be distributed to counties according to formula.*

Subd. 3. [FORMULA.] *The amount of funds in subdivision 2 which a county board may receive shall be based upon the population of the county under age 19 years as compared to the state as a whole as determined by the most recent data from the state demographer's office.*

Subd. 4. [PAYMENTS.] *The commissioner shall make grant payments to each county whose biennial community social ser-*

vices plan includes a permanency plan under section 6, subdivision 2. The payment must be made in four installments per year. The commissioner may certify the payments for the first three months of a calendar year. The following three payments must be made on April 1, July 1, and October 1 of each calendar year.

Subd. 5. [INAPPROPRIATE EXPENDITURES.] *Permanency planning grant funds shall not be used for the following expenditures:*

(1) *child day care necessary solely because of the employment, or training to prepare for employment, of a parent or other relative with whom the child is living;*

(2) *residential facility payments;*

(3) *adoption assistance payments;*

(4) *public assistance payments known as aid to families with dependent children; Minnesota supplemental aid; medical assistance; general assistance; general assistance medical care; community health services authorized by sections 145.911 to 145.922; and*

(5) *administrative costs for local social services agency public assistance staff.*

Subd. 6. [TERMINATION OF GRANT.] *A grant may be reduced or terminated by the commissioner when the county agency has failed to comply with the terms of the grant or the provisions of sections 3 to 9.*

Subd. 7. [TRANSFER OF FUNDS.] *Notwithstanding subdivision 1, the commissioner may transfer funds from the permanency planning grants to counties' appropriation into the subsidized adoption account when a deficit in the subsidized adoption program occurs. The amount of the transfer shall not exceed five percent of the permanency planning grants to counties' appropriation.*

Sec. 8. [256F.06] [DUTIES OF COUNTY BOARDS.]

Subdivision 1. [RESPONSIBILITIES.] *The county board of each county may singly, or in combination with other county boards, apply for a permanency planning grant as provided in section 6, subdivision 2. Upon approval of the permanency planning grant, the county board may contract for or directly provide placement prevention and family reunification services.*

Subd. 2. [USES OF GRANTS.] *This grant must be used exclusively for placement prevention, family reunification services and training for family-based service and permanency plan-*

ning. This grant may not be used as a match for other federal funds or to meet the requirements of section 256E.06, subdivision 5.

Subd. 3. [DESCRIPTION OF FAMILY-BASED SERVICE.] *When a county board elects to provide family-based service as a part of its permanency plan, its written description of family-based service shall include: the number of families to be served in each caseload; the provider or providers of the service; the planned frequency of contacts with the families; and the maximum length of time family-based service shall be provided to families.*

Subd. 4. [FINANCIAL STATEMENT BY COUNTIES.] *Beginning in calendar year 1986, each county receiving a permanency planning grant shall submit to the commissioner a financial accounting of the county's expenditures attributable to this grant. A quarterly statement must be submitted no later than 15 days after the end of the calendar quarter and must include:*

(1) a detailed statement of expenses attributable to the grant during the preceding quarter; and

(2) a statement of the expenditure of all money used for placement prevention and family reunification services by the county during the preceding quarter, including the number of clients served and the expenditures for each service provided by client.

Sec. 9. [256F.07] [PLACEMENT PREVENTION AND FAMILY REUNIFICATION SERVICES.]

Subdivision 1. [PREPLACEMENT REVIEW.] *Each county board shall establish a preplacement review procedure to review each request for substitute care placement, and to determine if appropriate community resources have been utilized before making a substitute care placement.*

Subd. 2. [PROCEDURE FOR PLACEMENT.] *When the preplacement review has determined that a substitute care placement is required because the child is in imminent risk of abuse or neglect, or requires treatment of an emotional disorder, chemical dependency, or mental retardation, the agency shall:*

(1) determine the level of care most appropriate to meet the child's needs in the least restrictive setting and in closest proximity to the child's family; and

(2) estimate the length of time of the placement, project a placement goal, and provide a statement of the anticipated outcome of the placement.

Subd. 3. [TYPES OF SERVICES.] Placement prevention and family reunification services include:

- (1) family-based service;*
- (2) individual and family counseling;*
- (3) crisis intervention and crisis counseling;*
- (4) day care;*
- (5) 24-hour emergency caretaker and homemaker services;*
- (6) emergency shelter care, not to exceed 30 calendar days within any 12-month period;*
- (7) access to emergency financial assistance;*
- (8) arrangements for the provision of temporary respite care to the family for a brief period not to exceed 72 hours consecutively or 30 calendar days within any 12-month period; and*
- (9) transportation services to the child and parents in order to prevent placement or accomplish reunification of the family.*

Subd. 4. [RIGHTS OF THE CHILD AND FAMILY.] The child and the family may refuse placement prevention and family reunification services or to appeal the denial of the services.

Sec. 10. [REPEALER.]

Minnesota Statutes 1984, section 259.405 is repealed.

Sec. 11. [EFFECTIVE DATE.]

Section 10 is effective December 31, 1985."

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 806, A bill for an act relating to juvenile court; clarifying the authority to release juvenile court records; amending Minnesota Statutes 1984, section 260.161, subdivision 2.

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

The report was adopted.

Schreiber from the Committee on Taxes to which was referred:

H. F. No. 810, A bill for an act relating to health; requiring the commissioner of health to develop programs for the promotion of nonsmoking; providing for tax increase on cigarettes; prohibiting the free distribution of cigarettes; raising the cigarette tax; appropriating money; amending Minnesota Statutes 1984, sections 297.02, by adding a subdivision; 297.03, subdivisions 5 and 10; 297.13, subdivision 1; 297.22, subdivision 1; 297.32, subdivisions 1, 2, and by adding subdivisions; and 297.35, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 124, 144, and 145.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [124.252] [TOBACCO USE PREVENTION PROGRAMS.]

Subdivision 1. [ELIGIBILITY AND PURPOSE.] Each school board which institutes a tobacco use prevention program that meets the criteria specified in subdivision 2 and submits the proposed program to the department of education shall be eligible for state aid for the following purposes:

- (1) inservice training for public and nonpublic school staff;*
- (2) tobacco use prevention curriculums including materials;*
- (3) community and parent awareness programs; and*
- (4) evaluation of curriculum and programs for tobacco use prevention.*

Subd. 2. [CRITERIA.] Each tobacco use prevention curriculum must include at least the following components:

- (1) inservice training of teachers and staff;*
- (2) evaluation of programs and curriculum results;*
- (3) a kindergarten through grade 12 continuum of educational intervention related to tobacco use;*

(4) *targeted intervention on tobacco use onset for students who are 12 to 14 years old based on evaluated curriculums that have been shown to reduce tobacco use onset rates; and*

(5) *prohibition of smoking cigarettes and the use of other tobacco products on the school premises by minors.*

Subd. 3. [DISTRICT AID.] *An eligible district shall receive 52 cents in fiscal year 1986 and 54 cents in fiscal year 1987 for each pupil, in average daily membership, enrolled in a public elementary, secondary, or area vocational technical institute or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No school district shall receive less than \$1,000 in fiscal year 1986 and \$1,040 in fiscal year 1987.*

Subd. 4. [APPLICATIONS.] *A district that is eligible for aid shall apply to the commissioner of education by October 1 of each school year on the form supplied by the commissioner.*

Subd. 5. [ASSISTANCE TO DISTRICTS.] *The department of education in consultation with the department of health shall:*

(1) *provide technical assistance to districts for the development, implementation, and evaluation of tobacco use prevention curriculum and programs;*

(2) *provide to districts information about evaluation results of various curriculums as reported in the scientific literature and elsewhere; and*

(3) *collect information from districts about prevention programs and evaluation results.*

The commissioner of health shall assist the commissioner of education in implementing this section.

Sec. 2. [144.391] [CITATION.]

Sections 1 to 12 may be cited as the omnibus nontobacco use and disease prevention act.

Sec. 3. [144.392] [PUBLIC POLICY.]

The legislature finds that:

(1) *smoking causes premature death, disability, and chronic disease, including cancer, lung disease, and heart disease;*

(2) *smoking related diseases result in excess medical care costs; and*

(3) *smoking initiation occurs primarily in adolescence.*

The purpose of sections 1 to 12 is to prevent young people from starting to smoke, to encourage and assist smokers to quit, and to promote clean indoor air.

Sec. 4. [144.393] [DUTIES OF THE COMMISSIONER.]

The commissioner of health shall:

(1) *provide assistance to workplaces to develop policies which promote nonsmoking and are consistent with the Minnesota clean indoor air act;*

(2) *provide technical assistance, including design and evaluation methodologies, materials, and training to local health departments, communities, and other organizations that undertake community programs for the promotion of nonsmoking;*

(3) *collect and disseminate information and materials for smoking prevention;*

(4) *evaluate new and existing nonsmoking programs on a statewide and regional basis using scientific evaluation methods;*

(5) *conduct surveys in school-based populations regarding the epidemiology of behavior, knowledge, and attitudes related to smoking, the use of other tobacco products, and the penetration of statewide smoking control programs described in sections 1 to 12; and*

(6) *report to the legislature each biennium on activities undertaken, tobacco use rates in the population and subgroups of the total population, evaluation activities and results of those activities, and recommendations for further action.*

Sec. 5. [144.394] [PUBLIC COMMUNICATIONS PROGRAM.]

The commissioner may conduct a long-term coordinated public information program which includes public service announcements, public education forums, mass media, and written materials. The program shall include health education information regarding the use of tobacco products and shall promote nonsmoking. The program shall include background survey research and evaluation and be designed to run over a period of at least five years, subject to the availability of funds.

Sec. 6. [145.923] [NONSMOKING AND HEALTH GRANTS.]

The commissioner of health may award special grants to local boards of health to conduct community-wide pilot programs for the promotion of nonsmoking or to local boards of health or non-profit corporations to conduct statewide programs for the promotion of nonsmoking.

Sec. 7. Minnesota Statutes 1984, section 297.02, is amended by adding a subdivision to read:

Subd. 1a. [PUBLIC HEALTH RATES.] *In addition to the tax in subdivision 1, a tax is hereby imposed upon the sale of cigarettes in this state or having cigarettes in possession in this state with intent to sell and upon any person engaged in business as a distributor, at the following rates, subject to the discount provided in section 297.03:*

(1) on cigarettes weighing not more than three pounds per thousand, 3.5 mills until October 1, 1985, at which time the tax shall be 8.5 mills minus a credit for the tax, not to exceed 8 mills, imposed by United States Code, title 26, section 5701, as amended, on each cigarette;

(2) on cigarettes weighing more than three pounds per thousand, 7 mills until October 1, 1985, at which time the tax shall be 15 mills on each cigarette.

Sec. 8. Minnesota Statutes 1984, section 297.03, subdivision 6, is amended to read:

Subd. 6. [TAX METER MACHINES.] (1) The commissioner may authorize any person licensed as a distributor to stamp packages with a tax meter machine, approved by him, which shall be provided by the distributor. He may provide for the use of such a machine by the distributor, supervise and check its operation, provide for the payment of the tax on any package so stamped, subject to the discount provided in subdivision 5, and in that connection require the furnishing of a corporate surety bond in a suitable amount to guarantee the payment of the tax.

(2) The commissioner may authorize any person licensed as a distributor to stamp packages with a heat-applied tax stamping machine, approved by him, which shall be provided by the distributor. The commissioner shall supervise and check the operation of the machines and shall provide for the payment of the tax on any package so stamped, subject to the discount provided in subdivision 5. The commissioner may sell heat-applied stamps on a credit basis under conditions prescribed by him, and in that connection require the furnishing of a corporate

surety bond in an amount suitable to guarantee payment of the tax stamps so purchased by a distributor. The stamps shall be sold by the commissioner at a price which includes the tax after giving effect to the discount provided in subdivision 5. *The commissioner shall recover the actual costs of the stamps from the distributor.*

Sec. 9. Minnesota Statutes 1984, section 297.03, subdivision 10, is amended to read:

Subd. 10. [DISTRIBUTION OF FREE SAMPLE PACKAGES PROHIBITED.] (THE COMMISSIONER MAY AUTHORIZE DISTRIBUTION IN MINNESOTA OF FREE PACKAGES OF CIGARETTES WITHOUT AFFIXING STAMPS TO SAID PACKAGES BY THE FOLLOWING PERSONS PROVIDED THAT MONTHLY REPORTS AND PAYMENT OF A TAX AT THE SAME RATES PRESCRIBED BY SECTION 297.02, SUBDIVISION 1, SHALL BE MADE DIRECTLY TO THE COMMISSIONER UNDER THE TERMS PROVIDED FOR BY THE COMMISSIONER:)

((1) ANY MANUFACTURER, PROVIDING SUCH PACKAGES CONTAIN NOT MORE THAN 20 CIGARETTES EACH;)

((2) ANY PERSON ENGAGED AS A COMMON CARRIER IN THE TRANSPORTATION OF PERSONS, WHO PURCHASES PACKAGES OF CIGARETTES FROM A MANUFACTURER FOR DISTRIBUTION WITHOUT CHARGE, PROVIDED THAT NO SUCH PACKAGE SHALL CONTAIN MORE THAN 20 CIGARETTES.)

(ALL PACKAGES DISTRIBUTED PURSUANT TO THIS SECTION SHALL BE MARKED "COMPLIMENTARY—NOT FOR SALE." THE COMMISSIONER SHALL PROMULGATE RULES PROVIDING FOR THE PROCEDURES TO BE COMPLIED WITH BY ANY PERSON DISTRIBUTING FREE SAMPLE PACKAGES) *Distribution of free sample packages of cigarettes and other tobacco products through any means is prohibited when conducted as part of a trade or business by a manufacturer or distributor of cigarettes and other tobacco products. Each violation of this subdivision is a misdemeanor.*

Sec. 10. Minnesota Statutes 1984, section 297.13, subdivision 1, is amended to read:

Subdivision 1. [CIGARETTE TAX APPORTIONMENT ACCOUNT.] Notwithstanding any other provisions of law, (FIVE AND ONE-HALF PERCENT OF THE REVENUES RECEIVED FROM TAXES, PENALTIES AND INTEREST UNDER SECTIONS 297.01 TO 297.13 SHALL BE DEPOSITED BY) the commissioner of revenue *shall deposit an amount from*

the revenues received each month from taxes, penalties, and interest under sections 297.01 to 297.13 equal to the amount produced by multiplying the number of taxed cigarettes reported that month times .5 mill in the general fund (AND) to be credited to a special account (TO BE) known as the "natural resources account (," WHICH IS HEREBY CREATED)." Expenditures shall be made from said account only as may be authorized by law to carry out the provisions of this act and in conformance with the provisions of chapter 16. (FIVE AND ONE-HALF PERCENT) An amount equal to the amount credited to the natural resources account shall be deposited in the general fund and credited to the "natural resources acceleration" account for the purposes provided in Laws 1969, Chapter 879, Section 4.

Beginning with revenues received by the commissioner in August, 1985, an amount equal to the amount produced by multiplying the number of taxed cigarettes reported that month times .28 mill, shall be deposited in the general fund and credited to a special account to be known as the "public health fund." Expenditures shall be made from the fund only as authorized by law.

The balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner in the general fund and credited to the general fund.

Sec. 11. Minnesota Statutes 1984, section 297.22, subdivision 1, is amended to read:

Subdivision 1. A tax is hereby imposed upon the use or storage by consumers of cigarettes in this state, and upon such consumers, at the (FOLLOWING) rates (:)

((1) ON CIGARETTES WEIGHING NOT MORE THAN THREE POUNDS PER THOUSAND, NINE MILLS ON EACH SUCH CIGARETTE;)

((2) ON CIGARETTES WEIGHING MORE THAN THREE POUNDS PER THOUSAND, 18 MILLS ON EACH SUCH CIGARETTE) *specified in section 297.02.*

Sec. 12. Minnesota Statutes 1984, section 297.32, subdivision 1, is amended to read:

Subdivision 1. A tax is hereby imposed upon all tobacco products in this state and upon any person engaged in business as a distributor thereof, at the rate of 20 percent of the wholesale sales price of such tobacco products except little cigars as defined

in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes (IN SECTION 297.02, SUBDIVISION 1, CLAUSE (1),) *weighing not more than three pounds per thousand* subject to the discount provided in section 297.35, subdivision 1. Such tax shall be imposed at the time the distributor (1) brings, or causes to be brought, into this state from without the state tobacco products for sale; (2) makes, manufacturers, or fabricates tobacco products in this state for sale in this state; or (3) ships or transports tobacco products to retailers in this state, to be sold by those retailers.

Sec. 13. Minnesota Statutes 1984, section 297.32, subdivision 2, is amended to read:

Subd. 2. A tax is hereby imposed upon the use or storage by consumers of tobacco products in this state, and upon such consumers, at the rate of 20 percent of the cost of such tobacco products, except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes (IN SECTION 297.22, SUBDIVISION 1, CLAUSE (1)) *weighing not more than three pounds per thousand*.

The tax imposed by this subdivision shall not apply if the tax imposed by subdivision 1 on such tobacco products has been paid.

This tax shall not apply to the use or storage of tobacco products in quantities of:

1. Not more than 50 cigars;
2. Not more than 10 oz. snuff or snuff powder;
3. Not more than 1 lb. smoking or chewing tobacco or other tobacco products not specifically mentioned herein, in the possession of any one consumer.

Sec. 14. Minnesota Statutes 1984, section 297.32, is amended by adding a subdivision to read:

Subd. 2b. In addition to the tax imposed by subdivision 1, an additional tax at the rate of 7.5 percent is imposed on the wholesale price of tobacco products except little cigars.

Sec. 15. Minnesota Statutes 1984, section 297.32, is amended by adding a subdivision to read:

Subd. 2c. Beginning July 1, 1985, in addition to the tax imposed by subdivision 2, a tax at the rate of 7.5 percent is imposed on the cost of tobacco products except little cigars.

Sec. 16. Minnesota Statutes 1984, section 297.35, subdivision 1, is amended to read:

Subdivision 1. On or before the eighteenth day of each calendar month every distributor with a place of business in this state shall file a return with the commissioner showing the quantity and wholesale sales price of each tobacco product (1) brought, or caused to be brought, into this state for sale; and (2) made, manufactured or fabricated in this state for sale in this state, during the preceding calendar month. Every licensed distributor outside this state shall in like manner file a return showing the quantity and wholesale sales price of each tobacco product shipped or transported to retailers in this state to be sold by those retailers, during the preceding calendar month. Returns shall be made upon forms furnished and prescribed by the commissioner and shall contain such other information as the commissioner may require. Each return shall be accompanied by a remittance for the full tax liability shown therein, less (2 1/2) *two* percent of such liability as compensation to reimburse the distributor for his expenses incurred in the administration of sections 297.31 to 297.39.

Sec. 17. Minnesota Statutes 1984, section 325D.41, is amended to read:

325D.41 [CIGARETTES; WHOLESALERS AND SUB-JOBBER FEES.]

Each cigarette wholesaler as defined herein, and subjobber as defined in section 297.01, subdivision 14, shall pay the respective amounts of (\$100) \$200 and (\$43.75) \$87.50, in one sum yearly (AFTER JANUARY 1, 1972 AND \$50 AND \$21.88, RESPECTIVELY, IN ONE SUM FOR THE PERIOD FROM JULY 1, 1971 TO DECEMBER 31, 1971). Such amounts shall be collected by the commissioner of revenue, deposited forthwith in the state treasury and credited to the general fund.

Sec. 18. [609.6851] [DISTRIBUTION OF FREE SAMPLE PACKAGES PROHIBITED.]

The distribution of free sample packages of cigarettes and other tobacco products through any means is prohibited when conducted by any person as part of a trade or business for purposes of promotion. Each violation of this section is a misdemeanor.

Sec. 19. [APPROPRIATIONS.]

\$..... is appropriated to the commissioner of education from the public health fund established in section 10 for the biennium ending June 30, 1987, for the purposes of section 1.

\$..... is appropriated to the commissioner of health from the public health fund established in section 10 for the biennium ending June 30, 1987, for the purposes of sections 3, 4, and 6.

Sec. 20. [COMPLEMENT.]

The complement of the health department is increased by six positions. The complement of the state department of education is increased by one position.

Sec. 21. [EFFECTIVE DATE.]

This act is effective July 1, 1985."

Delete the title and insert:

"A bill for an act relating to health; requiring the commissioner of health to develop programs for the promotion of non-smoking; providing for tax increase on cigarettes; prohibiting the free distribution of cigarettes; raising the cigarette tax; appropriating money; imposing penalties; amending Minnesota Statutes 1984, sections 297.02, by adding a subdivision; 297.03, subdivisions 6 and 10; 297.13, subdivision 1; 297.22, subdivision 1; 297.32, subdivisions 1, 2, and by adding subdivisions; 297.35, subdivision 1; and 325D.41; proposing coding for new law in Minnesota Statutes, chapters 124, 144, 145, and 609."

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

The report was adopted.

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

H. F. No. 828, A bill for an act relating to economic security; clarifying the community action program financial assistance requirements; amending Minnesota Statutes 1984, section 268.52, subdivisions 1 and 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 268.52, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] The commissioner of economic security may provide financial assistance for com-

munity action agencies, Indian reservations and the statewide migrant seasonal farmworker organization known as the Minnesota migrant council to carry out community action programs as described in section 268.54 in accordance with the *Omnibus Reconciliation Act of 1981, Public Law Number 97-35, as amended in 1984, Public Law Number 98-558, state law, and federal law and regulation.*

Sec. 2. Minnesota Statutes 1984, section 268.52, subdivision 2, is amended to read:

Subd. 2. [ALLOCATION OF (FUNDS) MONEY.] (FUNDS) (a) *State money* appropriated (FOR MINNESOTA ECONOMIC OPPORTUNITY GRANTS) and community service block (GRANTS FOR THE PURPOSE OF SUBDIVISION 1) *grant money allotted to the state and all money transferred to the community service block grant from other block grants shall be allocated annually to community action agencies and Indian reservation governments under (EITHER CLAUSE (A) OR) (b) and (c), (WHICHEVER IS MORE ADVANTAGEOUS TO THE AGENCY, TO INDIAN RESERVATIONS UNDER CLAUSE (C)) and to the Minnesota migrant council under (CLAUSE) paragraph (d).*

(IF THE APPROPRIATION FOR MINNESOTA ECONOMIC OPPORTUNITY GRANTS OR COMMUNITY SERVICE BLOCK GRANTS IS LESS THAN THE PREVIOUS FISCAL YEAR THE INSUFFICIENCY SHALL BE PRORATED ANNUALLY AMONG THE AGENCIES.)

((A) IN PROPORTION TO THE SIZE OF THE POVERTY LEVEL POPULATION SERVED BY THE AGENCY WHEN COMPARED TO THE SIZE OF THE POVERTY LEVEL POPULATION IN THE STATE; OR)

(b) *The available annual money will provide base funding to all community action agencies and the Indian reservations. Base funding amounts per agency are as follows: for agencies with low income populations up to 3,999, \$25,000; 4,000 to 23,999, \$50,000; and 24,000 or more, \$100,000.*

((B) DETERMINED AS FOLLOWS:)

(IF THE APPROPRIATION OF FUNDS FOR COMMUNITY ACTION AGENCIES SHALL BE EQUAL TO OR MORE THAN THAT AVAILABLE IN THE PREVIOUS FISCAL YEAR, THERE SHALL BE IN PLACE A "HOLD-HARMLESS" PROVISION FOR THE ALLOCATION OF FUNDS AMONG COMMUNITY ACTION AGENCIES. FOR PURPOSES OF THIS SECTION, "HOLD-HARMLESS" FOR THE MINNESOTA ECONOMIC OPPORTUNITY GRANT PROGRAM IS THE AMOUNT OF FUNDING RECEIVED BY A

COMMUNITY ACTION AGENCY UNDER THE ECONOMIC OPPORTUNITY GRANT PROGRAM IN THE PREVIOUS FISCAL YEAR. WHEN CALCULATING AN AGENCY'S COMMUNITY SERVICES BLOCK GRANT, "HOLD-HARMLESS" IS THE AMOUNT OF FUNDING RECEIVED BY A COMMUNITY ACTION AGENCY FROM THE COMMUNITY SERVICES BLOCK GRANT ACT BASIC ALLOTMENT IN THE PREVIOUS FISCAL YEAR)

(c) All remaining money of the annual money available after the base funding has been determined must be allocated to each agency and reservation in proportion to the size of the poverty level population in the agency's service area compared to the size of the poverty level population in the state.

((C)) (d) Allocation of (FUNDS TO INDIAN RESERVATIONS IS BASED ON THE POVERTY LEVEL POPULATION OF THE RESERVATION.)

((D) ALLOCATION OF FUNDS TO THE MINNESOTA MIGRANT COUNCIL SHALL NOT EXCEED THREE PERCENT OF THE TOTAL FUNDS AVAILABLE. THE STATE OFFICE OF ECONOMIC OPPORTUNITY SHALL NEGOTIATE THE PERCENTAGE ALLOCATION ANNUALLY BASED ON THE MOST RECENT LOW INCOME POPULATION FIGURES) *money to the Minnesota migrant council must not exceed three percent of the total annual money available. Base funding allocations must be made for all community action agencies and Indian reservations that received money under section 268.52, subdivision 2, in fiscal year 1984, and for community action agencies designated under section 268.52 with a service area population of 35,000 or greater.*

Sec. 3. Minnesota Statutes 1984, section 268.53, subdivision 2, is amended to read:

Subd. 2. [ADMINISTERING BOARD.] Each community action agency shall administer its community action programs through a community action board consisting of 15 to 51 members.

(a) One-third of the members of the board shall be elected public officials, currently holding office, or their representatives.

(b) At least one-third of the members shall be persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served.

(c) The other members shall be officials or members of business, industry, labor, religious, welfare, education, or other

major groups and interests in the community. Each member of the board selected to represent a specific geographic area within a community must reside in the area represented.

(d) (NO PERSON SELECTED UNDER CLAUSE (B) OR (C) SHALL SERVE FOR MORE THAN FIVE CONSECUTIVE YEARS OR MORE THAN A TOTAL OF TEN YEARS.)

((E)) The public community action agency shall have an administering board which meets the requirements of this subdivision.

((F)) (e) The statewide migrant seasonal farmworker organization known as the Minnesota migrant council and Indian reservations carrying out community action programs are exempt from the board composition requirements of this subdivision."

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections" and after "2" insert "; and 268.53, subdivision 2"

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

The report was adopted.

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

H. F. No. 834, A bill for an act relating to animals; prohibiting the use of a decompression chamber to destroy an animal; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 343.

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

The report was adopted.

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

H. F. No. 840, A bill for an act relating to health; authorizing statewide mosquito research; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 1, line 9, delete everything after "statewide"

Page 1, delete lines 10 and 11 and insert *"research program to determine whether a statewide mosquito management program is advisable and can be conducted in an economically and ecologically sound manner."*

Page 2, line 7, delete everything after *"research"*

Page 2, line 8, delete *"not limited to field research stations"*

Page 2, line 9, delete everything after *"regions"*

Page 2, line 10, delete *"research and development"* and after the period insert *"The research must utilize existing state institutions and facilities whenever feasible."*

Page 2, line 27, delete *"biologically"* and insert *"ecologically nondisruptive"*

Page 2, line 28, delete *"compatible"*

Page 2, delete lines 29 and 30 and insert:

"(6) establish the type and magnitude of impacts of mosquito control activities on nontarget organisms;"

Page 2, line 33, after *"programs"* insert *"shown to be ecologically nondisruptive"*

Page 2, line 36, after *"materials"* insert *"designed to include an assessment of impact on nontarget organisms"*

Page 4, line 8, delete *"acquire and maintain"* and insert *"establish"*

Page 4, line 12, delete *"acquire"* and insert *"use"*

Page 4, line 22, after *"findings"* insert *", including the impacts of mosquito management activities on nontarget organisms,"*

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

The report was adopted.

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

H. F. No. 851, A bill for an act relating to crimes; providing that an individual asked to supply data relating to maltreatment

of minors or vulnerable adults need not be given an informational warning; prohibiting diversion of corporate property; authorizing criminal trials with petit juries composed of six persons for gross misdemeanor prosecutions; changing the crimes of "intrafamilial sexual abuse" to the crimes of "criminal sexual abuse"; eliminating the requirement that a defendant receive a copy of a confession that is to be introduced into evidence; amending Minnesota Statutes 1984, sections 13.04, subdivision 2; 593.01, subdivision 2; 609.364; 609.3641, subdivision 1; 609.3642, subdivision 1; 609.3643, subdivision 1; 609.3644, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 302A; repealing Minnesota Statutes 1984, section 611.033.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [302A.556] [CRIMINAL LIABILITY.]

Subdivision 1. [PROHIBITED ACTS.] Whoever does any of the following with intent to defraud is guilty of a crime and may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$10,000, or both:

(1) diverts corporate property to other objects than those specified in the articles of incorporation;

(2) declares dividends when the funds remaining will not meet the corporate liabilities; or

(3) deceives the public or individuals in relation to the corporation's means or liabilities.

Sec. 2. Minnesota Statutes 1984, section 593.01, subdivision 2, is amended to read:

Subd. 2. The provisions of subdivision 1, as to the number of jurors does not apply to a criminal action where the offense charged is a (GROSS MISDEMEANOR OR A) felony. In that event the petit jury is a body of 12 persons, unless the defendant consents to a jury of six.

Sec. 3. Minnesota Statutes 1984, section 611.033, is amended to read:

611.033 [COPY OF CONFESSION OR ADMISSION.]

A statement, confession, or admission in writing shall not be received in evidence in any criminal proceeding against any defendant unless within a reasonable time of the taking thereof the defendant is furnished with a copy thereof and which state-

ment, confession, or admission shall have endorsed thereon or attached thereto the receipt of the accused or certification of a peace officer which shall state that a copy thereof has been received by or made available to the accused. *Nothing in this section requires that a videotape, audiotape, or a transcript of either of them be given to the defendant at the time the statement, confession, or admission is made, or within a reasonable time thereafter, if the videotape or audiotape is available to the defendant in discovery pursuant to the Rules of Criminal Procedure.*"

Delete the title and insert:

"A bill for an act relating to crime; prohibiting diversion of corporate property; authorizing criminal trials with petit juries composed of six persons for gross misdemeanor prosecutions; limiting the requirement that a defendant receive a copy of a confession that is to be introduced into evidence; amending Minnesota Statutes 1984, sections 593.01, subdivision 2; and 611.033; proposing coding for new law in Minnesota Statutes, chapter 302A."

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. 860, A bill for an act relating to eminent domain; providing for court determination of and payment for pollution of property subject to condemnation; proposing coding for new law in Minnesota Statutes, chapter 117.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [462.446] [DEFINITIONS.]

Subdivision 1. [CONDEMNING AUTHORITY.] "Condemning authority" means a housing and redevelopment authority located in a county with a population of over 400,000.

Subd. 2. [HAZARDOUS SUBSTANCE.] "Hazardous substance" has the meaning given it in section 115B.02.

Subd. 3. [RELEASE.] "Release" has the meaning given it in section 115B.02.

Subd. 4. [RESPONSIBLE PERSON.] "Responsible person" has the meaning given it in section 115B.03.

Subd. 5. [RESPONSE ACTION AND RESPONSE.] "Response action" means action taken in response to a release. "Response" has the meaning given it in section 115B.02.

Subd. 6. [OWNER.] "Owner" has the meaning given it in section 117.025.

Sec. 2. [462.448] [CONDEMNATION OF PROPERTY AFFECTED BY RELEASE.]

Subdivision 1. [PETITION.] At the time a petition is presented to a district court for condemnation under chapter 117, or at any time before the proceedings are completed, upon motion and a proper showing by the condemning authority, the court may issue an order determining that all of the following conditions are met:

(1) there is a release or a threatened release of a hazardous substance in or on the property being condemned;

(2) protection of the public health, welfare, and the environment from the release or threatened release may require that response action be taken;

(3) the condemning authority is not a responsible person for the release or threatened release; and

(4) the owner is or may be a person responsible for the release or threatened release.

Subd. 2. [NOTICE TO POLLUTION CONTROL AGENCY.]

(a) At least 20 days before the condemning authority's motion for an order under subdivision 1 is to be heard, the condemning authority shall serve notice of the motion and a copy of the condemnation petition upon the director of the pollution control agency in the manner required for service of process in a civil action. The director may intervene in the proceedings on behalf of the agency.

(b) At least 20 days before the condemning authority's motion for an order under subdivision 1 is to be heard, the condemning authority shall serve notice of the motion and a copy of the condemnation petition upon all persons known to the condemning authority who may be responsible for the release or threatened release on the property in the manner required for service of process in a civil action. Any such persons may intervene in the proceeding.

(c) *The owner may implead any person who may be responsible for the release or threatened release on the property by serving such person in the manner provided for in clause (b).*

(d) *The condemning authority may prepare and submit to the pollution control agency, the owner, and any other known responsible person a remedial investigation report and a feasibility study report, including analysis of alternative remedial action plans, with respect to the release located at the property subject to the condemnation proceeding. The reports shall be prepared in accordance with the requirements of the agency. The director of the agency, within 90 days after a report is submitted, shall approve or reject the report. If the director rejects a report, he shall state in writing the reasons for his rejection. If the director approves a feasibility report, he shall select the remedial action plan which he determines is feasible and effective to protect the public health, welfare, and the environment. The director shall promptly notify the condemning authority, the owner of the property, and any known responsible persons of his actions under this subdivision. The condemning authority may submit a remedial action plan selected by the director to the agency board for authorization of the planned response actions.*

Subd. 3. [DEPOSIT.] (a) *Unless it has previously deposited an amount at least equal to the approved appraisal value of the property to be taken assuming the property to not be subject to a release or threatened release, upon issuance of an order under subdivision 1, the condemning authority may deposit with the court an amount equal to the approved appraisal of value of the property to be taken assuming the property to not be subject to a release or threatened release.*

(b) *When the order requested under subdivision 1 is issued and the amount necessary to pay for the response action authorized by the agency is determined by the court, at least 150 percent of the estimated cost of the response action must remain on deposit. The balance shall be paid to the parties which the court determines are entitled to receive the deposit.*

(c) *When the response action authorized by the agency is completed, the remaining deposit, if any, shall be paid to the entitled parties.*

(d) *The amount of the deposit shall bear interest at a rate determined by the court.*

Subd. 4. [EXPENSES REIMBURSED.] *The condemning authority shall be reimbursed for reasonable expenses, as determined by the court, incurred to investigate, evaluate, design, and implement the response action authorized by the agency. The condemning authority shall have a lien against the funds de-*

posited for the reasonable expenses incurred under this section. The lien is superior to liens created after the effective date of sections 1 to 3, except the lien of real estate taxes or special assessments levied against the property.

Subd. 5. [INSUFFICIENT DEPOSIT.] *If the funds deposited with the court are insufficient to pay the expenses of completing the response action authorized by the agency, the condemning authority may:*

- (1) *offset the award of damages;*
- (2) *be awarded judgment against the owner; and*

(3) *apply to the pollution control agency for reimbursement of unpaid expenses pursuant to subdivision 6 after exhaustion of the compensation for the property in condemnation and an effort to obtain contribution or indemnification from the owner and any other known responsible persons.*

Subd. 6. [REIMBURSEMENT BY POLLUTION CONTROL AGENCY.] *If the condemning authority applies for reimbursement of response costs under subdivision 5, the pollution control agency may reimburse the condemning authority for part or all of the previously unreimbursed response costs that are reasonable and necessary to implement response actions authorized by the agency under subdivision 2 from the fund established under section 115B.20. For the purpose of making this reimbursement from the fund, the response actions shall be considered actions authorized under section 115B.17. The agency may reimburse for costs under this subdivision only if the release for which the expenses are incurred, as it existed at the time the condemning authority acquired title, is a release for which the agency may take removal or remedial action under section 115B.17, subdivision 1. If the agency reimburses the condemning authority for response costs, the authority shall assign its rights to recover the reimbursed costs in any legal action to the agency, and the agency shall be subrogated to the rights so assigned.*

Subd. 7. [APPEAL.] *Any party to the proceedings may appeal the district court's order under subdivision 1 by filing a petition with the court of appeals within 30 days of the district court's filing of its order.*

Subd. 8. [RESPONSIBLE PERSON FOR RELEASE.] *Notwithstanding section 115B.03, a condemning authority which acquires a right, title, or interest in property under this section and is not a responsible person for the release or threatened release of a hazardous substance from a facility in or on the property under section 115B.03, subdivision 3, does not become a responsible person by acquiring an interest in the property so long as the response action is being implemented or has been im-*

plemented in accordance with the pollution control agency's authorization.

Subd. 9. [RIGHT OF CONTRIBUTION AND INDEMNITY.] (a) *An owner may seek an order of the court for contribution or indemnity against other responsible persons for response costs under chapter 115B, liability for damages to third parties, and any diminishment in the value of the condemned property which may be found to have occurred due to the release or threatened release.*

(b) *To the extent it has incurred response costs for which it has not been reimbursed the condemning authority may seek an order of the court for contribution and indemnity for response costs against the owner and other responsible persons.*

(c) *The issue of the duty of a responsible party other than the owner to contribute or indemnify the owner or the condemning authority shall not be tried before the court-appointed commissioners but shall be determined solely by the court.*

Sec. 3. [462.449] [DETERMINATION.]

(a) *If the court finds under section 2, subdivision 1, that there is a release or threatened release in or on the condemned property, in addition to all other factors affecting the value of the property, the commissioners shall consider the following:*

(1) *the cost to implement the response action authorized by the pollution control agency; and*

(2) *the value of the property after the response action authorized by the pollution control agency is implemented.*

(b) *The commissioners' award shall specify the cost to complete the response action which was relied upon in determining the award of damages for the taking, and determine the extent of any other reduction in value resulting from the release or threatened release.*

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day after final enactment, and apply to all condemnation petitions filed after that date.

Sec. 5. [SEVERABILITY.]

Sections 1 to 3 are severable. If any section is determined to be unconstitutional or invalid, the remaining sections shall remain enforceable."

Delete the title and insert:

"A bill for an act relating to the environment; providing procedures for certain housing and redevelopment authorities to condemn property affected by a release of a hazardous substance; proposing coding for new law in Minnesota Statutes, chapter 462."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 911, A bill for an act relating to human services; expanding medical assistance eligibility for young mothers living at home with parents; allowing prenatal services to be delivered to pregnant women living at home; amending Minnesota Statutes 1984, sections 256.99; 256B.02, subdivisions 2 and 3; 256B.06, subdivision 1; 256B.062; and 256B.17, subdivision 6.

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:

H. F. No. 912, A bill for an act relating to human services; increasing incentives for enforcing and collecting child support; amending Minnesota Statutes 1984, sections 256.74, subdivision 5; 256.87, subdivisions 1a and 3; 257.58, subdivision 1; 518.551, subdivision 7; 518.611, subdivisions 2, 4, and 6; and 518.645; repealing Minnesota Statutes 1984, section 518.611, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 256.74, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] The amount of assistance which shall be granted to or on behalf of any dependent child and mother or other needy eligible relative caring for the dependent child shall be determined by the county agency in accordance

with rules promulgated by the commissioner and shall be sufficient, when added to all other income and support available to the child, to provide the child with a reasonable subsistence compatible with decency and health. The amount shall be based on the method of budgeting required in Public Law No. 97-35, Section 2315, 42 U.S.C. 602, as amended and federal regulations at 45 C.F.R. Section 233. In making its determination the county agency shall disregard the following from family income:

(1) All of the earned income of each dependent child receiving aid to families with dependent children who is a full-time student or part-time student, and not a full-time employee, attending a school, college, or university, or a course of vocational or technical training designed to fit him for gainful employment;

(2) All educational grants and loans awarded pursuant to a federal law when public assistance was considered in making the award and the award was made on the basis of financial need; and that part of any other educational grant or loan which is used for educational purposes, such as tuition, fees, equipment, transportation and child care expenses necessary for school attendance;

(3) The first \$75 of each individual's earned income. In the case of an individual not engaged in full-time employment or not employed throughout the month the commissioner shall prescribe by rule a lesser amount to be disregarded. For self-employed persons, the expenses directly related to producing goods and services and without which the goods and services could not be produced shall be disregarded pursuant to rules promulgated by the commissioner;

(4) An amount equal to the actual expenditures but not to exceed \$160 for the care of each dependent child or incapacitated individual living in the same home and receiving aid. In the case of a person not engaged in full-time employment or not employed throughout the month, the commissioner shall prescribe by rule a lesser amount to be disregarded; and

(5) Thirty dollars plus one-third of the remainder of each individual's earned income not already disregarded for individuals found otherwise eligible to receive aid or who have received aid in one of the four months before the month of application. With respect to any month, the county welfare agency shall not disregard under this clause any earned income of any person who has:

(a) Reduced his earned income without good cause within 30 days preceding any month in which an assistance payment is made; or

(b) Refused without good cause to accept an offer of suitable employment; or

(c) Left employment or reduced his earnings without good cause and applied for assistance so that he might later return to employment with the advantage of the income disregard; or

(d) Failed without good cause to make a timely report of earned income in accordance with rules promulgated by the commissioner of human services.

Persons who are already employed and who apply for assistance shall have their needs computed with full account taken of their earned and other income. If earned and other income of the family is less than need, as determined on the basis of public assistance standards, the county agency shall determine the amount of the grant by applying the disregard of income provisions. The county agency shall not disregard earned income for persons in a family if the total monthly earned and other income exceeds their needs, unless for any one of the four preceding months their needs were met in whole or in part by a grant payment.

The disregard of \$30 and one-third of the remainder of earned income described in clause (5) shall be applied to the individual's income for a period not to exceed four consecutive months. Any month in which the individual loses this disregard because of the provisions of clause (5)(a) to (5)(d) shall be considered as one of the four months. To again qualify for this earned income disregard, the individual must not be a recipient of aid for a period of 12 consecutive months. If an individual becomes ineligible for aid because this earned income disregard has been applied to income for four consecutive months and will no longer be applied to income, the local agency shall inform the individual of the medical assistance program, its standards of eligibility, and the circumstances under which the individual would be eligible for medical assistance.

(6) The commissioner shall increase the standard of need for persons with earned income in effect on January 1, 1982, by 35 percent for each assistance unit. The maximum amount paid to an assistance unit shall be no more than 74 percent of the increased standard of need. Whenever the commissioner increases the maximum payment amount for all assistance units, the commissioner shall increase the maximum standard of need by an equal percentage.

To determine the amount of assistance to be paid to an assistance unit, net income shall be determined in a manner consistent with this chapter and applicable federal law. Net earned income shall be subtracted from the increased standard of need for an assistance unit of the appropriate size and composition to determine the grant amount, except that the grant shall not exceed the standard of need in effect on January 1, 1982 for an assistance unit of the same size and composition. Unearned income shall be

subtracted from the maximum payment amount for an assistance unit of the appropriate size and composition to determine the grant amount.

Medical assistance eligibility for medically needy persons who are eligible for aid to families with dependent children shall be determined according to the standard of need in effect on January 1, 1982.

The first \$50 of periodic support payments collected by the public authority responsible for child support enforcement from a person with a legal obligation to pay support for a member of the assistance unit shall be paid to the assistance unit within 15 days of the collection of such periodic support payments and shall be disregarded in determining the amount of assistance.

Sec. 2. Minnesota Statutes 1984, section 256.74, subdivision 5, is amended to read:

Subd. 5. [ASSIGNMENT OF SUPPORT AND MAINTENANCE RIGHTS.] An applicant for assistance, or a recipient of assistance, under sections 256.72 to 256.87 *or an applicant or recipient for whom foster care maintenance is provided under Title IV-E of the Social Security Act* is considered to have assigned to the public agency responsible for child support enforcement at the time of application all rights to child support and maintenance from any other person the applicant may have in his own behalf or in the behalf of any other family member for whom application is made *under sections 256.72 to 256.87 or Title IV-E*. The assignment:

(1) is effective as to both current and accrued child support and maintenance obligations;

(2) takes effect upon a determination that the applicant is eligible for assistance under sections 256.72 to 256.87 *or that the applicant or family member is eligible for foster care maintenance under Title IV-E of the Social Security Act*;

(3) terminates when an applicant ceases to receive assistance under sections 256.72 to 256.87 *or when the applicant or family member ceases to receive foster care maintenance under Title IV-E of the Social Security Act*, except with respect to the amount of any unpaid support or maintenance obligation, or both, (ACCRUED) under the assignment.

Sec. 3. Minnesota Statutes 1984, section 256.87, subdivision 1a, is amended to read:

Subd. 1a. [CONTINUING SUPPORT CONTRIBUTIONS.] In addition to granting the county or state agency a money judg-

ment, the court may, upon a motion or order to show cause, order continuing support contributions by a parent found able to reimburse the county or state agency. Except as provided in subdivision 4, the order shall be effective for the period of time during which the recipient receives public assistance from any county or state agency and for (90 DAYS) *five months* thereafter the order shall require support according to chapter 518. An order for continuing contributions is reinstated without further hearing upon notice to the parent by any county or state agency that assistance is again being provided for the child of the parent under sections 256.72 to 256.87. The notice shall be in writing and shall indicate that the parent may request a hearing for modification of the amount of support or maintenance.

Sec. 4. Minnesota Statutes 1984, section 256.87, subdivision 3, is amended to read:

Subd. 3. [CONTINUING CONTRIBUTIONS TO FORMER RECIPIENT.] The order for continuing support contributions shall remain in effect following the (90 DAY) *five-month* period after public assistance granted under sections 256.72 to 256.87 is terminated if:

(a) the former recipient files an affidavit with the court within (90 DAYS) *five months* of the termination of assistance requesting that the support order remain in effect;

(b) the public authority serves written notice of the filing by mail on the parent responsible for making the support payments at that parent's last known address and notice that the parent may move the court under section 518.64 to modify the order respecting the amount of support or maintenance; and

(c) the former recipient (MAKES AN APPLICATION TO) *authorizes* use of the public authority's collection services.

Sec. 5. Minnesota Statutes 1984, section 257.58, subdivision 1, is amended to read:

Subdivision 1. [ACTIONS FOR CHILDREN WITHOUT A PRESUMED FATHER.] (EXCEPT FOR (A) AN ACTION BROUGHT BY OR ON BEHALF OF A CHILD WHOSE PATERNITY HAS NOT BEEN DETERMINED, AND (B) AN ACTION BROUGHT BY THE PUBLIC AUTHORITY RESPONSIBLE FOR CHILD SUPPORT ENFORCEMENT, IF A CHILD IS OVER THREE YEARS OLD WHEN HE OR SHE FIRST RECEIVES PUBLIC ASSISTANCE IN THE STATE OF MINNESOTA,) An action to determine the existence of the father and child relationship as to a child who has no presumed father under section 257.55 (MAY NOT BE BROUGHT LATER THAN THREE YEARS AFTER THE BIRTH OF THE CHILD, OR LATER THAN THREE YEARS AFTER AUGUST

1, 1980, WHICHEVER IS LATER. AN ACTION BROUGHT BY OR ON BEHALF OF A CHILD WHOSE PATERNITY HAS NOT BEEN DETERMINED) is not barred until one year after the child reaches the age of majority. (IF A CHILD IS OVER THREE YEARS OLD WHEN HE OR SHE FIRST RECEIVES PUBLIC ASSISTANCE IN THE STATE OF MINNESOTA, AN ACTION BROUGHT BY THE PUBLIC AUTHORITY RESPONSIBLE FOR CHILD SUPPORT ENFORCEMENT IS NOT BARRED UNTIL THREE YEARS AFTER THE PUBLIC ASSISTANCE IS FIRST PROVIDED IN THIS STATE.)

Sec. 6. Minnesota Statutes 1984, section 518.551, subdivision 7, is amended to read:

Subd. 7. [SERVICE FEE.] When the public agency responsible for child support enforcement provides child support collection services either to a public assistance recipient or to a party who does not receive public assistance, the public agency may upon written notice to the obligor charge a monthly collection fee equivalent to the full monthly cost to the county of providing collection services, in addition to the amount of the child support which was ordered by the court. The fee shall be deposited in the county general fund. The service fee assessed is limited to ten percent of the monthly court ordered child support and shall not be assessed to obligors who are current in payment of the monthly court ordered child support. (NO FEE SHALL BE IMPOSED ON THE PARTY WHO REQUESTS CHILD SUPPORT COLLECTION SERVICES) *An application fee not to exceed \$5 shall be paid by the person who applies for child support and maintenance collection services, except persons who transfer from public assistance to nonpublic assistance status. Fees assessed by state and federal tax agencies for collection of overdue support owed to or on behalf of a person not receiving public assistance must be imposed on the person for whom these services are provided.*

However, the limitations of this subdivision on the assessment of fees shall not apply to the extent inconsistent with the requirements of federal law for receiving funds for the programs under Title IV-A and Title IV-D of the Social Security Act, 42 U.S.C. 601 to 613 and 42 U.S.C. 651 to 662.

Sec. 7. Minnesota Statutes 1984, section 518.611, subdivision 2, is amended to read:

Subd. 2. [NOTICE (TO OBLIGOR) OF (CONDITIONS) INCOME WITHHOLDING.] Each order for withholding shall provide for a conspicuous notice to the obligor that:

(a) *The obligor shall notify the obligee or the public authority of a change of address within 15 days of the address change.*

(b) Withholding (MAY) *shall* result if the obligor fails to make the maintenance or support payments, and that no withholding shall be made until the following conditions are met:

((A)) (1) The obligee or the public authority determines that the obligor is at least 30 days in arrears;

((B)) (2) The obligee or the public authority serves written notice of *income withholding*, showing its determination of arrearage, on the obligor at least 15 days before service of the (DETERMINATION) *notice of income withholding* and a copy of the court's order for withholding on the payor of funds;

((C)) (3) Within the 15-day period, the obligor (HAS EITHER FAILED TO PAY ALL ARREARAGES OR) *fails to* move the court (, UNDER SECTION 518.64, TO MODIFY THE ORDER RESPECTING THE AMOUNT OF MAINTENANCE OR SUPPORT) *to deny withholding on the grounds that an arrearage of at least 30 days does not exist as of the date of the notice of income withholding, or on other grounds limited to mistakes of fact, and, ex parte, to stay service on the payor of funds until the motion to (MODIFY) deny withholding is heard (;). Within 45 days from the date of the notice of income withholding, the court shall hold the hearing on the motion to deny withholding and notify the parties of its decision; and*

((D)) (4) The obligee or the public authority serves a copy of the (DETERMINATION OF ARREARAGE) *notice of income withholding* and a copy of the court's withholding order on the payor of funds (.) *; and*

((E)) (5) The obligee (SHALL ALSO SERVE) *serves on* the public authority a copy of the (DETERMINATION OF ARREARAGE) *notice of income withholding*, a copy of the court's withholding order (AND), *an application and the fee to use the public authority's collection services.*

(b) *To pay the arrearage specified in the notice of income withholding the employer or payor of funds shall withhold from the obligor's income an additional amount equal to 20 percent of the monthly child support or maintenance obligation until the arrearage is paid.*

(c) *The obligor may, at any time, waive the written notice required by this subdivision.*

(d) *The obligor may move the court, under section 518.64, to modify the order respecting the amount of maintenance or support.*

Sec. 8. Minnesota Statutes 1984, section 518.611, subdivision 3, is amended to read:

Subd. 3. [(MODIFICATION ORDERS) **WITHHOLDING HEARING.**] (AN ORDER ISSUED AFTER THE HEARING

ON THE MOTION TO MODIFY UNDER SUBDIVISION 2, PARAGRAPH (C), OF THIS SECTION, SHALL PROVIDE THAT PAYMENTS BE MADE OUTRIGHT BY WITHHOLDING. THE CONDITIONS PRECEDENT TO WITHHOLDING OF SUBDIVISION 2 DO NOT APPLY) *At the hearing to deny withholding, if the court finds that there was no mistake of fact, the court shall order income withholding to begin no later than the first pay period that occurs after 14 days following the date of the hearing. If the court finds that an arrearage of at least 30 days existed as of the date of the notice of income withholding, but finds a mistake in the amount of arrearage, the court shall order income withholding, but it shall correct the amount of arrearage to be withheld under subdivision 2.*

Sec. 9. Minnesota Statutes 1984, section 518.611, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] Notwithstanding any law to the contrary, the order is binding on the employer, trustee, or other payor of the funds (UPON) *when service (UPON HIM OF NOTICE THAT IT) under subdivision 2 has been made. Withholding must begin no later than the first pay period that occurs after 14 days following the date of the notice. An employer or other payor of funds in this state is required to withhold income according to court orders for withholding issued by other states or territories. The payor shall withhold from the income payable to the obligor the amount specified in the order and amounts required under subdivision 2, paragraph (b) and shall remit, monthly or more frequently (REMIT), the amounts withheld to the public authority. Amounts received by the public authority which are in excess of public assistance expended for the party or for a child shall be remitted to the party. An employer shall not discharge, or refuse to hire, or otherwise discipline an employee as a result of a wage or salary withholding authorized by this section. The employer or other payor of funds shall be liable to the obligee for any amounts required to be withheld.*

Sec. 10. Minnesota Statutes 1984, section 518.611, subdivision 6, is amended to read:

Subd. 6. [PRIORITY.] An order for withholding under this section or execution or garnishment upon a judgment for child support arrearages or preadjudicated expenses shall have priority over an attachment, execution, garnishment, or wage assignment (UNLESS OTHERWISE ORDERED BY THE COURT) and shall not be subject to the statutory limitations on amounts levied against the income of the obligor. *Amounts withheld from an employee's income must not exceed the maximum permitted under the Consumer Credit Protection Act, United States Code, title 15, section 1673(b)(2). If there is more than one withholding order on a single employee, the employer shall put them into effect in the order received up to the maximum allowed in the Consumer Credit Protection Act.*

Sec. 11. Minnesota Statutes 1984, section 518.611, is amended by adding a subdivision to read:

Subd. 9. [FORMS.] The department of human services shall prepare and make available to courts and obligors a form to be submitted by the obligor in support of a motion to deny withholding under this section. The rule making provisions of chapter 14 shall not apply to the preparation of the form.

Sec. 12. Minnesota Statutes 1984, section 518.611, is amended by adding a subdivision to read:

Subd. 10. [TERMINATION.] Whenever an obligation for support of a dependent child or maintenance of a spouse, or both, terminates under the terms of the order or decree establishing the obligation, the public authority shall notify the employer or other payor of funds of the termination and the employer or other payor of funds shall terminate the income withholding. The court may order that income withholding terminate when the support obligation terminates under the terms of the order or decree establishing the support obligation, or by agreement of the parties and the public agency responsible for child support enforcement.

Sec. 13. Minnesota Statutes 1984, section 518.645, is amended to read:

518.645 [FORM OF ORDER.]

Unless otherwise ordered by the court, an order for withholding of support or maintenance payments issued under this chapter shall be substantially in the following form:

IT IS ORDERED THAT:

1. The sum of per, representing child support and/or spousal maintenance, ordered by the Court, shall be withheld from the (Husband/Wife Respondent/Petitioner)'s income on by (his/her) present employer or other payor of funds,, and any future employer or other payor of funds, and shall be remitted to:

....., monthly or more frequently, in accordance with the provisions of Minnesota Statutes, Chapter 518. The file number above and the Obligor's name shall be included with each remittance.

2. An additional amount equal to 20 percent of the amount required to be withheld by paragraph 1 shall be withheld from the income of the Obligor by the employer or payor until the entire arrearage in paragraph 3(b) is paid.

3. The parties are notified that CHILD SUPPORT AND/OR MAINTENANCE WILL BE WITHHELD FROM INCOME ONLY AFTER ALL OF THE FOLLOWING CONDITIONS HAVE BEEN MET:

(a) or the Obligee determines that the Obligor is at least thirty days in arrears in the payment of child support and/or spousal maintenance;

(b) or the Obligee serves written notice of *income withholding* on the Obligor (OF ITS) *showing the determination that child support and/or maintenance payments are thirty days in arrears;*

(c) Within fifteen days after service of the notice of *income withholding*, the Obligor (EITHER) fails to (PAY ALL PAST DUE PAYMENTS OR TO) move the Court (, MINNESOTA STATUTES, SECTION 518.64, TO MODIFY THE ORDER RESPECTING THE AMOUNT OF CHILD SUPPORT AND/OR SPOUSAL MAINTENANCE) *for a denial of withholding on the ground that an arrearage of at least 30 days does not exist as of the date of the notice of income withholding or on other grounds limited to mistakes of fact, and, ex parte, to stay service of withholding on the employer or other payor of funds until the motion to (MODIFY) deny withholding is heard. Within 45 days from the date of the notice of income withholding, the court shall hold the hearing on the motion to deny withholding and notify the parties of its decision; and*

(d) Not sooner than (FIFTEEN) 15 days after service of written notice (IN PARAGRAPH (B)) of *income withholding* on the Obligor, or the Obligee serves a copy of (ITS DETERMINATION OF A THIRTY-DAY) *the notice of income withholding (DELINQUENCY)* and a copy of the Court's withholding order on the employer or other payor of funds, who will then be obligated to withhold payments from income and forward the amount withheld to

(3.) 4. The parties and the employer or other payor of funds are further notified that NO EMPLOYER MAY DISCHARGE, SUSPEND, OR OTHERWISE PENALIZE OR DISCIPLINE AN EMPLOYEE BECAUSE THE EMPLOYER MUST WITHHOLD SUPPORT OR MAINTENANCE MONEY. Minnesota Statutes, section 518.611.

5. The payments shall begin to be withheld no later than the first pay period that occurs after 14 days following the date of mailing of the notice to the employer or other payor of funds in paragraph 3(d) and from that date the employer or other payor of funds is liable for amounts required to be withheld.

6. *This order for withholding takes priority over any attachment, execution, garnishment, or wage assignment levied against the income of the Obligor. Amounts withheld are not subject to other statutory limitations on amounts levied against the income of the Obligor but must not exceed the maximum permitted under the federal Consumer Credit Protection Act, United States Code, title 15, section 1673(b)(2). If there is more than one withholding order on a single Obligor, the employer or other payor of funds shall put them into effect in the order received, up to the maximum allowed under the Consumer Credit Protection Act.*

7. *When the Obligor's employment is terminated or the periodic payment ends, the employer or other payor of funds is required to notify within 30 days of the termination date. The notice must include the Obligor's home address of record and, if known, the name and address of the Obligor's new employer or other payor of funds.*

(4.) 8. *If the Obligees serve the employer or other payor of funds under paragraph (2) 3(d), the Obligees shall also serve the determination and order on, together with an application and fee to use collection services.*

(5.) 9. *Service of this Order shall be*

Sec. 14. Minnesota Statutes 1984, section 543.20, is amended to read:

543.20 [PERSONAL JURISDICTION IN SUPPORT ENFORCEMENT CASES AND PATERNITY SUITS.]

Subdivision 1. [SERVICE.] *In addition to the methods of service of process provided in the rules of civil procedure, service of a summons, an order to show cause, or an order or judgment within this state may also be made upon an individual by delivering a copy to him or her personally at his or her place of employment or at a post-secondary education institution in which he or she is enrolled. The employer shall make the individual available for the purpose of delivering a copy. The post-secondary education institution must make the individual's class schedule available to the process server or make the individual available for the purpose of delivering a copy. No employer or post-secondary education institution shall deny a process server admittance to the employer's or post-secondary education institution's premises for the purpose of making service under this section.*

No service shall be allowed under this section unless such service is made personally on the individual.

Subd. 2. [APPLICABILITY.] *Service of an employee at a place of employment or of a student at a post-secondary educa-*

tion institution applies only to: (a) summons in an action for dissolution, annulment, legal separation, or under the parentage act and under section 256.87; (b) orders to show cause under both section 256.87 and the revised uniform Reciprocal Enforcement of Support Act as well as for contempt of court for failure to pay child support; (c) petitions under the Domestic Abuse Act; and (d) motions, orders and judgments for the payment of child support when the court orders personal service.

Subd. 3. [RETALIATION PROHIBITED.] An employer shall not discharge or otherwise discipline an employee, *nor shall a post-secondary education institution dismiss or discipline a student* as a result of service under this section.

Subd. 4. [DEFINITION.] *For purposes of this section "post-secondary education institution" means any state university, community college, area vocational technical institution, private college, private post-secondary school, or the University of Minnesota."*

Delete the title and insert:

"A bill for an act relating to human services; increasing incentives for enforcing and collecting child support; amending Minnesota Statutes 1984, sections 256.74, subdivisions 1 and 5; 256.87, subdivisions 1a and 3; 257.58, subdivision 1; 518.551, subdivision 7; 518.611, subdivisions 2, 3, 4, and 6, and by adding subdivisions; 518.645; and 543.20."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 922, A bill for an act relating to economic development; granting certain powers to municipalities; amending Minnesota Statutes 1984, sections 16B.61, subdivision 3; 273.73, subdivisions 9, 12, and by adding a subdivision; 273.74, subdivision 3; 273.75, subdivision 1; 273.76, subdivision 1; 458.16, by adding a subdivision; 462.352, subdivisions 5, 7, 9, 10, 15, and by adding a subdivision; 462.357, subdivision 1; 462.358, subdivision 2a; 472.08, subdivision 1; 472A.03; 474.02, by adding a subdivision; Laws 1980, chapter 595, section 3, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 465; and proposing coding for new law as Minnesota Statutes, chapter 472B.

Reported the same back with the following amendments:

Page 2, line 28, delete "*, or a county or town*"

Page 3, line 16, delete "*chapter 458,*"

Page 3, line 33, delete "*or is owned by the state of Minnesota,*"

Page 4, line 10, delete everything after "117" and insert "*, provided that any exercise of the right of eminent domain hereby conferred shall not be for the purpose of preventing the development, mining, and use of mineral resources;*"

Page 4, delete lines 11 to 20

Page 5, line 11, delete everything after the period

Page 5, delete line 12

Page 6, line 19, after "*well*" insert "*and exploratory*"

Page 6, line 21, delete "*potentially*" and insert "*designated*"

Page 16, line 28, after "*charter*" delete "*city,*" and insert "*or*" and delete "*county, or town*"

Page 22, line 8, before the period insert "*; provided the intent of the building code to establish reasonable safeguards for health, safety, welfare, comfort, and security is maintained*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 925, A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection program; appropriating money; amending Minnesota Statutes 1984, sections 62E.52, subdivisions 2, 3, 7, and by adding a subdivision; 62E.53, subdivisions 1, 2, 3, and 4; and 62E.531, subdivisions 1 and 3.

Reported the same back with the following amendments:

Page 4, line 15, after the period insert "*The commissioner may contract with health insurers licensed and operating pursuant to chapters 62A and 62C to provide medical services under the catastrophic health expense protection program.*"

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

The report was adopted.

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

H. F. No. 934, A bill for an act relating to civil commitment; requiring continued commitment of mentally retarded persons to be for a determinate period of time; conforming provisions relating to mentally ill and mentally retarded persons; correcting a cross-reference; amending Minnesota Statutes 1984, sections 253B.12, subdivision 4; and 253B.13, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 253B; repealing Minnesota Statutes 1984, section 253B.13, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 253B.13, subdivision 2, is amended to read:

Subd. 2. [MENTALLY RETARDED PERSONS.] If (THE COURT FINDS UPON REVIEW OF THE TREATMENT REPORT), *at the conclusion of a hearing held pursuant to section 253B.12, it is found that the person continues to be mentally retarded,* (IT) *the court* shall order commitment of the person for an indeterminate period of time, subject to the reviews required by section 253B.03, subdivisions 5 and 7, and subject to the right of the patient to seek judicial review of continued commitment."

Amend the title as follows:

Page 1, line 2, after "requiring" insert "a hearing for the"

Page 1, line 3, delete "to be for a"

Page 1, delete lines 4 and 5

Page 1, line 6, delete "persons; correcting a cross-reference"

Page 1, line 7, delete "sections 253B.12, subdivision"

Page 1, delete lines 8 and 9

Page 1, line 10, delete "repealing Minnesota Statutes 1984,"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 942, A bill for an act relating to the city of Red Wing; permitting the establishment of a port authority.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [PORT AUTHORITY.]

The city of Red Wing and the city of Hastings may, by adoption of an enabling resolution in compliance with the procedural requirements of section 3, each establish a port authority which, subject to the provisions of section 2, shall have the same powers as any port authority established pursuant to Minnesota Statutes, section 458.09, or other law, and any housing and redevelopment authority established pursuant to Minnesota Statutes, chapter 462, or other law and shall constitute an "agency" which may administer one or more municipal development districts pursuant to Minnesota Statutes, section 472A.10. If a city establishes a port authority pursuant to this section, that city shall have all the powers relating to a port authority granted to any city by Minnesota Statutes, chapter 458, or other law and all powers relating to a housing and redevelopment authority granted to any city by Minnesota Statutes, chapter 462, or other law.

Sec. 2. [LIMITATION OF POWERS.]

(a) *The enabling resolution may impose the following limitations upon the actions of the port authority:*

(1) *that the port authority shall not exercise any specified powers contained in Minnesota Statutes, chapters 458 and 462, or that the port authority shall not exercise any such powers without the prior approval of the city council;*

(2) *that except when previously pledged by the port authority, the city council may, by resolution, require the port authority to transfer any portion of the reserves generated by activities of the port authority which the city council determines is not necessary for the successful operation of the port authority, to the city general fund, to be used for any general purpose of the city;*

(3) *that the sale of any or all bonds or obligations issued by the port authority be approved by the city council before issuance;*

(4) that the port authority follow the budget process for city departments as provided by the city and as implemented by the city council and mayor;

(5) that all official actions of the port authority be consistent with the adopted comprehensive plan of the city of Red Wing, and any official controls implementing the comprehensive plan;

(6) that the port authority submit to the city council for approval by resolution any proposed project as defined in Minnesota Statutes, section 273.73, subdivision 8;

(7) that the port authority submit all planned activities for influencing the action of any other governmental agency, subdivision, or body to the city council for approval;

(8) that the port authority submit its administrative structure and management practices to the city council for approval; and

(9) any other limitation or control established by the city council by such enabling resolution.

(b) The enabling resolution may be modified at any time, subject to clause (5), and provided that any such modification is made in accordance with the procedural requirements of section 3.

(c) Without limiting the right of the port authority to petition the city council at any time, each year, within 60 days of the anniversary date of the initial adoption of the enabling resolution, the port authority shall submit to the city council a report with regard to whether and how the enabling resolution should be modified. Within 30 days of receipt of such recommendation, the city council shall review the enabling resolution, consider the recommendations of the port authority with respect thereto and make any modification it deems appropriate; provided that any modification shall be made in accordance with the procedural requirements of section 3.

(d) A determination by the city council that the limitations imposed pursuant to this section have been complied with by the port authority shall be conclusive.

(e) Limitations imposed pursuant to this section shall not be applied in a manner which impairs the security of any bonds issued or contracts executed prior to the imposition of the limitation. The city council shall not modify any limitations in effect at the time any bonds or obligations are issued or contracts executed to the detriment of the holder of the bonds or obligations or any contracting party.

Sec. 3. [PROCEDURAL REQUIREMENT.]

(a) *The creation of a port authority by the city of Red Wing or the city of Hastings shall be by written resolution known as the enabling resolution. Prior to adoption of the enabling resolution, the city council shall conduct a public hearing thereon. Notice of the time and place of hearing, and stating the purpose of the hearing and summary of the resolution shall be published in a newspaper of general circulation within the city once a week for two consecutive weeks. The first publication shall appear not more than 30 days from the date of the public hearing.*

(b) *All modifications to the enabling resolution shall be by written resolution and shall be adopted upon such notice and after such public hearing as is required for the original adoption of the enabling resolution.*

Sec. 4. [NAME.]

Notwithstanding Minnesota Statutes, section 458.10, subdivision 1, or other law, the city may, by its enabling resolution, designate such formal name for the port authority thereby created as it deems appropriate.

Sec. 5. [REMOVAL OF COMMISSIONERS FOR CAUSE.]

For inefficiency or neglect of duty, or misconduct in office, a commissioner of the port authority may be removed by the city council, but a commissioner shall be removed only after a hearing and after he or she shall have been given a copy of the charges at least ten days prior to the hearing and had an opportunity to be heard in person or by counsel. When charges in writing have been preferred against a commissioner, pending final action thereon the city council may temporarily suspend such commissioner, but, if it is found that those charges have not been substantiated, such commissioner shall immediately be reinstated. In the event of the removal of any commissioner, a record of the proceedings, together with the charges and findings thereon, shall be filed in the office of the city clerk.

Sec. 6. [LOCAL APPROVAL.]

This act is effective for the city of Red Wing the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Red Wing.

This act is effective for the city of Hastings the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Hastings."

Delete the title and insert:

"A bill for an act relating to local government; granting the city of Red Wing located in Goodhue county and the city of Hastings located in Dakota county each the authority to establish a port authority; authorizing the port authority to exercise the power of a municipal housing and redevelopment authority; authorizing the city to impose restrictions and limitations upon the powers and procedures of the port authority; permitting the city to choose the name of the port authority; providing for removal of port authority commissioners; requiring local approval."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 944, A bill for an act relating to the city of Roseville; granting the city the powers of a port authority; requiring local approval.

Reported the same back with the following amendments:

Delete lines 11 to 14 and insert:

"Sec. 2. [WHITE BEAR LAKE; PORT AUTHORITY.]

The governing body of the city of White Bear Lake may exercise all the powers of a port authority provided by Minnesota Statutes, chapter 458.

Sec. 3. [LOCAL APPROVAL.]

Section 1 is effective for the city of Roseville the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Roseville.

Section 2 is effective for the city of White Bear Lake the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of White Bear Lake."

Delete the title and insert:

"A bill for an act relating to local government; granting the city of Roseville and the city of White Bear Lake located in

Ramsey county the powers of a port authority; requiring local approval."

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to House Rule No. 9.3, H. F. No. 944 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. 973, A bill for an act relating to transportation; re-designating portion of trunk highway; amending Minnesota Statutes 1984, section 161.14, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 89.001, is amended by adding a subdivision to read:

Subd. 14. "State forest road" means a road constructed, acquired, maintained, or administered by the commissioner to provide access to lands for the purpose of multiple use forest management.

Sec. 2. Minnesota Statutes 1984, section 89.19, is amended to read:

89.19 [RULES (AND REGULATIONS).]

The commissioner (SHALL HAVE POWER TO) *may* prescribe (SUCH) rules (AND REGULATIONS) governing the use of state forest lands *and state forest roads*, or any (PART) *parts* thereof, by the public (OR) *and* governing the exercising by holders of leases or permits (UPON) *on* state forest lands *and state forest roads* of all their rights under such leases or permits (AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS CHAPTER).

Sec. 3. [89.29] [FOREST ROAD ACCOUNT.]

Subdivision 1. [ACCOUNT CREATED.] There is created in the state treasury a state forest road account, consisting of funds credited under section 7.

Subd. 2. [EXPENDITURE.] Money in the state forest road account may be appropriated by law only for:

(1) acquisition, development, maintenance, and administration of state forest roads under the jurisdiction of the commissioner of natural resources; and

(2) the commissioner's share of the cost of cooperative maintenance agreements made with other providers of forest roads.

Sec. 4. [89.30] [FOREST ROADS.]

Subdivision 1. [DEDICATION.] Existing forest roads and bridges administered under section 89.002, subdivision 3, are hereby dedicated as state forest roads to the width of the actual use, unless otherwise specified in a prior easement of record.

Subd. 2. [RIGHT-OF-WAY.] Except as otherwise provided, all state forest roads established after July 1, 1985, must have a right-of-way at least four rods in width. Additional right-of-way and easements, including easements needed for drainage, may be acquired by the commissioner by purchase, gift, or condemnation when needed for construction, maintenance, or safety.

Subd. 3. [CONSTRUCTION, MAINTENANCE.] The commissioner shall develop specifications for the design and construction of state forest roads and shall establish maintenance schedules for forest roads consistent with their intended use.

Subd. 4. [POSTING OF MINIMUM-MAINTENANCE FOREST ROADS.] The commissioner may by order designate a state forest road as a minimum-maintenance forest road if he determines that the road is used only intermittently for vehicular travel. Designation of a state forest road as a minimum-maintenance road is effective on the posting of signs, at entry points to the road and at regular intervals along it, to the effect that the road is a minimum-maintenance forest road and that the public travels on the road at its own risk. Posting of the signs is prima facie evidence that adequate notice of minimum-maintenance status has been given to the public.

Subd. 5. [LIABILITY ON MINIMUM-MAINTENANCE ROADS.] The commissioner may maintain a minimum-maintenance forest road at a level to serve intermittent traffic, and such maintenance may be below the level of maintenance given other forest roads. The commissioner and his employees are exempt from liability for any claim by any person arising from travel on a designated minimum-maintenance forest road and related to its maintenance or condition.

Subd. 6. [RESTRICTIONS ON TRAVEL.] The commissioner may impose prohibitions and restrictions on travel on

state forest roads, including travel by vehicles of different classes and different axle weights and gross vehicle weights, and may close a state forest road to all travel, as deemed necessary to protect forest resources or prevent damage to the road.

Sec. 5. Minnesota Statutes 1984, section 161.14, subdivision 6, is amended to read:

Subd. 6. [VETERANS' EVERGREEN MEMORIAL DRIVE.] (a) That portion of road No. 185, known as trunk highway No. 23 in St. Louis, Pine and Carlton Counties, is hereby named and designated "Veterans' Evergreen Memorial Drive" in memory of (WORLD WAR) veterans of St. Louis, Pine, and Carlton counties.

(b) *The commissioner shall install a bronze plaque with an inscription to read, "In grateful memory of all men and women from Carlton, Pine, and St. Louis Counties who served in World War I, World War II, Korea, Vietnam, and all other conflicts."*

Sec. 6. Minnesota Statutes 1984, section 296.16, subdivision 1, is amended to read:

Subdivision 1. [INTENT.] All gasoline received in this state and all gasoline produced in or brought into this state except aviation gasoline and marine gasoline shall be determined to be intended for use in motor vehicles in this state. Approximately three-fourths of one percent of all gasoline received in this state and three-fourths of one percent of all gasoline produced or brought into this state, except gasoline used for aviation purposes, is being used as fuel for the operation of motor boats on the waters of this state and of the total revenue derived from the imposition of the gasoline fuel tax for uses other than in motor boats, three-fourths of one percent of such revenues is the amount of tax on fuel used in motor boats operated on the waters of this state. Approximately three-fourths of one percent of all gasoline received in and produced or brought into this state, except gasoline used for aviation purposes, is being used as fuel for the operation of snowmobiles in this state, and of the total revenue derived from the imposition of the gasoline fuel tax for uses other than in snowmobiles, three-fourths of one percent of such revenues is the amount of tax on fuel used in snowmobiles operated in this state. *Approximately one-tenth of one percent of all gasoline produced or brought into this state and one-half of one percent of all special fuel produced or brought into this state, except gasoline and special fuel used for aviation purposes, is being used as fuel for the operation of motor vehicles on state forest roads which are not public highways.*

Sec. 7. Minnesota Statutes 1984, section 296.421, is amended by adding a subdivision to read:

Subd. 6. [COMPUTATION AND DISTRIBUTION OF UNREFUNDED TAXES FOR FOREST ROADS.] The amount of unrefunded tax paid on gasoline and special fuel used to operate motor vehicles on forest roads is equal to the sum of one-tenth of one percent of all revenues derived from the excise tax on gasoline, except gasoline used for aviation purposes, and one-half of one percent of all revenues derived from the excise tax on special fuel, except special fuel used for aviation purposes, together with interest thereon and penalties for delinquent payment. The amount of tax to be computed under this subdivision must be computed for each six-month period beginning July 1, 1985, and must be paid into the state treasury on November 1 and June 1 following each six-month period, and credited to the state forest road account.

Sec. 8. [REPORT.]

The commissioner of natural resources, the commissioner of transportation, and the commissioner of revenue shall jointly determine, for the fiscal year ending June 30, 1986, the actual amount of unrefunded gasoline and special fuel tax revenue which is attributable to the operation of motor vehicles on state forest roads, and shall jointly submit a report to the legislature containing their findings and a recommendation for amending Minnesota Statutes, section 296.16, subdivision 6, to reflect those findings.

Sec. 9. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment. Sections 1 to 4 and 6 to 8 are effective July 1, 1985."

Delete the title and insert:

"A bill for an act relating to transportation; declaring the portion of motor fuel taxes which are attributable to vehicles using state forest roads and providing for the disposition of revenues; defining forest roads; creating a forest road account and limiting appropriations therefrom; providing for the establishment, construction, administration, and maintenance of state forest roads; redesignating portion of trunk highway; amending Minnesota Statutes 1984, sections 89.001, by adding a subdivision; 89.19; 161.14, subdivision 6; 296.16, subdivision 1; and 296.421, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 89."

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

The report was adopted.

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

H. F. No. 975, A bill for an act relating to local government; permitting the establishment of commercial service districts; providing taxing and other financial authority; proposing coding for new law as Minnesota Statutes, chapter 429A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [DIVISIONS.]

Subdivision 1. For the purpose of this act the terms defined in this section have the following meanings.

Subd. 2. "City" means the city of Mora.

Subd. 3. "Special services" means all services rendered or contracted for by the city, including, but not limited to:

(a) the repair, maintenance, operation, and construction of any improvements authorized by Minnesota Statutes, section 429.021;

(b) parking services rendered or contracted for by the city; and

(c) any other service provided to the public by the city that is authorized by law or charter provision. Special services do not include any service that is ordinarily provided throughout the city from general fund revenues of the city unless an increased level of the service is provided in the special service district.

Subd. 4. "Special service district" means a defined area within the city where special services are rendered and the costs of the special services are paid from revenues collected from taxes and service charges imposed within that area.

Subd. 5. "Assessed value" means the assessed value as most recently certified by the commissioner of revenue before the effective date of the ordinance or resolution adopted pursuant to section 2 or 3.

Subd. 6. "Land area" means the land area in the district which is subject to property taxation.

Sec. 2. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.]

Subdivision 1. [ORDINANCE.] The governing body of the city may adopt an ordinance establishing a special service district. Only property which is zoned for commercial, business, or industrial use under a municipal zoning ordinance may be included in a district. The ordinance shall describe with particularity the area within the city to be included in the district and the special services to be furnished in the district. The ordinance may not be adopted until after a public hearing has been held on the question. Notice of the hearing shall include:

- (a) the time and place of hearing;*
- (b) a map showing the boundaries of the proposed district; and*
- (c) a statement that all persons owning property in the proposed district will be given opportunity to be heard at the hearing.*

Subd. 2. [NOTICE.] Notice of the hearing shall be given by publication in two issues of the official newspaper of the city. The two publications shall be a week apart and the hearing shall be held at least three days after the last publication. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel within the area proposed to be included in the district. For the purpose of giving mailed notice, owners shall be those shown on the records of the county auditor. Other records may be used to supply the necessary information. For properties which are tax exempt or subject to taxation on a gross earnings basis in lieu of property tax and are not listed on the records of the county auditor, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing any person affected by the proposed district may be heard orally in respect to any issues relevant to the proposed district. The hearing may be adjourned from time to time and the ordinance establishing the district may be adopted at any time within six months after the date of the conclusion of the hearing by a vote of the majority of the governing body of the city.

Sec. 3. [TAXING AUTHORITY; NOTICE AND HEARING REQUIREMENTS.]

Subdivision 1. [TAXES; HEARING.] Ad valorem taxes may be levied on taxable nonhomestead property or service charges may be imposed by the city within the special service district at a rate or amount sufficient to produce the revenues required to provide special services within the district. To determine the appropriate mill rate, nonhomestead taxable property or value shall be determined without regard to captured or original assessed value under Minnesota Statutes, section 273.76 or to the distribution or contribution value under Minnesota Statutes,

section 473F.08. Taxes and service charges shall not be imposed to finance a special service if the service is ordinarily provided by the city from its general fund revenues unless the service is provided in the district at an increased level, in which case only an amount to pay for the increased level may be imposed. A service charge shall not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Before the levy of taxes or imposition of service charges in a district, for each calendar year, notice shall be given and hearing shall be held pursuant to section 2 and notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section the notice shall also include:

(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding a proposed tax levy or service charge.

(b) The estimated cost of improvements to be paid for in whole or in part by taxes or service charges imposed pursuant to this section, the estimated cost of operating and maintaining the improvements during the first year after completion of the improvements, the proposed method and source of financing the improvements, and the annual cost of operating and maintaining the improvements.

(c) The proposed rate or amount of taxes to be extended or the proposed service charge to be imposed in the district during the calendar year and the nature and character of special services to be rendered in the district during the calendar year.

(d) A statement that the petition requirements of section 8 have either been met or do not apply to the proposed taxes or service charge.

Within six months of the public hearing, the city may adopt a resolution levying a tax or imposing a service charge within the district not exceeding the amount or rate expressed in the notice issued pursuant to this section.

Subd. 2. [EXEMPTION OF CERTAIN PROPERTIES FROM TAXES.] *Property exempted from taxation by Minnesota Statutes, section 272.02, is exempt from any ad valorem taxes imposed pursuant to this act.*

Subd. 3. [LEVY LIMIT EXEMPTION.] *Taxes and service charges imposed pursuant to this act shall not be included in the calculation of levies or limits on levies provided by other law or home rule charter provision.*

Subd. 4. [EXCLUSION FROM HOMESTEAD CREDIT.] *Taxes levied under this section shall not be reduced pursuant to Minnesota Statutes, section 273.13, subdivision 6, 7, 7d, or 14a.*

Sec. 4. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]

Boundaries of a special service district may be enlarged only after hearing and notice as provided in sections 2 and 3. Notice shall be served in the original district and in the area proposed to be added to the district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district. The petition requirement in section 8 and the veto power in section 9 shall only apply to owners, individuals, and business organizations in the area proposed to be added to the district.

Sec. 5. [COLLECTION OF TAXES.]

Ad valorem taxes levied within a special service district shall be collected and paid over as other ad valorem taxes, but shall be spread only upon the assessed value of property described in the ordinance. Service charges imposed shall be collected as provided by ordinance. Taxes collected pursuant to this act shall not be included in computations under Minnesota Statutes, section 273.76, chapter 473F, or any other law that applies to general ad valorem levies.

Sec. 6. [BONDS.]

At any time after a contract for the construction of all or part of an improvement authorized pursuant to this act has been entered into or the work has been ordered done by day labor, the governing body of the city may issue obligations in the amount it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making the improvement, including every item of cost from inception to completion and all fees and expenses incurred in connection with the improvement or the financing. The obligations shall be payable primarily out of the proceeds of the tax levied pursuant to section 3, or from any other special assessment or nontax revenues available to be pledged for their payment under charter or other statutory authority, or from any two or more of such sources. The governing body may, by resolution adopted prior to the sale of obligations, pledge the full faith, credit, and taxing power of the municipality to assure payment of the principal and interest if the proceeds of the tax levy in the district are insufficient to pay the principal and interest. The obligations shall be issued in accordance with Minnesota Statutes, chapter 475, except that an election shall not be required, and the amount of the obligations shall not be included in determining the net debt of the city under the provisions of any law or charter limiting debt.

Sec. 7. [ADVISORY BOARD.]

The governing body of the city may create and appoint an advisory board for each special service district in the city to

advise the governing body in connection with the construction, maintenance, and operation of improvements, and the furnishing of special services in a district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants, and users of property within the district and members of the public. Before the adoption of any proposal by the governing body to provide services or impose taxes or service charges within the district, the advisory board of the district shall have an opportunity to review and comment upon the proposal.

Sec. 8. [PETITION REQUIRED.]

No action may be taken pursuant to section 2 unless owners of ten percent or more of the land area of the proposed special service district and owners of ten percent or more of the assessed value of the proposed district file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 3 to impose an ad valorem tax unless owners of ten percent or more of the land area subject to a proposed tax and owners of ten percent or more of the assessed value subject to a proposed tax file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 3 to impose a service charge unless ten percent or more of the individual or business organizations subject to the proposed service charge file a petition requesting a public hearing on the proposed action with the city clerk. If the boundaries of a proposed district are changed or the land area or assessed value subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.

Sec. 9. [VETO POWER OF OWNERS.]

Subdivision 1. [NOTICE OF RIGHT TO FILE OBJECTIONS.] Except as provided in section 10, the effective date of any ordinance or resolution adopted pursuant to sections 2 and 3 shall be at least 45 days after it is adopted. Within five days after adoption of the ordinance or resolution, a copy of the ordinance or resolution shall be mailed to the owner of each parcel included in the special service district and any individual or business organization subject to a service charge in the same manner that notice is mailed pursuant to section 2. The mailing shall include a notice that owners subject to a tax and individuals and business organizations subject to a service charge have a right to veto the ordinance or resolution by filing the required number of objections with the city clerk before the effective date of the ordinance or resolution.

Subd. 2. [REQUIREMENT FOR VETO.] *If owners of 35 percent of the land area in the district and owners of 35 percent of the assessed value in the district file an objection to the ordinance adopted by the city pursuant to section 2 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 35 percent of the land area subject to a tax and owners of 35 percent of the assessed value subject to a tax file an objection to the resolution adopted levying an ad valorem tax pursuant to section 3 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If 35 percent of individuals and business organizations subject to a service charge file an objection to the resolution adopted imposing a service charge pursuant to section 3 with the city clerk before the effective date of the resolution, the resolution shall not become effective.*

Sec. 10. [EXCLUSION FROM PETITION REQUIREMENTS AND VETO POWER.]

The petition requirement of section 8 and the right of owners and those subject to a service charge to veto a resolution in section 9 do not apply to second or subsequent years' applications of a tax or service charge which is authorized to be in effect for more than one year pursuant to a resolution which has met the petition requirements of section 8 and which has not been vetoed under section 9 for the first year's application. A resolution levying a tax or imposing a service charge for more than one year shall not be adopted unless the notice of public hearing required by section 3 and the notice mailed with the adopted resolution pursuant to section 9 include the following information:

(a) In the case of improvements, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years the taxes will be levied or service charges imposed to pay for the improvement.

(b) In the case of operating and maintenance services, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years, or a statement that the tax will be imposed for an indefinite number of years, the taxes will be levied or service charges imposed to pay for operation and maintenance services.

The resolution may provide that the maximum amount of tax to be levied or maximum service charge to be imposed in any year will increase or decrease from the maximum amount authorized in the preceding year based on an indicator of increased cost or a percentage amount established by the resolution.

Sec. 11. [REPORT TO LEGISLATURE.]

The administrator of the city of Mora shall file a written report with the chairman of the house local and urban affairs committee and the chairman of the senate local and urban government committee on or before January 31, 1986. The report shall apprise the committee as to the activities undertaken pursuant to this act and recommend any changes that should be considered if the legislature were to enact statewide legislation for the establishment of special service districts.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 10 are effective for the city of Mora the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Mora."

Delete the title and insert:

"A bill for an act relating to local government; permitting the establishment of special service districts in the city of Mora; providing taxing and other financial authority for Mora."

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to House Rule No. 9.3, H. F. No. 975 was re-referred to the Committee on Rules and Legislative Administration.

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

H. F. No. 976, A bill for an act relating to the Minnesota historical society; appropriating money for the institute for invention and innovation.

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 984, A bill for an act relating to civil actions; authorizing aggregation of the fault of multiple defendants in comparative fault actions; amending Minnesota Statutes 1984, section 604.01, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 604.01, subdivision 1, is amended to read:

Subdivision 1. [SCOPE OF APPLICATION.] Contributory fault shall (NOT) bar recovery in an action by any person or his legal representative to recover damages for fault resulting in death or in injury to person or property (,) *only* if the contributory fault was (NOT) greater than the *combined* fault of (THE PERSON) *all persons* against whom recovery is sought, but any damages allowed shall be diminished in proportion to the amount of fault attributable to the person recovering. The court may, and when requested by any party shall, direct the jury to find separate special verdicts determining the amount of damages and the percentage of fault attributable to each party; and the court shall then reduce the amount of damages in proportion to the amount of fault attributable to the person recovering.

Sec. 2. Minnesota Statutes 1984, section 604.02, subdivision 1, is amended to read:

Subdivision 1. When two or more persons are jointly liable, contributions to awards shall be in proportion to the percentage of fault attributable to each, except that each is jointly and severally liable for the whole award. *Provided, however, that a person whose fault is less than that of a claimant is liable to the claimant only for that portion of the judgment that represents the percentage of fault attributable to that person.*

Sec. 3. Minnesota Statutes 1984, section 604.02, subdivision 3, is amended to read:

Subd. 3. In the case of a claim arising from the manufacture, sale, use or consumption of a product, an amount uncollectible from any person in the chain of manufacture and distribution shall be reallocated among all other persons in the chain of manufacture and distribution but not among the claimant or others at fault who are not in the chain of manufacture or distribution of the product. (PROVIDED, HOWEVER, THAT A PERSON WHOSE FAULT IS LESS THAN THAT OF A CLAIMANT IS LIABLE TO THE CLAIMANT ONLY FOR THAT PORTION OF THE JUDGMENT WHICH REPRESENTS THE PERCENTAGE OF FAULT ATTRIBUTABLE TO HIM.)

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective August 1, 1985, and apply to all causes of action arising on or after that date."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, after "1" insert "; and 604.02, subdivisions 1 and 3"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1005, A bill for an act relating to water pollution; establishing a program of reimbursement to municipalities that provide or contract for waste water treatment meeting state and federal water quality standards; amending Minnesota Statutes 1984, section 116.16, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116.

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.

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

H. F. No. 1018, A bill for an act relating to human services; requiring contribution by the parent of a child for full assistance expenditures; amending Minnesota Statutes 1984, section 256.87, subdivision 1.

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

The report was adopted.

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

H. F. No. 1029, A bill for an act relating to crimes; requiring health professionals to report suspicious wounds to law enforcement authorities; amending Minnesota Statutes 1984, section 626.52.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 626.52, is amended to read:

626.52 [(PHYSICIANS AND OTHER AIDS TO HEALING TO REPORT INJURIES FROM FIREARMS) REPORTING OF SUSPICIOUS WOUNDS BY HEALTH PROFESSIONALS.]

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to subdivision 2.

(b) "Health professional" means a physician, surgeon, person authorized to engage in the practice of healing, superintendent or manager of a hospital, nurse, or pharmacist.

Subd. 2. [HEALTH PROFESSIONALS REQUIRED TO REPORT.] (EVERY PHYSICIAN, EVERY SURGEON, EVERY PERSON AUTHORIZED TO ENGAGE IN THE PRACTICE OF HEALING, EVERY SUPERINTENDENT OR MANAGER OF A HOSPITAL, EVERY NURSE AND EVERY PHARMACIST, WHETHER SUCH PHYSICIANS, SURGEONS, PERSONS ENGAGED IN THE PRACTICE OF HEALING, SUPERINTENDENT OR MANAGER OF ANY HOSPITAL, NURSE AND PHARMACIST BE LICENSED OR NOT,) A health professional shall immediately report, as provided under section 626.53, a suspicious wound that the professional is called upon to treat, to the (PROPER) local police (AUTHORITIES, AS HEREIN DEFINED,) department or county sheriff all bullet wounds, gunshot wounds, powder burns, or any other injury arising from, or caused by the discharge of any gun, pistol, or any other firearm, which wound he is called upon to treat, dress, or bandage.

A health professional may report to the proper police authorities any wound that the reporter has reasonable cause to believe has been inflicted by a dangerous weapon other than a firearm as defined under section 609.02, subdivision 6.

Sec. 2. Minnesota Statutes 1984, section 626.55, is amended to read:

626.55 [PENALTY.]

Subdivision 1. Any person who violates any mandatory provision of sections 626.52 to 626.55 is guilty of a gross misdemeanor.

Subd. 2. Any person reporting in good faith and exercising due care shall have immunity from any liability, civil or criminal, that otherwise might result by reason of his actions pursuant to this section. No cause of action may be brought against any person for not making a report pursuant to this section."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period insert "; and 626.55"

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. 1048, A bill for an act relating to occupations and professions; establishing a state board of hearing instrument dispensing; providing for licensure of persons engaged in the sale of hearing instruments; appropriating money; providing penalties; amending Minnesota Statutes 1984, section 214.01, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 153A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [153A.01] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For the purposes of sections 1 to 15, the terms defined in this section have the meanings given to them.

Subd. 2. [HEARING INSTRUMENT.] "Hearing instrument" means an instrument designed for or represented as aiding defective human hearing, and its parts, attachments, or accessories, including but not limited to ear molds. Batteries and cords are not parts, attachments, or accessories of a hearing instrument. Surgically implanted hearing instruments are excluded. Assistive listening devices not requiring testing, fitting, or the use of ear molds, and which neither they nor their attachments are worn within the ear canal, are not hearing instruments.

Subd. 3. [HEARING INSTRUMENT DISPENSER.] "Hearing instrument dispenser" means a natural person licensed

by the department to fit and dispense hearing instruments, to assist the consumer in instrument selection, and to sell hearing instruments at retail. The term includes the testing of human hearing in connection with these activities. Nothing contained in this chapter shall be deemed to preclude or limit the testing of hearing by audiologists who are duly certified by the American speech and hearing association to test human hearing.

Subd. 4. [HEARING INSTRUMENT DISPENSING.] "*Hearing instrument dispensing*" means fitting and dispensing hearing instruments, assisting the consumer in instrument selection, and selling hearing instruments at retail. The term includes the testing of human hearing in connection with these activities.

Subd. 5. [COMMISSIONER.] "*Commissioner*" means the commissioner of commerce.

Subd. 6. [DEPARTMENT.] "*Department*" means the department of commerce.

Sec. 2. [153A.02] [POWERS AND DUTIES.]

Subdivision 1. [REGULATION.] *The department shall:*

- (1) *regulate the practice of hearing instrument dispensing;*
- (2) *regulate the retail fitting, dispensing, and sale of hearing instruments within this state;*
- (3) *examine and license as hearing instrument dispensers all applicants whom it considers qualified;*
- (4) *deny, suspend, revoke, or refuse to renew a license required under this chapter, to any applicant or licensee upon any of the following grounds:*
 - (a) *fraud or deception in connection with the securing of a license or in connection with the fitting, dispensing, or sale of hearing instruments;*
 - (b) *conviction in any court of a felony;*
 - (c) *conviction in any court of an offense involving moral turpitude;*
 - (d) *employing, assisting, or enabling in any manner an unlicensed person to engage in hearing instrument dispensing;*
 - (e) *violation of any of the provisions of sections 1 to 15 or any of the rules adopted to implement sections 1 to 15;*

(5) perform any other duties and exercise other powers required by sections 1 to 15;

(6) ensure that hearing instruments are dispensed in compliance with requirements of the Federal Food and Drug Administration.

For the purposes of clauses (1) to (6) the department shall adopt rules to carry out sections 1 to 15.

Subd. 2. [CONTESTED CASES.] The department shall comply with the contested case provisions of chapter 14 before it fails to issue, fails to renew, suspends, or revokes any license issued under sections 1 to 15.

Subd. 3. [REINSTATEMENT OF LICENSE.] A license that has been suspended or revoked may be reinstated by the department if the holder of the license pays all costs of the proceedings resulting in the suspension or revocation and also pays a fee set by the department.

Sec. 3. [153A.03] [EXAMINATIONS; FEES.]

The department shall give reasonable notice of all examinations by mail to known applicants for examination. Testing of applicants must occur at least three times annually and at intervals no greater than five calendar months apart. The department shall record the names of all persons licensed as hearing instrument dispensers, together with the grounds upon which the right of each to licensure was claimed. The department may establish the fee for examination. The fee may, in the discretion of the department, be returned to applicants not taking the examination.

Sec. 4. [153A.04] [CONTENTS OF EXAMINATION.]

Testing for licensure as a hearing instrument dispenser must consist of written, oral, and practical tests. The tests must be objective in method and applied in a consistent manner and must include the following subjects: (1) basic physics of sound; (2) the structure and function of hearing instruments; (3) the fitting of hearing instruments; (4) puretone audiometry, including air conduction testing and bone conduction testing; (5) live voice or record voice speech audiometry, or both; (6) recording and evaluation of audiograms and speech audiometry to determine the hearing instrument candidacy; (7) selection and adaptation of hearing instruments; (8) the taking of ear mold impressions; (9) indications suggesting the need for referral to competent medical personnel for diagnosis and treatment of any disease or injury; and (10) knowledge of the federal and state laws regarding hearing instrument dispensing. The examination must not test knowledge of either the diagnosis or the treatment

of any disease or injury to the human body. The commission shall consult with otolaryngologists, audiologists, and hearing instrument dispensers in connection with preparation of the examination.

Sec. 5. [153A.05] [QUALIFICATIONS OF APPLICANTS.]

To be entitled to examination as a hearing instrument dispenser, the applicant must be of good moral character and at least 18 years old and meet educational criteria established for licensure by the department.

Sec. 6. [153A.06] [RECIPROCITY; LICENSURE.]

The department may in its discretion grant licensure without examination to any hearing instrument dispenser licensed by the regulatory agency of another state that gives similar recognition to licensees of this state. The department may grant such licensure if it finds that the requirements for licensure in the other state are equivalent to those provided in sections 1 to 15. The department may set the fee for licensure by rule.

Sec. 7. [153A.07] [RENEWAL FEE; CONTINUING EDUCATION.]

Subdivision 1. [FEE.] Every person licensed by the department shall pay to the department a renewal fee to be fixed by it. The commissioner may establish by rule a charge to be assessed for the delinquent payment of a fee. It is unlawful for a person who refuses or fails to pay the renewal fee to practice hearing instrument dispensing in this state. Every license expires at the time prescribed in the license.

Subd. 2. [TASK FORCE ON CONTINUING EDUCATION.] The commissioner may appoint an advisory task force on continuing education, consisting of not more than ten members, including consumers, hearing instrument dispensers, audiologists, and otolaryngologists to study continuing education programs and requirements and to submit its report and recommendations to the department. The task force expires and the compensation and removal of members are as provided in section 15.059.

Sec. 8. [153A.08] [REINSTATEMENTS.]

A person who has been licensed as a hearing instrument dispenser and has defaulted in the payment of the renewal fee may be reinstated within two years of default without examination, upon payment of the arrears and upon compliance with education requirements established under section 7, subdivision 2.

Sec. 9. [153A.09] [UNLAWFUL USE OF HEARING INSTRUMENT DISPENSER.]

It is unlawful for any person to falsely assume or pretend to the title of hearing instrument dispenser.

Sec. 10. [153A.10] [BOND REQUIRED.]

A sole proprietor, partnership, association, or corporation engaged in the practice of hearing instrument dispensing shall provide a surety bond in favor of the state of Minnesota in the amount of \$10,000 for every five or fewer of its licensees engaged in the practice of hearing instrument dispensing, but a bond in excess of \$20,000 is not required of a business entity regardless of the number of licensed persons.

Sec. 11. [153A.11] [EXPENSES.]

The expenses of administering sections 1 to 9 must be paid from the appropriations made to the department.

Sec. 12. [153A.12] [PROHIBITED ACTS.]

No person may:

(1) fit, deliver, dispense, sell, or offer for sale at retail any hearing instrument without first obtaining a license;

(2) receive any portion of the profits from the fitting, dispensing, or sale of hearing instruments at retail unless the person is licensed under this chapter or employs a person licensed under this chapter;

(3) conduct a business engaged in the fitting, dispensing, or sale of hearing instruments at retail without a licensed hearing instrument dispenser or person licensed under chapter 147 in charge;

(4) fit, dispense, assist in selection, or sell a hearing instrument at retail exclusively by means of telephonic or mailed communication, or both; or

(5) prescribe or otherwise recommend to any person the use of a hearing instrument unless the prescription or recommendation is in writing and delivered to the person to whom it relates, and which shall bear the following information in 12 point or larger bold type: HEARING INSTRUMENTS MAY BE PURCHASED FROM ANY LICENSED HEARING INSTRUMENT DISPENSER OR PHYSICIAN. THIS PRESCRIPTION MAY BE FILLED BY THE DISPENSER OR PHYSICIAN OF YOUR CHOICE.

A prescription or written recommendation shall include, upon patient authorization, any audiogram upon which the prescription or recommendation is based.

The attorney general shall enforce this section in the manner provided by section 8.31, but there is no private remedy as provided by section 8.31, subdivision 3a.

Sec. 13. [153A.13] [ADVERTISING.]

The commissioner shall adopt rules respecting advertising of the fitting, dispensing, and sale of hearing instruments. However, the commissioner must not adopt a rule that:

(1) restricts the licensee's use of any medium for advertising;

(2) restricts the licensee's personal appearance or use of his or her voice in any advertisement;

(3) relates to the size or duration of an advertisement by the licensee; or

(4) restricts the licensee's advertisement under a trade name.

Sec. 14. [153A.14] [INTERNSHIP.]

The commissioner shall license as an intern any natural person who has satisfied the department that he or she is of good moral character, is not physically or mentally unfit, and meets the requirements for intern licensure prescribed by the department. The intern's experience must be supervised by a licensed hearing instrument dispenser. No person may be licensed as an intern for more than 12 calendar months, and the license must not be renewed or otherwise extended by the department. No more than three intern licensees shall be permitted to hold an intern license to practice hearing instrument dispensing under the supervision of any single licensed hearing instrument dispenser. A document evidencing the fitting, selection, sale, or delivery of a hearing instrument at retail must bear the name of the supervising licensee in addition to the name of any intern licensee involved in the transaction.

Sec. 15. [153A.15] [VIOLATION A MISDEMEANOR.]

Any person violating sections 1 to 14, or rules adopted under them, is guilty of a misdemeanor.

Sec. 16. [APPLICATION.]

Sections 1 to 15 have no application to persons licensed under Minnesota Statutes, chapter 147 or to audiologists who hold the certificate of clinical competence of the American speech-language-hearing association. The board of medical examiners

shall have jurisdiction to regulate the dispensing of hearing instruments by persons licensed under chapter 147.

Sec. 17. [APPROPRIATION.]

\$ is appropriated from the general fund to the department of commerce to implement sections 1 to 15, to be available until June 30, 1987.

Sec. 18. [EFFECTIVE DATES.]

Sections 1 to 8, 10, 11, 13, 14, and 16 are effective July 1, 1985. Sections 9, 12, and 15 are effective July 1, 1986."

Amend the title as follows:

Page 1, lines 2 and 3, delete "establishing a state board of hearing instrument dispensing;"

Page 1, line 6, delete everything after the semicolon

Page 1, line 7, delete everything before "proposing"

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

The report was adopted.

Pursuant to House Rule No. 9.3, H. F. No. 1048 was re-referred to the Committee on Rules and Legislative Administration.

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

H. F. No. 1049, A bill for an act relating to human services; allowing the commissioner of human services to participate in a pilot health care program for the uninsured poor; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

Reported the same back with the following amendments:

Page 2, line 22, delete "250,000" and insert "50,000"

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

The report was adopted.

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

H. F. No. 1128, A bill for an act relating to public safety; motor vehicles; clarifying penalties for failure to provide security for basic reparation benefits; defining terms; requiring certification procedure to obtain tax-exempt passenger vehicle license plates for unmarked vehicle of law enforcement agency; reducing 2,000-pound weight limitation to three-fourths ton for motor vehicles in certain situations; exempting certain returned motor vehicle registration documents from filing fee; regulating format of certain license plates; increasing weight of vehicles which may be operated with class "C" driver's license; prescribing filing period for clerk of district court to forward drivers license applications and fees to department of public safety; requiring revocation of driver's license upon conviction of crime of fleeing from peace officer; expanding definition of misdemeanor for purpose of driver's license revocation; authorizing prima facie evidentiary status for certified department driver records; authorizing commissioner of public safety to promulgate school bus driver qualification rules; authorizing access to certain private vehicle tax information under certain conditions; transferring certain motor carrier enforcement responsibilities and personnel between agencies; prescribing fees; providing for a traffic accident reconstruction system; appropriating money; amending Minnesota Statutes 1984, sections 65B.67, subdivision 4; 168.011, subdivisions 4, 28, and 29; 168.012, subdivision 1, and by adding subdivisions; 168.013, subdivisions 1c, 1e, 1g, and 16; 168.021, subdivision 1; 168.09, by adding a subdivision; 168.27, subdivision 11; 168.29; 168.31, subdivision 4; 168.33, subdivision 7; 169.79; 171.02, subdivision 2; 171.06, subdivision 4; 171.17; 171.20, by adding a subdivision; 171.21; 171.321, subdivision 2; 297B.12; and Laws 1982, chapter 639, section 10; repealing Minnesota Statutes 1984, sections 168.013, subdivision 1i; and 168.105, subdivision 4.

Reported the same back with the following amendments:

Page 18, lines 1 to 8, reinstate the stricken language and delete the new language

Pages 19 and 20, delete sections 27, 28, and 29 and insert:

"Sec. 27. [STUDY.]

The transportation committees of the house of representatives and the senate shall study and report to the legislature on which state agency should enforce laws relating to motor carriers and transportation of hazardous materials. The report shall recommend placing enforcement responsibility for these laws in one agency. The report must be submitted before January 1, 1986, and shall include proposed legislation necessary to implement the recommendations."

Page 20, delete section 31

Renumber the sections

Amend the title as follows:

Page 1, line 24, delete "transferring"

Page 1, delete line 25

Page 1, line 26, delete "personnel between agencies;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1134, A bill for an act relating to health; requiring a biennial report concerning health care markets; appropriating money; amending Minnesota Statutes 1984, sections 144.695; 144.70; and 144.703, subdivision 1; repealing Minnesota Statutes 1984, sections 62D.25; 62D.26; 62D.28; 62D.29; and 62E.17.

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

The report was adopted.

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

H. F. No. 1151, A bill for an act relating to occupations and professions; requiring registration with the commissioner of commerce for those who lay out, install, or maintain alarm and communication systems; providing requirements for registration; imposing certain duties upon the commissioner of commerce; providing a penalty; exempting registrants from regulation by other agencies or political subdivisions of the state; providing for the continuance of business for those presently engaged in laying out, installing, or maintaining alarm and communications systems; proposing coding for new law in Minnesota Statutes, chapter 326.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [326.249] [ALARM AND COMMUNICATION SYSTEMS.]

Subdivision 1. [APPLICABILITY.] Except as provided in subdivision 2, sections 326.241 to 326.248 do not apply to a person who lays out, installs, or maintains class II or class III signaling circuits, fire protective circuits, outside wiring for alarm systems, or communication circuits or systems, as covered by articles 725, 760, 770, 800, 810, and 820 of the National Electrical Code as approved by the United States of America Standards Institute in effect January 1, 1985, and any system designed to transmit communications, intelligence, or data through use of fiber optics technology, provided that the person maintains a bond and insurance in the amounts required under section 326.242, subdivision 6. No person exempt under this section may be required to obtain any authorization, permit, franchise, or license from, or pay any fee, franchise tax, or other assessment to any agency, department, board, or political subdivision of the state as a condition for performing any work described herein.

Subd. 2. [CONTRACTOR'S LICENSES.] No person shall lay out, install, maintain, or repair automatic/manual fire alarm systems or interconnected life safety switching systems or class II or class III signaling circuits, fire protective circuits, outside wiring for alarm systems, or communications circuits or systems in commercial, industrial, or public buildings or in multifamily dwellings larger than duplexes, unless the person is a licensed contractor or an employee thereof. The board of electricity shall issue a contractor's license to any individual, corporation, partnership, sole proprietorship, or other business entity that provides adequate proof that a bond and insurance in the amounts required under section 326.242, subdivision 6, have been obtained by the applicant and that the applicant has two or more years of experience installing or repairing the appropriate systems. The board of electricity shall set the fee for contractor's licenses and disposition of fees shall be as provided in section 326.242, subdivision 3. Installation or repairs regulated by this subdivision shall be subject to inspection as provided in section 326.244.

Subd. 3. [EXISTING CONTRACTORS.] Persons in the business of laying out, installing, maintaining, or repairing systems for which a license is required under subdivision 2 on the effective date of this act shall be allowed to continue in that business as if licensed according to this act until final action is taken upon their applications, provided that they make application within 180 days of the effective date of this act.

Sec. 2. [326.2491] [HAZARDOUS LOCATIONS.]

The provisions of section 1 shall not apply to work performed in hazardous locations as covered by article 500 of the National Electrical Code as approved by the United States of America Standards Institute in effect January 1, 1985.

Sec. 3. [326.2492] [LIMITATION.]

Nothing in section 1 prohibits a unit of local government from charging a franchise fee to the operator of a cable communications system."

Delete the title and insert:

"A bill for an act relating to occupations and professions; regulating persons who lay out, install, or maintain certain systems, or communication circuits or systems; proposing coding for new law in Minnesota Statutes, chapter 326."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1175, A bill for an act relating to children; expanding the definition of a medically neglected child; requiring the local agency to report and initiate proceedings in cases of medical neglect; amending Minnesota Statutes 1984, sections 260.015, subdivision 10; 626.556, subdivision 2, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 6, delete "the" and insert "such"

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

The report was adopted.

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

H. F. No. 1205, A bill for an act relating to domestic abuse; providing for service by publication under certain circumstances under the Domestic Abuse Act; clarifying relief and providing for additional relief; amending Minnesota Statutes 1984, section 518B.01, subdivisions 4, 5, 6, and 7.

Reported the same back with the following amendments:

Page 2, line 18, after "service" insert "made by a sheriff"

Page 3, line 2, before the semicolon insert "*If the court finds that the safety of the victim or the children will be jeopardized by unsupervised or unrestricted visitation, the court shall condition or restrict visitation as to time, place, duration, or supervision, or deny visitation entirely, as needed to guard the safety of the victim and the children. The court's deliberation under this subdivision shall in no way delay the issuance of an order for protection granting other reliefs provided for in this act*"

Page 3, line 13, delete "*any party*" and insert "*one or both parties*"

Page 3, line 17, before the semicolon insert "*or communicated to the party restrained in open court*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1227, A bill for an act relating to crimes; prohibiting sexual contact or penetration based on deception; providing that a psychotherapist who engages in sexual contact or penetration with a patient is guilty of criminal sexual conduct; limiting admissibility of a patient's personal or medical history; amending Minnesota Statutes 1984, sections 609.341, by adding subdivisions; 609.344; 609.345; and 609.347, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 2, after line 5, insert:

"Sec. 4. Minnesota Statutes 1984, section 609.341, is amended by adding a subdivision to read:

Subd. 19. "Emotionally dependent" means that the nature of the patient's or former patient's emotional condition and the nature of the treatment provided by the psychotherapist are such that the patient or former patient is unable to withhold consent to sexual contact or sexual penetration by the psychotherapist.

Sec. 5. Minnesota Statutes 1984, section 609.341, is amended by adding a subdivision to read:

Subd. 20. "Therapeutic deception" means a representation by a psychotherapist that sexual contact or sexual penetration by the psychotherapist is consistent with or part of the patient's treatment."

Page 2, line 27, reinstate the stricken language and delete the new language

Page 3, delete lines 2 to 8

Page 3, line 9, delete "a defense" and insert:

"(f) The actor is a psychotherapist and the complainant is a patient of the psychotherapist and the sexual penetration occurred during the psychotherapy session. Consent by the complainant is not a defense;

(g) The actor is a psychotherapist and the complainant is a patient or former patient of the psychotherapist and the patient or former patient is emotionally dependent upon the psychotherapist; or

(h) The actor is a psychotherapist and the complainant is a patient or former patient and the sexual penetration occurred by means of therapeutic deception"

Page 3, line 31, reinstate the stricken language and delete the new language

Page 4, delete lines 6 to 12

Page 4, line 13, delete "defense" and insert:

"(f) The actor is a psychotherapist and the complainant is a patient of the psychotherapist and the sexual contact occurred during the psychotherapy session. Consent by the complainant is not a defense;

(g) The actor is a psychotherapist and the complainant is a patient or former patient of the psychotherapist and the patient or former patient is emotionally dependent upon the psychotherapist; or

(h) The actor is a psychotherapist and the complainant is a patient or former patient and the sexual contact occurred by means of therapeutic deception"

Page 4, line 34, delete "7" and insert "8"

Renumber the sections in sequence

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. 1274, A bill for an act relating to economic development; creating a council on biotechnology; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 1, line 22, delete "*compensation*" and insert "*expense reimbursement*"

Page 1, line 23, after the period insert "*Members shall not receive compensation, other than expense reimbursement, for service on the council.*"

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

The report was adopted.

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

H. F. No. 1282, A bill for an act relating to local government; regulating municipal employee residency requirements; exempting certain firefighters; amending Minnesota Statutes 1984, section 415.16, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete lines 10 to 13 and insert:

"Subd. 3. A statutory or home rule charter city or county may impose a reasonable area or response time residency requirement on any person employed as a volunteer or as a member of a nonprofit firefighting corporation if there is a demonstrated, job-related necessity."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1309, A bill for an act relating to the city of Wadena; permitting the establishment of a port authority.

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. 1817, A bill for an act relating to agriculture; requiring reason for lender's refusal to respond with letter of commitment; requiring response to be sent to borrowers; providing filing procedure; authorizing rules; amending Minnesota Statutes 1984, sections 514.952, subdivisions 2, 3, 4, and 5; 514.954, subdivision 1; 514.956, subdivision 3, 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 514.952, subdivision 2, is amended to read:

Subd. 2. [LIEN-NOTIFICATION STATEMENT.] The lien-notification statement must be in a form approved by the secretary of state and disclose the following:

(1) the name and business address of (ANY) *the* lender *that is to receive notification*;

(2) the name and address of the supplier claiming the lien;

(3) a description and the date or anticipated date or dates of the transaction and the retail cost or anticipated costs of the agricultural production input;

(4) the name, residential address, and signature of the person to whom the agricultural production input was furnished;

(5) the name and residential address of the owner and a description of the real estate where the crops to which the lien attaches are growing or are to be grown; or for a lien attaching to livestock, the name and residential address of the owner of the livestock, the location where the livestock will be raised, and a description of the livestock; and

(6) a statement that products and proceeds of the crops or livestock are covered by the agricultural input lien.

Sec. 2. Minnesota Statutes 1984, section 514.952, subdivision 3, is amended to read:

Subd. 3. [RESPONSE OF LENDER TO NOTIFICATION.]
(a) Within ten calendar days after receiving a lien-notification statement, the lender must respond to the supplier with either:

(1) a letter of commitment for part of all of the amount in the lien-notification statement; or

(2) a written refusal to issue a letter of commitment.

(b) *A copy of the response must be mailed to the person for whom the financing was requested.*

Sec. 3. Minnesota Statutes 1984, section 514.952, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF RESPONSE.] (a) If a lender responds with a letter of commitment for part or all of the amount in the lien-notification statement, the supplier may not obtain a lien for the amount stated in the letter of (CREDIT) commitment.

(b) If a lender responds with a refusal to provide a letter of (CREDIT) *commitment* the rights of the lender and the supplier are not affected.

Sec. 4. Minnesota Statutes 1984, section 514.952, subdivision 5, is amended to read:

Subd. 5. [EFFECT OF NO RESPONSE.] If a lender does not respond *under subdivision 3* to the supplier within ten calendar days after receiving the lien-notification statement, (AN) *a perfected agricultural production input lien corresponding to the lien-notification statement has priority over any security interest of the lender in the same crops or livestock or their proceeds for the lesser of:*

(1) the amount stated in the lien-notification statement;

(2) the unpaid retail cost of the agricultural production input identified in the lien-notification statement; or

(3) for livestock any limitation in section 514.954, subdivision 2.

Sec. 5. Minnesota Statutes 1984, section 514.954, subdivision 1, is amended to read:

Subdivision 1. [LIEN ON CROPS.] A supplier who furnishes crop production inputs has an agricultural input lien for the unpaid retail cost of the crop production inputs. The lien

attaches to: (1) the existing crops upon the land where a furnished agricultural chemical was applied, or if crops are not planted, to the next production crop within 16 months following the last date on which the agricultural chemical was applied; (2) the crops produced from furnished seed; or (3) the crops produced, harvested, or processed using a furnished petroleum product. If the crops are grown on leased land and the lease provides for payment in crops, the lien does not attach to the lessor's portion of the crops. The lien continues in crop products and proceeds (, EXCEPT THAT THE LIEN DOES NOT CONTINUE IN GRAIN AFTER A CASH SALE UNDER SECTION 223.16).

Sec. 6. Minnesota Statutes 1984, section 514.956, subdivision 3, is amended to read:

Subd. 3. [DUTIES OF FILING OFFICER.] The filing officer shall enter on the lien-notification statement the time of day and date of filing. The filing officer shall file (AND), amend, terminate, note the filing of a lien-notification statement, and charge the fee for filing under this section in the manner provided by section 336.9-403 for a financing statement. A lien-notification statement is void and may be removed from the filing system 18 months after the date of filing. The lien-notification statement may be physically destroyed after 30 months from the date of filing.

Sec. 7. Minnesota Statutes 1984, section 514.956, is amended by adding a subdivision to read:

Subd. 4. [RULES.] The secretary of state shall adopt rules for the filing, amending, termination, and removal of lien-notification statements.

Sec. 8. [EFFECTIVE DATE.]

This act is effective the day after enactment."

Amend the title as follows:

Page 1, line 2, delete "reason for"

Page 1, delete line 3

Page 1, line 4, delete everything before the semicolon and insert "response for an agricultural production input lien be sent to borrowers"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1366, A bill for an act relating to economic security; providing funding for the displaced homemaker program; amending Minnesota Statutes 1984, section 517.08, subdivisions 1b and 1c.

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

The report was adopted.

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

H. F. No. 1391, A bill for an act relating to economic security; defining temporary housing; deleting a sunset provision; requiring certain followup information on persons assisted; appropriating money; amending Minnesota Statutes 1984, section 268.38, subdivisions 1, 2, 6, 7, and 8.

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1405, A bill for an act relating to contempt of court; providing penalties for failure to file a complete income tax return pursuant to court order; proposing coding for new law in Minnesota Statutes, chapter 588.

Reported the same back with the following amendments:

Page 1, line 11, after "*court*" insert "*for failure*"

Page 1, line 13, delete "*forfeiture*" and insert "*fine*"

Page 1, line 14, delete "\$5,000" and insert "\$50"

Page 1, line 15, after "*continues*" insert a comma and after "*court*" insert a comma

Page 1, line 17, before the period insert "*to the state*" and delete "*also*"

Page 1, line 18, delete "*designed*"

With the recommendation that when so amended the bill pass.

The report was adopted.

McDonald from the Committee on Agriculture to which was referred:

H. F. No. 1426, A bill for an act relating to agriculture; changing the agricultural land preservation pilot county program; amending Minnesota Statutes 1984, sections 40A.03, subdivisions 1 and 2; 40A.15, subdivisions 2 and 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 40A.15, subdivision 4, is amended to read:

Subd. 4. [FINANCIAL ASSISTANCE.] The commissioner shall administer grants *to eligible recipients* for up to 50 percent of the cost of the activity to be funded, except that grants to the pilot counties shall be for (100) 80 percent of the cost of preparing new plans and official controls required under this chapter. Grants may not be used to reimburse the recipient for activities that are already completed. Grants may be used to employ and train staff, contract with other units of government or private consultants, and pay other expenses related to promoting and implementing agricultural land preservation and conservation activities. The commissioner shall prepare and publish an inventory of sources of financial assistance. To the extent practicable, the commissioner shall assist recipients in obtaining matching grants from other sources.

Sec. 2. [APPROPRIATION.]

\$100,000 is appropriated from the general fund to the department of agriculture for the purpose of implementing the agricultural land preservation pilot county program to be available until June 30, 1987."

Amend the title as follows:

Page 1, line 3, before "amending" insert "appropriating money;"

Page 1, line 4, delete everything after the first comma and insert "section 40A.15, subdivision 4."

Page 1, delete line 5

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

The report was adopted.

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

H. F. No. 1460, A bill for an act relating to Dakota county; permitting electronic funds transfers.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [373.40] [ELECTRONIC FUNDS TRANSFER.]

Electronic funds transfer is the process of value exchange via mechanical means without the use of checks, drafts, or similar negotiable instruments. A county may make an electronic funds transfer for investment purposes and all county expenditures. The county board shall establish the policies and procedures in regards to all county investments and expenditures."

Delete the title and insert:

"A bill for an act relating to local government; permitting counties to make electronic funds transfers; proposing coding for new law in Minnesota Statutes, chapter 373."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1468, A bill for an act relating to the city of Breckenridge; permitting the establishment of a port authority; authorizing the port authority to exercise the powers of a municipal housing and redevelopment authority.

Reported the same back with the following amendments:

Page 2, lines 4 to 8, delete section 3

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1497, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in St. Louis county.

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

The report was adopted.

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

H. F. No. 1498, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochinching County.

Reported the same back with the following amendments:

Page 1, line 7, delete "KOOCHINCHING" and insert "KOOCHICHING"

Page 1, lines 15, 19, and 24, delete "*Larson*" and insert "*Larsen*"

Page 1, line 15, after "*Larsen*" insert ", the adjacent land-owner,"

Amend the title as follows:

Page 1, line 4, delete "Koochinching" and insert "Koochiching"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1503, A bill for an act relating to the city of Bemidji; permitting the city to contribute to a community seed capital fund.

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

The report was adopted.

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

H. F. No. 1506, A bill for an act relating to natural resources; providing for payment of attorney fees for proceedings involving the determination of public waters and wetlands; amending Minnesota Statutes 1984, section 105.391, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [APPROPRIATION.]

\$ is appropriated from the general fund to the attorney general to pay the Todd county hearing unit the legal fees incurred in the state's appeal of the hearing unit decision arising under Department of Natural Resources v. Todd County Hearing Unit, 356 N.W.2d 703, 1984."

Amend the title as follows:

Page 1, line 4, delete "amending" and insert "appropriating money."

Page 1, delete lines 5 and 6

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

The report was adopted.

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

H. F. No. 1530, A bill for an act relating to natural resources; providing emergency assistance for loggers of state timber who are in serious distress due to abrupt closure of certain timber processing plants; specifying powers and duties of the commissioner of natural resources; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [EMERGENCY ASSISTANCE FOR LOGGERS OF STATE TIMBER.]

Subdivision 1. [LEGISLATIVE FINDINGS.] The legislature finds as follows: (a) The permanent closing in 1984, without advance warning, of Minnesota and Wisconsin plants that processed aspen, spruce, and tamarack timber, has caused severe distress and hardship to those loggers who depended on those plants to purchase timber from them; and (b) action by the state is necessary to prevent loggers affected by these plant closings from being forced out of business with consequent loss of tax revenues, loss of future income for the permanent school fund and other trust funds, increased unemployment, reduced competition, and deterioration of the public health and welfare.

Subd. 2. [LOGGERS WHO MAY APPLY.] Any purchaser of any state timber permit issued before January 1, 1985, in regard to permits covering amounts of aspen or spruce timber, or issued prior to July 1, 1984, in regard to permits covering amounts of tamarack timber, who, on the effective date of this act, has not cut all or any portion of the aspen or spruce or tamarack timber from the lands covered by the permit and who has been adversely affected by the permanent closing in 1984 of any Minnesota or Wisconsin plant that processed aspen, spruce, or tamarack timber, may make written application to the commissioner of natural resources for refund of the 25 percent deposit made at the time of auction sale or refund of the full purchase price made at the time of informal sale and cancellation of any or all obligations to cut and remove any aspen, spruce, or tamarack timber or any other timber species covered by the permit.

Subd. 3. [TERMS OF APPLICATION.] The application to the commissioner, which shall be in the form of an affidavit, must show:

(1) the quantity and timber species covered by the permit for which the permittee seeks release from permit obligations;

(2) the permittee has not cut the timber for which the permittee is requesting release from permit obligations;

(3) the permittee is independent from any company that may have permanently closed a timber processing plant in Minnesota or Wisconsin during 1984;

(4) the permittee had a contract with the company operating the plant or had a history of selling timber to that company;

(5) the permittee has no reasonable prospect that the company will purchase aspen, spruce, or tamarack from the permittee during the life of the permit; and

(6) the permittee has no other profitable market for aspen, spruce, or tamarack.

Subd. 4. [CANCELLATION OF PERMITS.] If the application meets the requirements of subdivision 2, the commissioner shall grant the application under the following conditions:

(a) If there has been no cutting of any timber whatsoever, the commissioner shall grant the application, refund either the 25 percent deposit made at the time of auction sale or the full purchase price made at the time of informal sale, and cancel the permit;

(b) If there has been cutting of some but not all of the timber covered by the permit, the commissioner shall grant the application, refund a portion of the 25 percent deposit or a portion of the full purchase price in direct relationship to the value of timber cut, and cancel the permit.

Subd. 5. [DEADLINE FOR APPLICATION TO CANCEL.] No obligations on any permit may be canceled by the commissioner if the application is not received by the commissioner within 90 days from the effective date of this act.

Subd. 6. [REIMBURSEMENT OF PERMANENT SCHOOL FUND.] No permit obligations covering timber to be cut and removed from permanent school fund or other trust fund lands shall be canceled unless the commissioner shall first pay to the permanent school fund or other trust fund all amounts that would otherwise be owed to the respective funds if the timber were cut. The commissioner shall make payment to any affected fund only from money specifically appropriated to the commissioner for that purpose. The sum of \$202,000 is appropriated from the general fund to the commissioner to make the payments required by this section to the permanent school fund or other affected trust fund.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, delete "abrupt" and insert "permanent"

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

The report was adopted.

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

H. F. No. 1541, A bill for an act relating to human services; requiring the commissioner of human services to establish ser-

vices for the care of brain damaged adults; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 252B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [STUDY OF SERVICES FOR PERSONS WITH BRAIN IMPAIRMENT.]

Subdivision 1. [DEFINITION.] "Brain impairment" means serious traumatic injury to the brain resulting in significant destruction of brain tissue with resultant loss of brain function which requires extensive services over an extended period of time.

Subd. 2. [FINDINGS.] The legislature finds that:

(a) state public policy discriminates against adults with brain damage or degenerative brain disease;

(b) the state has accepted responsibility to ensure that persons who are developmentally disabled receive services necessary to meet their needs and these services are often similar to those needed by persons who suffer from brain impairments;

(c) terminology and nomenclature used to describe brain impairments are varied and confusing, in part because of different medical diagnoses and professional opinions, as well as differences in terminology used by the various funding sources for programs and services; uniformity is required in order to ensure that appropriate programs and services are available throughout the state to serve these persons;

(d) providing the best services to brain impaired adults, their families, and caregivers requires the coordinated services of state departments and community agencies to ensure that no gaps occur in communication, in the availability of programs, or in the provision of services; and

(e) a task force should be appointed to study and make recommendations concerning the provision of appropriate services for persons with brain impairments.

Subd. 3. [TASK FORCE.] The commissioner of human services shall establish a task force to study the needs of persons with brain impairments. The task force shall consist of no more than 15 persons, two of whom are parents. In addition, the task force shall include representation from physicians specializing in brain impairments, rehabilitation facilities, day programs,

acute care rehabilitation programs, nursing home programs, community-based residential programs, vocational counselors, the Minnesota chapter of the national head injury foundation, chemical abuse counselors, and other persons who may provide a useful perspective to the task force.

Subd. 4. [DUTIES.] The commissioner of human services, or his or her designee, shall prepare a report for the legislature with the advice of the task force. The task force shall:

(a) assess the needs of persons who have brain impairments and their families;

(b) develop a model for a continuum of care to adequately meet the needs described in clause (a), including acute care, intermediate rehabilitation, long-term care, community-based housing, and vocational, social, and community integration;

(c) identify the resources that currently exist to meet the needs of persons who are brain impaired;

(d) identify the gaps in current delivery of services to meet these specialized needs;

(e) determine the feasibility and cost effectiveness of developing new programs for this population or expanding utilization of existing services and programs;

(f) identify potential sources of funding for services for brain impaired persons and describe how present lack of funding has affected the provision of services to the brain impaired population; and

(g) examine the potential for expanding existing criteria and disability definitions to allow persons with brain impairment access to housing, case-management, independent living skills programs, and other similar programs now available to other groups.

The commissioner shall deliver the report and the task force's recommendations to the legislature by January 15, 1986."

Delete the title and insert:

"A bill for an act relating to health; requiring a study and a report on the needs of persons with brain impairments."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1543, A bill for an act relating to the establishment of a convention center in the city of Duluth; appropriating money.

Reported the same back with the following amendments:

Page 2, line 2, delete "20,000,000" and insert a blank

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

The report was adopted.

Pursuant to House Rule No. 9.3, H. F. No. 1543 was re-referred to the Committee on Rules and Legislative Administration.

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

H. F. No. 1568, A bill for an act relating to elections; making certain changes in the ethics in government act; changing the time when certain campaign bills must be rendered; amending Minnesota Statutes 1984, sections 10A.02, subdivision 11, and by adding a subdivision; 10A.04, subdivision 4a; 10A.18; 10A.20, subdivisions 3, 5, and 12; 10A.24; 10A.27, subdivision 1; and 210A.24; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1984, sections 10A.02, subdivision 11a; and 10A.25, subdivision 7.

Reported the same back with the following amendments:

Page 1, after line 13, insert:

"Section 1. Minnesota Statutes 1984, section 10A.01, subdivision 2, is amended to read:

Subd. 2. "Administrative action" means an action by any official, board, commission or agency of the executive branch to adopt, amend, or repeal a rule pursuant to chapter 14 (. "ADMINISTRATIVE ACTION" DOES NOT INCLUDE THE APPLICATION OR ADMINISTRATION OF AN ADOPTED RULE, EXCEPT IN CASES OF RATE SETTING, POWER PLANT AND POWERLINE SITING AND GRANTING OF CERTIFICATES OF NEED UNDER CHAPTER 116J) or an action pursuant to sections 14.57 to 14.62."

Pages 1 to 3, delete section 2 and insert:

"Sec. 3. Minnesota Statutes 1984, section 10A.02, subdivision 11, is amended to read:

Subd. 11. The board may investigate any alleged violation of this chapter. The board shall investigate any violation which is alleged in a written complaint filed with the board and, except for alleged violations of section 10A.25 or 10A.27, shall within 30 days after the filing of the complaint make a public finding of whether or not there is probable cause to believe a violation has occurred. In the case of a written complaint alleging a violation of section 10A.25 or 10A.27, the board shall either enter a conciliation agreement or make a public finding of whether or not there is probable cause, within 60 days of the filing of the complaint. The deadline for action on any written complaint may be extended by majority vote of the board. Within a reasonable time after beginning an investigation of an individual or association, the board shall notify that individual or association of the fact of the investigation. The board shall make no finding of whether or not there is probable cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations. Any hearing or action of the board concerning any complaint or investigation other than a finding concerning probable cause or a conciliation agreement shall be confidential. Until the board makes a public finding concerning probable cause or enters a conciliation agreement:

(a) No member, employee or agent of the board shall disclose to any individual any information obtained by that member, employee or agent concerning any complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by this chapter;

(b) (NO) *After an individual (WHO) files (OR IS THE SUBJECT OF) any written complaint or supplies information to the board concerning a complaint or investigation, the individual shall not disclose to any other individual any information supplied to or received from the board concerning the complaint or investigation; (AND)*

(c) *Any notification or investigation made under this subdivision must not be made public by the board or by any person without the written consent of the person receiving the notification or the person with respect to whom the investigation is made; and*

(d) Notwithstanding the provisions of clause (b), any individual subject to the provisions of that clause may reveal any information to his attorney or another individual from whom he seeks advice or guidance in the matter, or to any other in-

dividual who is subject to the provisions of clause (b) with respect to the same complaint or investigation; provided that any individual to whom information concerning a complaint or investigation is revealed as provided in this clause shall not disclose that information to any other individual. Any individual who discloses information contrary to the provisions of this subdivision shall be guilty of a misdemeanor. Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report that finding to the appropriate law enforcement authorities."

Page 6, line 18, strike "\$200" and insert "\$400"

Pages 7 to 9, delete section 9

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to elections; making certain changes in the ethics in government act; amending Minnesota Statutes 1984, sections 10A.01, subdivision 2; 10A.02, subdivision 11, and by adding a subdivision; 10A.04, subdivision 4a; 10A.18; 10A.20, subdivisions 3, 5, and 12; 10A.24; 10A.27, subdivision 1; and 210A.24; repealing Minnesota Statutes 1984, sections 10A.02, subdivision 11a; and 10A.25, subdivision 7."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1584, A bill for an act relating to elections; changing certain filing provisions; providing for training of election judges and election officials; requiring publication of certain election guides; excepting certain election judges from receiving compensation; changing certain canvassing procedures; providing for certain recounts; defining terms; changing certain deadlines; changing certain procedures relating to voting machines; appropriating money; amending Minnesota Statutes 1984, sections 204B.09, subdivision 1; 204B.25, subdivision 1; 204B.27, subdivision 5, and by adding a subdivision; 204B.31; 204C.32, subdivision 1; 204C.33, subdivision 1; 204C.35, by adding a subdivision; 206.56, by adding a subdivision; 206.58, subdivision 2 and by adding a subdivision; 206.82, by adding a subdivision; and 206.83.

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

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 1589, A bill for an act relating to collection and dissemination of data; classifying government data as confidential, private, nonpublic, protected nonpublic, and public; clarifying issues relating to classifications of data, access to data, and classifications of inactive investigative data; refining provisions of the data practices act; amending Minnesota Statutes 1984, sections 13.03, subdivision 3, and by adding a subdivision; 13.32, subdivision 1; 13.37, subdivision 2; 13.39, by adding a subdivision; 13.46, subdivisions 3 and 10; 13.65, subdivision 1; 13.71; 13.72, by adding subdivisions; 13.82, by adding subdivisions; 13.84, subdivisions 1 and 6; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1984, sections 13.73 and 13.81.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 13.03, subdivision 3, is amended to read:

Subd. 3. [REQUEST FOR ACCESS TO DATA.] Upon request to a responsible authority or designee, a person shall be permitted to inspect and copy public government data at reasonable times and places, and (IF THE PERSON REQUESTS, HE), *upon request*, shall be informed of the data's meaning. *The responsible authority may not require the requesting person to pay a fee to inspect data.* The responsible authority or designee shall provide copies of public government data upon request. The responsible authority may require the requesting person to pay the actual costs of *searching for and retrieving government data and for making, certifying and compiling the copies of the data but may not charge for separating public from not public data.* If the responsible authority or designee is not able to provide copies at the time a request is made (HE), *copies shall (SUPPLY COPIES) be supplied* as soon as reasonably possible.

When a request under this subdivision involves any person's receipt of copies of public government data that has commercial value and is an entire formula, pattern, compilation, program, device, method, technique, process, data base, or system developed with a significant expenditure of public funds by the agency, the responsible authority may charge a reasonable fee for the information in addition to the costs of making, certifying, and compiling the copies. Any fee charged must be clearly demonstrated by the agency to relate to the actual development costs of the information. The responsible authority, upon the request of any person, shall provide sufficient documentation to explain and justify the fee being charged.

If the responsible authority or designee determines that the requested data is classified so as to deny the requesting person access, the responsible authority or designee shall inform the requesting person of the determination either orally at the time of the request, or in writing as soon after that time as possible, and shall cite the specific statutory section, temporary classification, or specific provision of federal law on which the determination is based. Upon the request of any person denied access to data, the responsible authority or designee shall certify in writing that the request has been denied and cite the specific statutory section, temporary classification, or specific provision of federal law upon which the denial was based.

Sec. 2. Minnesota Statutes 1984, section 13.03, is amended by adding a subdivision to read:

Subd. 6. [DISCOVERABILITY OF NOT PUBLIC DATA.]

If a state agency, political subdivision, or statewide system opposes discovery of government data or release of data pursuant to court order on the grounds that the data are classified as not public, the party that seeks access to the data may bring before the appropriate presiding judicial officer, arbitrator, or administrative law judge an action to compel discovery or an action in the nature of an action to compel discovery.

The presiding officer shall first decide whether the data are discoverable or releasable pursuant to the rules of evidence and of criminal, civil, or administrative procedure appropriate to the action.

If the data are discoverable the presiding officer shall decide whether the benefit to the party seeking access to the data outweighs any harm to the confidentiality interests of the agency maintaining the data, or of any person who has provided the data or who is the subject of the data, or to the privacy interest of an individual identified in the data. In making the decision, the presiding officer shall consider whether notice to the subject of the data is warranted and, if warranted, what type of notice must be given. The presiding officer may fashion and issue any protective orders necessary to assure proper handling of the data by the parties.

Sec. 3. Minnesota Statutes 1984, section 13.03, is amended by adding a subdivision to read:

Subd. 7. [DATA TRANSFERRED TO ARCHIVES.] *When government data that is classified as not public by this chapter or any other statute, including private data on decedents and confidential data on decedents, is physically transferred to the state archives, the data shall no longer be classified as not public and access to and use of the data shall be governed by section 138.17.*

Sec. 4. Minnesota Statutes 1984, section 13.03, is amended by adding a subdivision to read:

Subd. 8. [CHANGE TO CLASSIFICATION OF DATA NOT ON INDIVIDUALS.] Except for security information, non-public and protected nonpublic data shall become public either ten years after the creation of the data by the government agency or ten years after the data was received or collected by any governmental agency unless the responsible authority for the originating or custodial agency for the data reasonably determines that, if the data were made available to the public or to the data subject, the harm to the public or to a data subject would outweigh the benefit to the public or to the data subject. If the responsible authority denies access to the data, the person denied access may challenge the denial by bringing an action in district court seeking release of the data. The action shall be brought in the district court located in the county where the data are being maintained, or, in the case of data maintained by a state agency, in any county. The data in dispute shall be examined by the court in camera. In deciding whether or not to release the data, the court shall consider the benefits and harms in the same manner as set forth above. The court shall make a written statement of findings in support of its decision.

Sec. 5. Minnesota Statutes 1984, section 13.08, subdivision 1, is amended to read:

Subdivision 1. [ACTION FOR DAMAGES.] Notwithstanding section 466.03, a political subdivision, responsible authority, statewide system, or state agency which violates any provision of this chapter is liable to a person or representative of a decedent who suffers any damage as a result of the violation, and the person damaged or his representative in the case of private data on decedents or confidential data on decedents may bring an action against the political subdivision, responsible authority, statewide system or state agency to cover any damages sustained, plus costs and reasonable attorney fees. In the case of a willful violation, the political subdivision, statewide system or state agency shall, in addition, be liable to exemplary damages of not less than \$100, nor more than \$10,000 for each violation. The state is deemed to have waived any immunity to a cause of action brought under this chapter.

Sec. 6. Minnesota Statutes 1984, section 13.08, is amended by adding a subdivision to read:

Subd. 5. [IMMUNITY FROM LIABILITY.] A state agency, statewide system, political subdivision, or person that releases not public data pursuant to an order under section 2 is immune from civil and criminal liability.

Sec. 7. Minnesota Statutes 1984, section 13.09, is amended to read:

13.09 [PENALTIES.]

Any person who willfully violates the provisions of (SECTIONS 13.02 TO 13.09) *this chapter* or any (LAWFUL) rules (AND REGULATIONS PROMULGATED THEREUNDER) *adopted under this chapter* is guilty of a misdemeanor. Willful violation of (SECTIONS 13.02 TO 13.09) *this chapter* by any public employee constitutes just cause for suspension without pay or dismissal of the public employee.

Sec. 8. [13.10] [DATA ON DECEDENTS.]

Subdivision 1. [DEFINITIONS.] As used in this chapter:

(a) *"Confidential data on decedents" means data which, prior to the death of the data subject, were classified by statute, federal law, or temporary classification as confidential data.*

(b) *"Private data on decedents" means data which, prior to the death of the data subject, were classified by statute, federal law, or temporary classification as private data.*

(c) *"Representative of the decedent" means the personal representative of the estate of the decedent during the period of administration, or if no personal representative has been appointed or after his discharge, the surviving spouse, any child of the decedent, or, if there is no surviving spouse or children, any other of the decedent's living next of kin within one degree on consanguinity as determined in the order of priority established by the rules of civil law.*

Subd. 2. [CLASSIFICATION OF DATA ON DECEDENTS.] Upon the death of the data subject, private data and confidential data shall become, respectively, private data on decedents and confidential data on decedents. Private data on decedents and confidential data on decedents shall become public when ten years have elapsed from the actual or presumed death of the individual and 30 years have elapsed from the creation of the data. For purposes of this subdivision, an individual is presumed to be dead if either 90 years elapsed since the creation of the data or 90 years have elapsed since the individual's birth, whichever is earlier, except that an individual is not presumed to be dead if readily available data indicate that the individual is still living.

Subd. 3. [RIGHTS.] Rights conferred by this chapter on individuals who are the subjects of private or confidential data shall, in the case of private data on decedents or confidential data on decedents, be exercised by the representative of the decedent.

Nothing in this section may be construed to prevent access to appropriate data by a trustee appointed in a wrongful death action.

Subd. 4. [COURT REVIEW.] Any person may bring an action in the district court located in the county where the data is being maintained or, in the case of data maintained by a state agency, in any county, to authorize release of private data on decedents or confidential data on decedents. Individuals clearly identified in the data or the representative of the decedent may be given notice if doing so does not cause an undue delay in hearing the matter and, in any event, shall have standing in the court action. The responsible authority for the data being sought or any interested person may provide information regarding the possible harm or benefit from granting the request. The data in dispute shall be examined by the court in camera. The court may order all or part of the data to be released to the public or to the person bringing the action. In deciding whether or not to release the data, the court shall consider whether the harm to the surviving spouse, children, or next of kin of the decedent, the harm to any other individual identified in the data, or the harm to the public outweighs the benefit to the person bringing the action or the benefit of the public. The court shall make a written statement of findings in support of its decision.

Subd. 5. [ADOPTION RECORDS.] Notwithstanding any provision of this chapter, adoption records shall be treated as provided in sections 259.21 to 259.49.

Subd. 6. [RETENTION OF DATA.] Nothing in this section may be construed to require retention of government data, including private data on decedents or confidential data on decedents, for periods of time other than those established by the procedures provided in section 138.17, or any other statute.

Sec. 9. Minnesota Statutes 1984, section 13.32, subdivision 1, is amended to read:

Subdivision 1. As used in this section:

(a) "Educational data" means data on individuals maintained by a public educational agency or institution or by a person acting for the agency or institution which relates to a student.

Records of instructional personnel which are in the sole possession of the maker thereof and are not accessible or revealed to any other individual except a substitute teacher, and are destroyed at the end of the school year, shall not be deemed to be government data.

Records of a law enforcement unit of a public educational agency or institution which are maintained apart from education

data and are maintained solely for law enforcement purposes, and are not disclosed to individuals other than law enforcement officials of the jurisdiction are confidential; provided, that education records maintained by the educational agency or institution are not disclosed to the personnel of the law enforcement unit.

Records relating to a student who is employed by a public educational agency or institution which are made and maintained in the normal course of business, relate exclusively to the individual in that individual's capacity as an employee, and are not available for use for any other purpose are classified pursuant to section 13.43.

(b) "Student" (INCLUDES A PERSON) *means an individual currently or formerly enrolled or registered, (AND) applicants for enrollment or registration at a public educational agency or institution, or individuals who receive shared time educational services from a public agency or institution.*

(c) "Substitute teacher" means an individual who performs on a temporary basis the duties of the individual who made the record, but does not include an individual who permanently succeeds the maker of the record in his position.

Sec. 10. Minnesota Statutes 1984, section 13.32, is amended by adding a subdivision to read:

Subd. 6. Minnesota post-secondary education institutions, for purposes of reporting and research, may collect on the 1986-1987 admissions form, and disseminate to any public educational agency or institution the following data on individuals: student sex, ethnic background, age, and disabilities. The data shall not be required of any individual and shall not be used for purposes of determining the person's admission to an institution. This section supersedes any inconsistent provision of law.

Sec. 11. Minnesota Statutes 1984, section 13.39, is amended by adding a subdivision to read:

Subd. 3. [INACTIVE INVESTIGATIVE DATA.] Inactive civil investigative data are public, unless the release of the data would jeopardize another pending civil legal action, and except for those portions of a civil investigative file that are classified as not public data by other law. Any civil investigative data presented as evidence in court or made part of a court record shall be public. Civil investigative data become inactive upon the occurrence of any of the following events:

(1) a decision by the state agency, political subdivision, or statewide system or by the chief attorney acting for the state

agency, political subdivision, or statewide system not to pursue the civil action;

(2) expiration of the time to file a complaint under the statute of limitations or agreement applicable to the civil action; or

(3) exhaustion of or expiration of rights of appeal by either party to the civil action.

Data determined to be inactive under clause (1) may become active if the state agency, political subdivision, statewide system, or its attorney decides to renew the civil action.

Sec. 12. Minnesota Statutes 1984, section 13.43, subdivision 4, is amended to read:

Subd. 4. All other personnel data is private data on individuals (, EXCEPT) *but may be released pursuant to a (VALID) court order.*

Sec. 13. Minnesota Statutes 1984, section 13.46, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section:

(a) "Individual" means an individual pursuant to section 13.02, subdivision 8, but does not include a vendor of services.

(b) "Program" includes all programs for which authority is vested in a component of the welfare system pursuant to statute or federal law.

(c) "Welfare system" includes the department of human services, county welfare boards, county welfare agencies, human services boards, community mental health center boards, state hospitals, state nursing homes, and persons, agencies, institutions, organizations, and other entities under contract to any of the above agencies to the extent specified in the contract.

(d) "Mental health data" means data on individual clients and patients of community mental health centers, established under section 245.62, or mental health divisions of counties and other providers under contract to deliver mental health services.

Sec. 14. Minnesota Statutes 1984, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated

by the welfare system is private data on individuals, and shall not be disclosed except:

((A)) (1) pursuant to section 13.05;

((B)) (2) pursuant to court order;

((C)) (3) pursuant to a statute specifically authorizing access to the private data;

((D)) (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation, prosecution, criminal or civil proceeding relating to the administration of a program;

((E)) (5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;

((F)) (6) to administer federal funds or programs;

((G)) (7) between personnel of the welfare system working in the same program;

((H)) (8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax;

((I)) (9) to the Minnesota department of economic security for the purpose of monitoring the eligibility of the data subject for unemployment compensation or for any employment or training program administered by that agency, whether alone or in conjunction with the welfare system; (OR)

((J)) (10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons; or

(11) *data maintained by residential facilities as defined in section 245.782, subdivision 6, may be disclosed to the protection and advocacy system established in this state pursuant to Part C of Public Law 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person.*

(b) (DATA ON INDIVIDUAL CLIENTS OR PATIENTS OF PUBLIC OR PRIVATE COMMUNITY MENTAL HEALTH CENTERS, ESTABLISHED BY SECTION 245.62, OR MENTAL HEALTH DIVISIONS OF COUNTIES AND OTHER PROVIDERS UNDER CONTRACT TO DELIVER MENTAL HEALTH SERVICES) *Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).*

Sec. 15. Minnesota Statutes 1984, section 13.46, subdivision 3, is amended to read:

Subd. 3. [INVESTIGATIVE DATA.] Data on persons, including data on vendors of services, that is collected, maintained, used, or disseminated by the welfare system in an investigation, authorized by statute and relating to the enforcement of rules or law, is confidential data on individuals pursuant to section 13.02, subdivision 3, or protected nonpublic data not on individuals pursuant to section 13.02, subdivision 13, and shall not be disclosed except:

- (a) pursuant to section 13.05;
- (b) pursuant to statute or valid court order;
- (c) to a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense.

The data referred to in this subdivision shall be classified as public data upon its submission to an administrative law judge or court in an administrative or judicial proceeding. *Inactive welfare investigative data shall be treated as provided in section 11.*

Sec. 16. Minnesota Statutes 1984, section 13.46, subdivision 7, is amended to read:

Subd. 7. [MENTAL HEALTH CENTER DATA.] (a) (DATA ON INDIVIDUAL CLIENTS AND PATIENTS OF PUBLIC OR PRIVATE COMMUNITY MENTAL HEALTH CENTERS OR MENTAL HEALTH DIVISIONS OF COUNTIES AND OTHER PROVIDERS UNDER CONTRACT TO DELIVER MENTAL HEALTH SERVICES) *Mental health data shall not be disclosed, except:*

((A)) (1) pursuant to section 13.05, as determined by the responsible authority for the community mental health center, mental health division, or provider;

((B)) (2) pursuant to court order; (OR)

((C)) (3) pursuant to a (STATUTES) *statute* specifically authorizing access to or disclosure of (PRIVATE) *mental health data*; or

(4) *with the consent of the client or patient.*

(b) *An agency of the welfare system may not require an individual to consent to the release of mental health data as a condition for receiving services or for reimbursing a community mental health center, mental health division of a county, or provider under contract to deliver mental health services.*

Sec. 17. Minnesota Statutes 1984, section 13.46, subdivision 10, is amended to read:

Subd. 10. [RESPONSIBLE AUTHORITY.] (a) Notwithstanding any other provision of chapter 13 to the contrary, the responsible authority for each component of the welfare system listed in subdivision 1, clause (c), shall be as follows:

((A)) (1) The responsible authority for the department of human services, state hospitals, and nursing homes is the commissioner of the department of human services;

((B)) (2) The responsible authority of a county welfare agency is the director of the county welfare agency;

((C)) (3) The responsible authority for a county welfare board, human services board, or community mental health center board is the chairman of the board; and

((D)) (4) The responsible authority of any person, agency, institution, organization, or other entity under contract to any of the components of the welfare system listed in subdivision 1, clause (c), of this section is the person specified in the contract.

(b) A responsible authority shall allow another responsible authority in the welfare system access to data classified as (RESTRICTED) *not public data* when access is necessary for the administration and management of programs, or (IS) as authorized or required by statute or federal law.

Sec. 18. [13.61] [INSURANCE TRUST DATA; PRIVATE AND NONPUBLIC DATA.]

The following data collected or created by the league of Minnesota cities insurance trust, association of Minnesota counties insurance trust, or by the Minnesota school board association insurance trust in order to process claims for workers' compensation are classified as either private data in regard to claims when the insured worker is living, or nonpublic data in regard

to claims when the insured worker is deceased: name, address, phone number, and social security account number of the claimant if the claimant is not a public employee; claim number, date of claimed injury, employee's social security number, home phone number, home address, date of birth, sex, and marital status; whether claimed injury caused loss of time from work; whether the employee lost time from work on the day of the claimed injury and the number of hours lost; whether the employee has returned to work; whether full or partial wages were paid for the first day of lost time and the amount paid, time of day, and location where injury occurred; whether the injury occurred on employer's premises; the name, address, and phone number of the treating physician or practitioner; identification of the hospital where treated; nature of the claimed injury or occupational illness; part of body affected; name or type of object involved in causing the injury; nature of injury; type of accident; description of actions taken to prevent reoccurrence; names of co-worker witnesses; and all data collected or created as a result of the investigation of the claim including, but not limited to, physicians' reports; other data on the medical condition of the claimant; data collected from the claimant's physicians; and data collected in interviews of the claimant's employer, co-workers, family members, and neighbors.

Sec. 19. [13.62] [ECONOMIC ASSISTANCE DATA.]

The following data collected by cities in their administration of the city economic development assistance program are classified as nonpublic data:

(1) application data, except company names, addresses, and other data that identify the applicant, until the application is approved by the city;

(2) application data, except company names, addresses, and other data that identify the applicant, that pertain to companies whose applications have been disapproved;

(3) attachments to applications including but, not limited to, business and personal financial records, until the application is approved;

(4) income tax returns, either personal or corporate, that are filed by applicants; and

(5) correspondence between the program administrators and the applicant until the application has been approved or disapproved.

Sec. 20. Minnesota Statutes 1984, section 13.65, subdivision 1, is amended to read:

13.65 [ATTORNEY GENERAL DATA.]

Subdivision 1. [PRIVATE DATA.] The following data created, collected and maintained by the office of the attorney general are classified as private (, PURSUANT TO SECTION 13.02, SUBDIVISION 12) *data on individuals*:

(a) The record, including but not limited to, the transcript and exhibits of all disciplinary proceedings held by a state agency, board or commission, except in those instances where there is a public hearing;

(b) Communications and non-investigative files regarding administrative or policy matters which do not evidence final public actions;

(c) Consumer complaint data, other than that data classified as confidential, including consumers' complaints against businesses and follow-up investigative materials; (AND)

(d) Investigative data, obtained in anticipation of, or in connection with litigation or an administrative proceeding where the investigation is not currently active; and

(e) *Data collected by the consumer division of the attorney general's office in its administration of the home protection hot line including: the name, address, and phone number of the consumer; the name and address of the mortgage company; the total amount of the mortgage; the amount of money needed to bring the delinquent mortgage current; the consumer's place of employment; the consumer's total family income; and the history of attempts made by the consumer to renegotiate a delinquent mortgage.*

Sec. 21. Minnesota Statutes 1984, section 13.71, is amended to read:

13.71 [(SURPLUS LINE INSURANCE) DEPARTMENT OF COMMERCE DATA.]

Subdivision 1. [SURPLUS LINE INSURANCE DATA.] All data appearing on copies of surplus line insurance policies collected by the department of commerce pursuant to section 60A.20 are classified as private *data* (, PURSUANT TO SECTION 13.02, SUBDIVISION 12).

Subd. 2. [GROUP WORKERS' COMPENSATION SELF-INSURANCE DATA.] *Financial data relating to nonpublic companies that are submitted to the commissioner of commerce for the purpose of obtaining approval to self insure workers' compensation liability as a group are classified as nonpublic data.*

Subd. 3. [WORKERS' COMPENSATION SELF-INSURANCE DATA.] Financial documents, including income statements, balance sheets, statements of changes in financial positions, and supporting financial information, submitted by nonpublic companies seeking to self insure their workers' compensation liability or to be licensed as self-insurance plan administrators are classified as nonpublic data.

Subd. 4. [POLLUTION LIABILITY INSURANCE SURVEY DATA.] Data that could identify a company that responded to a pollution liability insurance survey taken by the department of commerce are classified as nonpublic data.

Sec. 22. Minnesota Statutes 1984, section 13.72, is amended by adding a subdivision to read:

Subd. 3. [MOTOR VEHICLE CARRIER INVESTIGATIVE DATA.] Data collected by the department of transportation as part of an active investigation undertaken for the purpose of pursuing law enforcement action against a person, other than an individual, for a violation of chapter 221, or a rule or order issued pursuant to that chapter, are classified as protected nonpublic data.

Sec. 23. Minnesota Statutes 1984, section 13.72, is amended by adding a subdivision to read:

Subd. 4. [MOTOR CARRIER ACCIDENT DATA.] All data submitted to the department of transportation in the form of motor vehicle carrier accident reports, except the portions of the report forms in which the carrier and the driver provide their version of the accident, are classified as nonpublic data with regard to data not on individuals, and private data with regard to data on individuals.

Sec. 24. Minnesota Statutes 1984, section 13.72, is amended by adding a subdivision to read:

Subd. 5. [MOTOR CARRIER ACCIDENT VERSION DATA.] Those portions of the motor vehicle carrier accident report forms, that motor vehicle carriers are required to submit to the department of transportation, that contain the carrier's and driver's version of the accident are classified as protected nonpublic data with regard to data not on individuals, and confidential data with regard to data on individuals.

Sec. 25. [13.76] [DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT DATA.]

All financial information on individuals and business entities including, but not limited to, credit reports, financial statements,

and net worth calculations, that are contained in applications received by the department of energy and economic development in its administration of the certified state development loan program are classified as private data with regard to data on individuals, and as nonpublic data with regard to data not on individuals.

Sec. 26. [13.761] [INDIAN AFFAIRS COUNCIL DATA.]

All financial information on individuals and business entities including, but not limited to, credit reports, financial statements, and net worth calculations, that are contained in applications received by the Indian affairs council in its administration of the Indian business development loan program are classified as private data with regard to data on individuals and as nonpublic data with regard to data not on individuals.

Sec. 27. [13.77] [AGRICULTURAL RESOURCE LOAN BOARD DATA.]

Subdivision 1. [NONPUBLIC DATA.] Financial information concerning business persons received or prepared by the agriculture resource loan guaranty board in connection with applications for loan guarantees pursuant to Laws 1984, chapter 502, article 10, sections 1 to 12, including, but not limited to, credit reports, financial statements, and net worth calculations, is classified as nonpublic data.

Subd. 2. [PRIVATE DATA.] Financial information concerning individuals received or prepared by the agriculture resource loan guaranty board in connection with applications for loan guarantees pursuant to Laws 1984, chapter 502, article 10, sections 1 to 12, including, but not limited to, credit reports, financial statements, and net worth calculations is classified as private data.

Sec. 28. [13.78] [MINNESOTA EXPORT AUTHORITY DATA.]

Financial information concerning business persons received or prepared by the export authority in connection with applications for financial assistance pursuant to section 17.105, including, but not limited to, credit reports, financial statements, net worth calculations, income and expense projections, and proposed terms of trade and foreign risk coverage, is classified as nonpublic data if it is data not on an individual and as private data if it is data on an individual.

Sec. 29. [13.79] [DEPARTMENT OF LABOR AND INDUSTRY DATA.]

Data that identify complaining employees and that appear on complaint forms received by the department of labor and industry concerning alleged violations of the fair labor standards act or section 181.75 are classified as private data.

Sec. 30. Minnesota Statutes 1984, section 13.82, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] This section shall apply to agencies which carry on a law enforcement function, including but not limited to municipal police departments, county sheriff departments, fire departments, the bureau of criminal apprehension, the Minnesota state patrol, *the board of peace officer standards and training*, and the department of commerce.

Sec. 31. Minnesota Statutes 1984, section 13.82, subdivision 5, is amended to read:

Subd. 5. [DATA COLLECTION.] Except for the data defined in subdivisions 2, 3 and 4, investigative data collected or created by a law enforcement agency in order to prepare a case against a person, whether known or unknown, for the commission of a crime or civil wrong is confidential *or protected nonpublic* while the investigation is active. Inactive investigative data is public unless the release of the data would jeopardize another ongoing investigation or would reveal the identity of individuals protected under subdivision 10. Photographs which are part of inactive investigative files and which are clearly offensive to common sensibilities are classified as private *or nonpublic* data, provided that the existence of the photographs shall be disclosed to any person requesting access to the inactive investigative file. An investigation becomes inactive upon the occurrence of any of the following events:

(a) A decision by the agency or appropriate prosecutorial authority not to pursue the case;

(b) Expiration of the time to bring a charge or file a complaint under the applicable statute of limitations, *or 30 years after the commission of the offense, whichever comes earliest*; or

(c) Exhaustion of or expiration of all rights of appeal by (AN INDIVIDUAL) *a person* convicted on the basis of the investigative data.

Any investigative data presented as evidence in court shall be public. Data determined to be inactive under clause (a) may become active if the agency or appropriate prosecutorial authority decides to renew the investigation.

During the time when an investigation is active, any person may bring an action in the district court located in the county

where the data is being maintained to authorize disclosure of investigative data. The court may order that all or part of the data relating to a particular investigation be released to the public or to the person bringing the action. In making the determination as to whether investigative data shall be disclosed, the court shall consider whether the benefit to the person bringing the action or to the public outweighs any harm to the public, to the agency or to any person identified in the data. The data in dispute shall be examined by the court in camera.

Sec. 32. Minnesota Statutes 1984, section 13.82, is amended by adding a subdivision to read:

Subd. 12. [DATA IN ARREST WARRANT INDICES.] Data in arrest warrant indices are classified as confidential data until the defendant has been taken into custody, served with a warrant, or appears before the court, except when the law enforcement agency determines that the public purpose is served by making the information public.

Sec. 33. Minnesota Statutes 1984, section 13.82, is amended by adding a subdivision to read:

Subd. 13. [PROPERTY DATA.] Data that uniquely describe stolen, lost, confiscated, or recovered property or property described in pawn shop transaction records are classified as either private data on individuals or nonpublic data depending on the content of the not public data.

Sec. 34. Minnesota Statutes 1984, section 13.82, is amended by adding a subdivision to read:

Subd. 14. [REWARD PROGRAM DATA.] To the extent that the release of program data would reveal the identity of an informant or adversely affect the integrity of the fund, financial records of a program that pays rewards to informants are protected nonpublic data in the case of data not on individuals or confidential data in the case of data on individuals.

Sec. 35. Minnesota Statutes 1984, section 13.82, is amended by adding a subdivision to read:

Subd. 15. [EXCHANGES OF INFORMATION.] Nothing in this chapter prohibits the exchange of information by law enforcement agencies provided the exchanged information is pertinent and necessary to the requesting agency in initiating, furthering, or completing an investigation, except not public personnel data.

Sec. 36. Minnesota Statutes 1984, section 13.82, is amended by adding a subdivision to read:

Subd. 16. [DELIBERATIVE PROCESSES.] Data that reflect deliberative processes or investigative techniques of law enforcement agencies are confidential data on individuals or protected nonpublic data; provided that information, reports, or memoranda that have been adopted as the final opinion or justification for a decision of a law enforcement agency are public data.

Sec. 37. Minnesota Statutes 1984, section 13.83, is amended by adding a subdivision to read:

Subd. 9. [CHANGE IN CLASSIFICATION.] Notwithstanding section 8, data classified as private or confidential by this section shall be classified as public 30 years after the date of death of the decedent.

Sec. 38. Minnesota Statutes 1984, section 13.84, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] As used in this section "court services data" means data (WHICH IS) *that are* created, collected, used or maintained by a court services department, parole or probation authority, (OR) correctional agency, *or by an agent designated by the court to perform studies or other duties* and (WHICH IS) *that are* on individuals who are or were defendants, parolees or probationers of a municipal, district or county court, participants in diversion programs, petitioners or respondents to a family court, or juveniles adjudicated delinquent and committed, detained prior to a court hearing or hearings, or found to be dependent or neglected and placed under the supervision of the court.

Sec. 39. Minnesota Statutes 1984, section 13.84, subdivision 6, is amended to read:

Subd. 6. [PUBLIC DATA.] The following court services data on adult individuals is public:

(a) Name, age, sex, occupation and the fact that an individual is a parolee, probationer or participant in a diversion program, and if so, at what location;

(b) The offense for which the individual was placed under supervision;

(c) The dates supervision began and ended and the duration of supervision;

(d) Court services data which was public in a court or other agency which originated the data;

(e) Arrest and detention orders, orders for parole or probation revocation and the reasons for revocation;

(f) The conditions of parole, probation or participation and the extent to which those conditions have been or are being met;

(g) Identities of agencies, units within agencies and individuals providing supervision; and

(h) The legal basis for any change in supervision and the date, time and locations associated with the change.

Sec. 40. Minnesota Statutes 1984, section 144.335, subdivision 2, is amended to read:

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

(b) Upon a patient's written request, a provider at a reasonable cost to the patient shall furnish to the patient (: (A)) (1) copies of the patient's health record, including but not limited to laboratory reports, x-rays, prescriptions, and other technical information used in assessing the patient's health condition (; (B)), (2) the pertinent portion of the record relating to a specific condition (;), or ((C)) (3) a summary of the record.

(c) If a provider, as defined in subdivision 1, clause (b) (1), reasonably determines that the information is detrimental to the physical or mental health of the patient, or is likely to cause the patient to harm himself or another, he may withhold the information from the patient (.) and may supply the information (MAY BE SUPPLIED) to an appropriate third party or to another provider, as defined in subdivision 1, clause (b) (1). The other provider or third party may release the information to the patient.

(d) A provider as defined in subdivision 1, clause (b) (2), shall release information upon written request unless, prior to the request, a provider as defined in subdivision 1, clause (b) (1), has designated and described a specific basis for withholding the information as authorized by paragraph (c).

Sec. 41. [144.658] [EPIDEMIOLOGIC DATA DISCOVERY.]

Notwithstanding any law to the contrary, health data on an individual collected by public health officials conducting an epi-

demiologic investigation to reduce morbidity or mortality is not subject to discovery in a legal action.

Sec. 42. [13.89] [DISSEMINATION OF DATA TO PROTECTION AND ADVOCACY SYSTEMS.]

Data on clients and residents of facilities licensed pursuant to 144.50 to 144.58, 245.781 to 245.812, and 252.28, subdivision 2, may be disseminated to the protection and advocacy system established in this state pursuant to Part C of Public Law 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person.

Sec. 43. Minnesota Statutes 1984, section 254A.09, is amended to read:

254A.09 [CONFIDENTIALITY OF RECORDS.]

The department of human services shall assure confidentiality to individuals who are the subject of research by the state authority or are recipients of alcohol or drug abuse information, assessment, or treatment (BY AN) from a licensed or approved (TREATMENT) program. The commissioner shall withhold from all persons not connected with the conduct of the research (OR TREATMENT) the names or other identifying characteristics of (THE INDIVIDUAL) a subject of research unless the individual gives written permission that information relative to his treatment and recovery may be (DISCUSSED WITH A PROSPECTIVE EMPLOYER BY EITHER AN APPROVED TREATMENT PROGRAM STAFF MEMBER OR A QUALIFIED EMPLOYMENT COUNSELOR) released. Persons authorized to protect the privacy of (THESE INDIVIDUALS) subjects of research may not be compelled in any federal, state or local, civil, criminal, administrative or other proceeding to identify or disclose other confidential information about the individuals. (HOWEVER, A PERSON MAY BE COMPELLED TO IDENTIFY OR DISCLOSE CONFIDENTIAL INFORMATION IN CIVIL INVESTIGATIONS OR PROCEEDINGS RELATED TO NEGLECT OR TERMINATION OF PARENTAL RIGHTS IF) Identifying information and other confidential information related to alcohol or drug abuse information, assessment, treatment, or aftercare services may be ordered to be released by the court for the purpose of civil or criminal investigations or proceedings if, after review of the records considered for disclosure, the court determines (GOOD CAUSE EXISTS TO BELIEVE) that the (PERSON CAN DISCLOSE) information (THAT) is relevant to the (FINDINGS WHICH THE COURT IS BEING ASKED TO MAKE) purpose for which disclosure is requested. The court shall order disclosure of only

that information which is determined relevant. In determining whether to compel disclosure, the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the treatment relationship (AND TO THE TREATMENT SERVICES) in the program affected and in other programs similarly situated, and the actual or potential harm to the ability of programs to attract and retain patients if disclosure occurs. This section does not exempt any person from the reporting obligations under section 626.556, nor limit the use of information reported in any proceeding arising out of the abuse or neglect of a child. Identifying information and other confidential information related to alcohol or drug abuse information, assessment, treatment, or aftercare services may be ordered to be released by the court for the purpose of civil or criminal investigations or proceedings. No information may be released pursuant to this section that would not be released pursuant to section 595.02, subdivision 2.

Sec. 44. [GOVERNMENT DATA PRACTICES.]

Subdivision 1. [DEFINITION.] For purposes of this section, "judiciary" means any office, officer, department, division, board, commission, committee, or agency of the courts of this state, whether or not of record, including but not limited to the board of law examiners, the lawyer's professional responsibility board, the board of judicial standards, the lawyer's trust account board, the state law library, the state court administrator's office, the district court administrator's office, and the office of the clerk of court.

Subd. 2. [APPLICATION.] The judiciary shall be governed by Minnesota Statutes, chapter 13, until August 1, 1987, or until the implementation of rules adopted by the supreme court regarding access to data, whichever comes first. Any data made a part of a criminal or civil case shall not be governed by this chapter at any time.

Sec. 45. [REPEALER.]

Minnesota Statutes 1984, sections 13.73 and 13.81, are repealed.

Sec. 46. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to collection and dissemination of data; classifying government data as confidential, private, non-public, protected nonpublic, and public; clarifying issues relating to classifications of data, access to data, the effect of death of

individuals on classifications, and classifications of inactive investigative data; refining provisions of the data practices act; authorizing a court to order the release of certain information; amending Minnesota Statutes 1984, sections 13.03, subdivision 3, and by adding subdivisions; 13.08, subdivision 1, and by adding a subdivision; 13.09; 13.32, subdivision 1, and by adding a subdivision; 13.39, by adding a subdivision; 13.43, subdivision 4; 13.46, subdivisions 1, 2, 3, 7, and 10; 13.65, subdivision 1; 13.71; 13.72, by adding subdivisions; 13.82, subdivisions 1 and 5, and by adding subdivisions; 13.83, by adding a subdivision; 13.84, subdivisions 1 and 6; 144.335, subdivision 2; and 254A.09; repealing Minnesota Statutes 1984, sections 13.73 and 13.81; proposing coding for new law in Minnesota Statutes, chapters 13 and 144."

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:

S. F. No. 43, A bill for an act relating to transportation; regulating motor carriers; establishing gross vehicle weight limits for courier service vehicles; providing that hours of service rules do not apply to farm vehicles; exempting certain farm vehicles from the vehicle identification rule; providing for rescission of canceled permits if a carrier has insurance coverage; excluding modular home movers from regulation as building movers; amending Minnesota Statutes 1984, sections 168.013, subdivision 1e; 174A.06; 221.011, subdivisions 13 and 25; 221.025; 221.031, subdivisions 2 and 6; 221.131, by adding a subdivision; 221.161, subdivision 1; 221.185, subdivision 4, and by adding a subdivision; 221.231; 221.291, subdivision 1; 221.65; 221.67; 221.68; 221.81, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1984, sections 221.296, subdivision 2; 221.61; 221.62; 221.63; 221.64; and 221.66.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 117.075, is amended to read:

117.075 [COURT TO APPOINT COMMISSIONERS.]

Upon proof being filed of the service of such notice, the court, at the time and place therein fixed or to which the hearing may be adjourned, shall hear all competent evidence offered for or

against the granting of the petition, regulating the order of proof as it may deem best. If the proposed taking shall appear to be necessary and such as is authorized by law, the court by an order shall appoint three disinterested commissioners, and at least two alternates, residents of the county, to ascertain and report the amount of damages that will be sustained by the several owners on account of such taking.

Before appointing a commissioner, the court shall inquire whether each prospective commissioner has any relationship, business or otherwise, to any of the parties in the proceeding, or any interest in the proceeding which may constitute a conflict of interest, or which may create the appearance of impropriety should that person be appointed. Responses to this inquiry must be either written or on the record and made available by the court to any party in the proceeding before and after appointment. No person who might have difficulty in rendering an unbiased decision may be appointed to serve. The court, in its discretion, may appoint one registered, practicing attorney to the commission who is knowledgeable in eminent domain matters. All other commissioners appointed must be persons actively engaged in the occupation of real estate sales or real estate appraising or persons knowledgeable in real estate values. The order shall fix the time and place of the first meeting of the three commissioners and prescribe their compensation. (IT) At the first meeting at the office of the clerk of district court the appointees must be sworn by the clerk or an authorized deputy and shall take and sign the following oath before assuming their duties as commissioners:

(TITLE OF PROCEEDING)

..... each for himself/herself
does swear under penalty of perjury as follows:

I will faithfully and justly perform to the best of my ability, all the duties of the office and trust which I now assume as commissioner in the above entitled proceeding. I further swear that, except as disclosed in writing or on the record, I have no interest in any of the lands in the above proceeding or any present or past relationship, business or personal, with any of the parties to the above proceeding or any other actual or potential conflict of interest, and that I will render fair and impartial decisions, so help me God.

The order may, in the discretion of the court, limit the title or easement to be acquired by the petitioner by defining the rights and privileges which the owner of any of the lands may exercise therein in subordination to the public uses to which it is appropriated. In case any (OF THE COMMISSIONERS FAIL) commissioner fails to act or fails to meet the qualifications required by this section, the court without further notice may appoint another in his or her place.

The clerk of court in each county shall post in the courthouse in a prominent place a notice that a qualified person may apply to have his or her name placed upon a list of potential commission appointees for eminent domain proceedings. The notice must contain the language of the oath which the commissioners are required to take upon appointment and shall list the other qualifications set forth in this section. The court shall give due consideration to the names appearing on the list, but is not bound to make appointments from the list.

Sec. 2. Minnesota Statutes 1984, section 161.20, subdivision 2, is amended to read:

Subd. 2. [ACQUISITION OF PROPERTY; BUILDINGS; RELOCATION OF CORNERS; AGREEMENTS WITH RAILROADS; CONTRACTS.] (HE) *The commissioner is authorized to acquire by purchase, gift, or by eminent domain proceedings as provided by law, in fee or such lesser estate as (HE) the commissioner deems necessary, all lands and properties necessary in laying out, constructing, maintaining, and improving the trunk highway system including recreational vehicle lanes; to locate, construct, reconstruct, improve, and maintain the trunk highway system; to purchase all road material, machinery, tools, and supplies necessary for the construction, maintenance, and improvement thereof; to construct necessary buildings, or rent or acquire by purchase, gift, or condemnation, grounds, and buildings necessary for the storing and housing of such material, machinery, tools, and supplies or necessary for office space for employees or for providing for driver license examinations; to maintain, repair, or remodel such buildings as may be necessary; to acquire by purchase, gift, or condemnation, replacement sites for historically significant buildings or structures and to relocate these buildings or structures onto those sites, reconstructing and maintaining them until disposed of through public sale to the highest responsible bidder; to make agreements with any county for the relocation or re-establishment, by the county, of section, quarter section, or meander corners originally established by the United States, when such relocation or re-establishment is necessary in order to write land acquisition descriptions or by reason of the construction, reconstruction, improvement, or maintenance of a trunk highway; to contract on an equitable basis with railroad companies for the installation and reinstallation of safety devices at trunk highway-railroad grade crossings, and for the construction, reconstruction and maintenance of bridges and approaches existing or necessary for the separation of grades at railroad and trunk highway intersections; and in carrying out (HIS) duties, to let all necessary contracts in the manner prescribed by law. The commissioner may make agreements with and cooperate with any governmental authority for the purpose of effectuating the provisions of this chapter.*

Sec. 3. [161.315] [PROTECTION OF PUBLIC CONTRACTS.]

Subdivision 1. [LEGISLATIVE INTENT.] Recognizing that the preservation of the integrity of the public contracting process of the department of transportation is vital to the development of a balanced and efficient transportation system and a matter of interest to the people of the state, the legislature hereby determines and declares that:

(1) the procedures of the department for bidding and awarding department contracts exist to secure the public benefits of free and open competition and to secure the quality of public works;

(2) the opportunity to be awarded department contracts or to supply goods or services to the department is a privilege, not a right; and

(3) the privilege of transacting business with the department or local road authority should be denied to persons convicted of a contract crime in order to preserve the integrity of the public contracting process.

Subd. 2. [DEFINITIONS.] The terms used in this section have the meanings given them in this subdivision.

(a) "Affiliate" means a predecessor or successor of a person under the same or substantially the same control, or a group of entities so connected or associated that one entity controls or has the power to control each of the other entities. "Affiliate" includes the affiliate's principals. One person's ownership of a controlling interest in another entity or a pooling of equipment or income among entities is prima facie evidence that one entity is an affiliate of another.

(b) "Contract crime" means a violation occurring after June 30, 1985, of state or federal antitrust law, fraud, theft, embezzlement, bribery, forgery, misrepresentation, making false statements, falsification or destruction of records, or other criminal offense in connection with obtaining, attempting to obtain, or performing a public or private contract or subcontract.

(c) "Conviction" has the meaning given it in section 609.02, subdivision 5.

(d) "Debar" means to disqualify from receiving a contract or from serving as a subcontractor or material supplier.

(e) "Person" means a natural person or a business, corporation, association, partnership, sole proprietorship, or other entity formed to do business as a contractor, subcontractor, or material supplier and includes an affiliate of a person.

(f) "Pooling" means a combination of persons engaged in the same business or combined for the purpose of engaging in a particular business or commercial venture and who all contribute to a common fund or place their holdings of a given stock or other security in the hand and control of a managing member or committee of the combination.

(g) "Suspend" means to temporarily disqualify from receiving a contract or from serving as a subcontractor or material supplier.

Subd. 3. [PROHIBITIONS.] Except as provided in subdivision 4:

(1) neither the commissioner nor a county, town, or home-rule or statutory city may award or approve the award of a contract for goods or services to a person who is suspended or debarred;

(2) neither the commissioner nor a county, town, or home-rule or statutory city may award or approve the award of a contract for goods or services under which a debarred or suspended person will serve as a subcontractor or material supplier; and

(3) a person to whom a contract for goods or services has been awarded may not subcontract with or purchase materials or services from a debarred or suspended person for performance of that contract.

Subd. 4. [EXCEPTIONS.] The commissioner may terminate a debarment by order, or the commissioner or a county, town, or home-rule or statutory city may award a contract to a debarred or suspended person when:

(1) that person is the sole supplier of a material or service required by the commissioner or a county, town, or home-rule or statutory city;

(2) the commissioner determines that an emergency exists as defined in section 161.32, subdivision 3;

(3) the commissioner of administration determines that an emergency exists as defined in section 16B.08, subdivision 6;

(4) in the case of a contract to be awarded by a county, town, or home rule or statutory city, the governing body thereof determines by resolution that an emergency exists that will result in a road, street, or bridge being closed to travel; or

(5) the contract is for purchasing materials or renting equipment for routine road maintenance.

Subd. 5. [DURATION OF DEBARMENT.] A person who has been convicted of a contract crime must be debarred for a period of not less than one year.

Subd. 6. [PREEXISTING CONTRACTS.] The disqualification of a contractor or its affiliate does not affect the contractor's or its affiliate's obligations under any preexisting contract.

Sec. 4. Minnesota Statutes 1984, section 162.07, subdivision 2, is amended to read:

Subd. 2. [MONEY NEEDS DEFINED.] For the purpose of this section, money needs of each county are defined as the estimated total annual costs of constructing, over a period of 25 years, the county state-aid highway system in that county. Costs incidental to construction, or a specified portion thereof as set forth in the commissioner's rules and regulations may be included in determining money needs. (WHEN A COUNTY STATE-AID HIGHWAY IS LOCATED OVER A STREET IN A CITY HAVING A POPULATION OF 5,000 OR MORE, ONLY THE CONSTRUCTION COSTS OF THE CENTER 24 FEET OF THE STREET SHALL BE INCLUDED IN THE MONEY NEEDS OF THAT COUNTY; PROVIDED, THAT WHEN TRAFFIC VOLUMES WARRANT MULTIPLE OR DIVIDED LANE HIGHWAYS THE CONSTRUCTION COSTS OF THE NECESSARY NUMBER OF 12 FOOT LANES REQUIRED FOR THROUGH TRAFFIC MAY BE INCLUDED IN THE MONEY NEEDS. WHEN A COUNTY STATE-AID HIGHWAY IS LOCATED OVER A STREET IN ANY CITY OF LESS THAN 5,000 POPULATION, THE CONSTRUCTION COSTS OF THE ENTIRE WIDTH OF THE ROADWAY OR STREET SURFACE SHALL BE INCLUDED IN THE MONEY NEEDS OF THAT COUNTY.) To avoid variances in costs due to differences in construction policy, construction costs shall be estimated on the basis of the engineering standards developed cooperatively by the commissioner and the county engineers of the several counties. Any variance granted pursuant to section 162.02, subdivision 3a shall be reflected in the estimated construction costs in determining money needs.

Sec. 5. Minnesota Statutes 1984, section 162.07, subdivision 3, is amended to read:

Subd. 3. [COMPUTATIONS FOR RURAL COUNTIES.] A two-thirds of one mill levy on each rural county's total taxable valuation for the last preceding calendar year shall be computed and shall be subtracted from such county's total estimated construction costs. The result thereof shall be the money needs of such county. For the purpose of this section, rural counties shall be construed to mean all counties having a population of less than (200,000) 175,000.

Sec. 6. Minnesota Statutes 1984, section 162.07, subdivision 4, is amended to read:

Subd. 4. [COMPUTATION FOR URBAN COUNTIES.] A four-tenths mill levy on each urban county's total taxable valuation for the last preceding calendar year shall be computed and shall be subtracted from such county's total estimated construction costs. The result thereof shall be the money needs of the county. For the purpose of this section urban counties shall be construed to mean all counties having a population of (200,000) 175,000 or more.

Sec. 7. [162.071] [SPECIAL PROVISIONS.]

The following provisions apply to county state-aid apportionments in calendar years 1986 and 1987 only:

(a) *In calendar year 1985 for the 1986 apportionment the definition of "money needs" includes 50 percent of the construction costs beyond the center 24 feet of a county state-aid highway located over a street in a city of 5,000 or more population.*

(b) *In calendar year 1986 for the 1987 apportionment the definition of "money needs" must include 100 percent of the construction costs beyond the center 24 feet of a county state-aid highway located over a street in a city of 5,000 or more population.*

(c) *Notwithstanding paragraphs (a) and (b), the commissioner shall make no apportionment of county state-aid highway funds for calendar years 1986 and 1987 which would result in any county receiving a lesser apportionment of such funds than was apportioned to it in calendar year 1985.*

(d) *Notwithstanding paragraphs (a) and (b), the apportionment of county state-aid funds for either calendar year 1986 or 1987 for any county may not exceed the apportionment to that county for the previous calendar year, increased by a percentage which is the sum of the percentage by which the total funds available for apportionment to all counties increased over the total funds available for apportionment for the previous calendar years, plus five percent. If the provisions of this clause result in more funds being available for distribution to all counties than can be distributed under these provisions, the commissioner shall apportion the excess funds to the counties in proportion to each county's approved money needs as defined in section 162.07, subdivision 2.*

The provisions of this section do not apply to apportionments for any year in which the amount of county state-aid highway funds available for apportionment to all counties is less than the amount which was available for apportionment to all counties in calendar year 1985.

Sec. 8. Minnesota Statutes 1984, section 168.013, subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On trucks and tractors except those in this chapter defined as farm trucks, and urban trucks, and on truck-tractor and semitrailer combinations except those defined as farm combinations and urban combinations and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

Minnesota Base Rate Schedule

Scheduled taxes include five percent surtax provided for in subdivision 14

TOTAL GROSS WEIGHT IN POUNDS		TAX
A	0 - 1,500	\$ 15
B	1,501 - 3,000	20
C	3,001 - 4,500	25
D	4,501 - 6,000	35
E	6,001 - 9,000	45
F	9,001 - 12,000	70
G	12,001 - 15,000	105
H	15,001 - 18,000	145
I	18,001 - 21,000	190
J	21,001 - 26,000	270
K	26,001 - 33,000	360
L	33,001 - 39,000	470
M	39,001 - 45,000	590
N	45,001 - 51,000	710
O	51,001 - 57,000	860
P	57,001 - 63,000	1010
Q	63,001 - 69,000	1180

R	69,001 - 73,280	1320
S	73,281 - 78,000	1520
T	78,001 - 81,000	1620

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to subdivision 12.

Truck-tractors except those herein defined as farm and urban truck-tractors and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition (,) to the gross weight tax imposed on the truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one-year period or \$50 for a five-year period whichever the applicant elects.

Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are:

(1) used by an authorized local cartage carrier operating under a permit issued under section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within an area composed of two contiguous cities of the first class and municipalities contiguous thereto as defined by section 221.011, subdivision 17; or,

(2) operated by an interstate carrier registered under section (221.61 OR 221.62) 23, or by an authorized local cartage carrier or other carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation by the interstate commerce commission pursuant to United States Code, title 49, section 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to re-register the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax

shall be 50 percent of the Minnesota base rate schedule, except as otherwise provided in this subdivision. On commercial zone trucks, during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 35 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 40 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 45 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 50 percent of the tax imposed in the Minnesota base rate schedule.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, the tax for the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision, except as otherwise provided in this subdivision.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, during each of the first eight years of vehicle life the tax shall be:

(a) for the registration year 1982, 83 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 89 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 95 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Sec. 9. Minnesota Statutes 1984, section 169.872, subdivision 1, is amended to read:

Subdivision 1. [RECORD KEEPING.] A person who weighs goods before or after unloading or a person who loads or

unloads goods on the basis of liquid volume measure shall keep a written record of the origin, weight and composition of each shipment, the date of loading or receipt, the name and address of the shipper, the total number of axles on the vehicle or combination of vehicles, and the registration number of the power unit or some other means of identification by which the shipment was transported. The record shall be retained for 30 days and shall be open to inspection and copying by a state law enforcement officer or motor transport representative, except state conservation officers, upon demand. No search warrant is required to inspect or copy the record. This subdivision does not apply to a person weighing goods who is not involved in the shipping, receiving and transporting of those goods, *or to a person weighing raw and unfinished farm products transported in a single unit vehicle with not more than three axles or by a trailer towed by a farm tractor when the transportation is the first haul of the product.*

Sec. 10. Minnesota Statutes 1984, section 174A.06, is amended to read:

174A.06 [CONTINUATION OF RULES (OF PUBLIC SERVICE COMMISSION, PUBLIC UTILITIES COMMISSION, AND DEPARTMENT OF TRANSPORTATION).]

Orders and directives heretofore in force, issued or promulgated by the public service commission, public utilities commission, or the department of transportation under authority of chapters 216A, 218, 219, and 221 remain and continue in force and effect until repealed, modified, or superseded by duly authorized orders or directives of the transportation regulation board. Rules adopted by the public service commission, public utilities commission or the department of transportation under authority of the following sections are transferred to the transportation regulation board and continue in force and effect until repealed, modified, or superseded by duly authorized rules of the transportation regulation board:

(1) section 218.041 except rules related to the form and manner of filing railroad rates, railroad accounting rules, and safety rules;

(2) section 219.40;

(3) rules relating to rates or tariffs, or the granting, limiting, or modifying of permits or certificates of convenience and necessity under section 221.031, subdivision 1;

(4) rules relating to the sale, assignment, pledge, or other transfer of a stock interest in a corporation holding authority to operate as a permit carrier as prescribed in section 221.151, subdivision 1, or a local cartage carrier under section 221.296, subdivision 8;

(5) rules relating to rates, charges, and practices under section 221.161, subdivision 4; and

(6) rules relating to rates, tariffs, or the granting, limiting, or modifying of permits *under sections 221.121, 221.151, and 221.296* or certificates of convenience and necessity under section (221.296, SUBDIVISION 2) *221.071*.

The board shall review the transferred rules, orders, and directives and, when appropriate, develop and adopt new rules, orders, or directives within 18 months of July 1, 1985.

Sec. 11. Minnesota Statutes 1984, section 221.011, subdivision 13, is amended to read:

Subd. 13. "Interstate carrier" means any person engaged in transporting property or passengers *for hire* in interstate commerce *in Minnesota*, from or into Minnesota, or between any point in the state of Minnesota and the Dominion of Canada.

Sec. 12. Minnesota Statutes 1984, section 221.011, subdivision 25, is amended to read:

Subd. 25. "Courier services carrier" means any person who offers expedited door-to-door transportation of packages and articles less than 100 pounds in weight in vehicles with a (MANUFACTURER'S NOMINAL RATING CAPACITY) *registered gross vehicle weight and gross vehicle weight rating not exceeding (ONE TON) 15,000 pounds*.

Sec. 13. Minnesota Statutes 1984, section 221.025, is amended to read:

221.025 [EXEMPTIONS.]

Except as provided in sections 221.031 and 221.033, the provisions of this chapter do not apply to the transportation described below:

(a) the transportation of students to or from school or school activities in a school bus inspected and certified under section 169.451;

(b) the transportation of rubbish as defined in section 443.27;

(c) a commuter van as defined in section 221.011, subdivision 27;

(d) authorized emergency vehicles as defined in section 169.01, subdivision 5, including ambulances, and tow trucks

when picking up and transporting disabled or wrecked motor vehicles and when carrying proper and legal warning devices;

(e) the transportation of grain samples under conditions prescribed by the board;

(f) the delivery of agricultural lime;

(g) the transportation of dirt and sod within an area having a 50-mile radius from the home post office of the person performing the transportation;

(h) a person while exclusively engaged in the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person's home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets;

(i) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;

(j) a person while engaged exclusively in transporting fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting potatoes, sugar beets, wild rice, or rutabagas from the field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;

(k) a person engaged in transporting property or freight, other than household goods and petroleum products in bulk, entirely within the corporate limits of a city or between contiguous cities except as provided in section 221.296;

(l) the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;

(m) a person engaged in transporting agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25-mile radius from the person's home post office. The carrier may transport other commodities within the 25-mile radius if the destination of each haul is a farm. (THE OWNER OF A TRUCK OPERATING UNDER THIS PROVISION SHALL IMPRINT THE OWNER'S NAME AND ADDRESS IN PROMINENT VISIBLE LETTERS ON THE OUTSIDE OF THE CAB OF THE TRUCK.)

Sec. 14. Minnesota Statutes 1984, section 221.031, subdivision 2, is amended to read:

Subd. 2. [PRIVATE CARRIERS.] (a) Private carriers operating vehicles licensed and registered for a gross weight of more than 12,000 pounds, shall comply with rules adopted under this section applying to maximum hours of service of drivers, safe operation of vehicles, equipment, parts and accessories, leasing of vehicles or vehicles and drivers, and inspection, repair, and maintenance.

(b) In addition to the requirements in paragraph (a), private carriers operating vehicles licensed and registered for a gross weight in excess of 26,000 pounds shall comply with rules adopted under this section relating to driver qualifications.

(c) The requirements as to driver qualifications and maximum hours of service for drivers do not apply to private carriers who are (1) public utilities as defined in section 216B.02, subdivision 4; (2) cooperative electric associations organized under chapter 308; (3) telephone companies as defined in section 237.01, subdivision 2; or (4) who are engaged in the transportation of construction materials, tools and equipment from shop to job site or job site to job site, for use by the private carrier in the new construction, remodeling, or repair of buildings, structures or their appurtenances.

(d) The driver qualification rule (DOES) *and the hours of service rules* do not apply to vehicles controlled by a farmer and operated by a farmer or farm employee to transport agricultural products or farm machinery or supplies to or from a farm if the vehicle is not used in the operations of a motor carrier and not carrying hazardous materials of a type or quantity that requires the vehicle to be marked or placarded in accordance with section 221.033.

Sec. 15. Minnesota Statutes 1984, section 221.031, subdivision 6, is amended to read:

Subd. 6. [VEHICLE IDENTIFICATION RULE.] The following carriers shall comply with the vehicle identification rule of the commissioner:

- (1) motor carriers, regardless of the weight of the vehicle;
- (2) private carriers operating vehicles licensed and registered for a gross weight of 12,000 pounds or more; and
- (3) vehicles providing transportation described in section 221.025 which are licensed and registered for a gross weight of 12,000 pounds or more except those providing transportation described in section 221.025, clauses (a), (c), and (d).

The vehicle identification rule of the commissioner may not be more stringent than the marking requirements imposed on private carriers by the United States department of transportation under Code of Federal Regulations, title 49, section 397.21, clauses (b) and (c).

Vehicles described in clauses (2) and (3) that are operated by farmers or farm employees and have four or fewer axles are not required to comply with the vehicle identification rule of the commissioner.

Sec. 16. Minnesota Statutes 1984, section 221.033, is amended to read:

221.033 [REGULATION OF HAZARDOUS MATERIALS.]

Subdivision 1. [REQUIREMENTS.] Except as provided in subdivisions 2 and 3, no person may transport or have transported or shipped within the state of Minnesota a hazardous material, hazardous substance, or hazardous waste except in compliance with United States Code, title 49, sections 1801 to 1811 and the provisions of Code of Federal Regulations, title 49, sections 171 to 199.

Subd. 2. [EXCEPTION.] Farmers or their employees transporting diesel fuel, gasoline, agricultural chemicals, or agricultural fertilizers for use on the transporter's farm are not required to comply with the driver qualification rules of the commissioner or with the shipping paper requirements of the Code of Federal Regulations, title 49, parts 172.200 and 177.817 or with part 397.7(B) or 397.9(A) of the Federal Motor Carrier Safety Regulations when:

(1) transporting diesel fuel or gasoline in motorized tank truck vehicles of less than 1,500 gallon capacity or in tanks securely mounted in other motor vehicles with a gross vehicle weight of less than 12,000 pounds and owned by the transporter; or

(2) transporting agricultural chemicals and agricultural fertilizers.

Subd. 3. [VARIANCE, RULES.] The commissioner shall adopt rules which provide a procedure for granting a variance from those regulations adopted under subdivision 1 which prescribe specifications for tank motor vehicles used to transport gasoline. The variance may be granted only to persons who transport gasoline in tank motor vehicles with a capacity of 3,000 gallons or less which were manufactured between 1950 and 1975 according to American society of mechanical engineers specifications in effect at the time of manufacture. The commissioner shall prescribe alternative requirements to assure the safety of

the tank motor vehicles operated under the variance, and shall register each tank motor vehicle operated under the variance.

Sec. 17. Minnesota Statutes 1984, section 221.131, is amended by adding a subdivision to read:

Subd. 6. [COURIER SERVICE CARRIERS; IDENTIFICATION CARDS.] The commissioner shall issue distinct annual identification cab cards for vehicles that provide courier service under a permit issued by the board. A courier service identification cab card may not be issued for a vehicle that has a registered gross vehicle weight or gross vehicle weight rating in excess of 15,000 pounds.

Sec. 18. Minnesota Statutes 1984, section 221.161, subdivision 1, is amended to read:

Subdivision 1. [FILING; HEARING UPON BOARD INITIATIVE.] Every permit carrier, including a livestock carrier but not including a local cartage carrier, shall file and maintain with the commissioner a (SCHEDULE OF) tariff showing rates and charges for the transportation of persons or property. The filing with and acceptance by the commissioner of these tariffs, in accordance with the rules relating to the (SCHEDULES) tariffs, constitutes notice to the public and interested parties of the contents of the tariffs. (SCHEDULES) Tariffs must be prepared and filed in accordance with the rules and regulations of the commissioner. The commissioner shall not accept for filing (SCHEDULES) tariffs which are unjust and unreasonable or unjustly discriminatory or unduly preferential or prejudicial or otherwise in violation of the provisions of this section. If the (SCHEDULES) tariffs appear to be unjust or unreasonable or unjustly discriminatory or unduly preferential or prejudicial or otherwise in violation of this section, the board after notification and investigation by the department may suspend and postpone the effective date of the (SCHEDULES) tariffs and assign the (SCHEDULES) tariffs for hearing upon notice to the permit carrier filing the proposed (SCHEDULES) tariffs and to other interested parties, including users of the service and competitive carriers by motor vehicle and rail. At the hearing, the burden of proof is on the permit carrier filing the proposed (SCHEDULE OF RATES AND CHARGES) tariff to sustain the validity of the proposed schedule of rates and charges. (SCHEDULES OF RATES AND CHARGES) Tariffs for the transportation of livestock are not subject to rejection, suspension, or postponement by the board, except as provided in subdivisions 2 and 3. The tariffs and subsequent supplements to them or reissues of them must state the effective date, which may not be less than ten days following the date of filing, unless the period of time is reduced by special permission of the (BOARD) commissioner.

Sec. 19. Minnesota Statutes 1984, section 221.185, subdivision 4, is amended to read:

Subd. 4. [FAILURE TO COMPLY.] *Except as provided in subdivision 5a, failure to comply with the requirements of sections 221.141 and 221.296 relating to bonds and insurance, 221.131 relating to permit renewal, 221.071, 221.131, or 221.296 relating to annual vehicle registration or permit renewal, or to request a hearing within 45 days of the date of suspension, is deemed an abandonment of the motor carrier's permit or certificate and the permit or certificate must be canceled by the commissioner.*

Sec. 20. Minnesota Statutes 1984, section 221.185, is amended by adding a subdivision to read:

Subd. 5a. [REINSTATEMENT AFTER CANCELLATION.] *A motor carrier whose permit or certificate is canceled for failure to comply with sections 221.141 and 221.296 relating to bonds and insurance may ask the board to review the cancellation. Upon review, the board shall rescind the cancellation if: (1) the motor carrier presents evidence showing that before the effective date of the notice of cancellation issued under section 221.185, subdivision 5, the motor carrier had obtained and paid for the insurance required by sections 221.141 and 221.296, and the rules of the commissioner, and (2) the commissioner informs the board that the motor carrier has complied with the requirements of sections 221.141 and 221.296 and the rules of the commissioner.*

Sec. 21. Minnesota Statutes 1984, section 221.231, is amended to read:

221.231 [RECIPROCAL AGREEMENTS.]

The commissioner may enter into reciprocal agreements with the regulatory bodies of other states and the provinces of the Dominion of Canada, whereby the payment of the (VEHICLE FEE) fees provided in section (221.131 HEREOF) 14 may be waived in whole or in part (AS TO RESIDENTS OF OR CORPORATIONS OR PARTNERSHIPS) for motor carriers having an established place of business in (THE) that state or province (, ENTERING INTO THE RECIPROCAL AGREEMENT WITH THE COMMISSIONER,) ; provided that reciprocal privileges are extended under (SUCH) the agreement to (RESIDENTS) motor carriers of this state (AND TO CORPORATIONS OR PARTNERSHIPS WHO HAVE AN ESTABLISHED PLACE OF BUSINESS IN THIS STATE).

Sec. 22. Minnesota Statutes 1984, section 221.291, subdivision 1, is amended to read:

Subdivision 1. [VIOLATION.] Except as provided in subdivisions 3 and 4, a person who commits, procures, aids or abets or conspires to commit, or attempts to commit, aid or abet in the violation of a provision of this chapter or a valid order or rule of the commissioner or board issued hereunder, whether individually or in connection with one or (OTHER) more persons or as principal, agent, or accessory, shall be guilty of a misdemeanor, and every person who falsely, fraudulently, forcibly, or willfully induces, causes, coerces, requires, permits, or directs another to violate a provision of this chapter, is likewise guilty of a misdemeanor. Every distinct violation is a separate offense.

Sec. 23. [221.60] [REGISTRATION OF INTERSTATE CARRIERS.]

Subdivision 1. [PROCEDURE.] A motor carrier may transport persons or property for hire in interstate commerce in Minnesota only if it first:

(1) complies with section 221.141;

(2) either registers with the commissioner the Interstate Commerce Commission operating authority that it intends to exercise, or registers and describes the transportation it performs under an exemption contained in the Interstate Commerce Act, United States Code, title 49; and

(3) purchases an interstate identification stamp or an interstate registration trip permit for each vehicle to be used in interstate transportation in Minnesota.

Subd. 2. [FORM AND FEES.] A motor carrier engaged in interstate commerce shall register its interstate transportation authority or exemption before February 1 of each year on a form prescribed by the commissioner. The fee for the initial registration is \$25. The fee for each identification stamp is \$5; however, a lesser fee may be collected pursuant to a reciprocal agreement authorized by section 24. No fee may be collected from a local cartage carrier that provides interstate transportation only within the zone described in United States Code, title 49, section 10526(b)(1) (1984). A local cartage carrier shall register its interstate transportation each year when it pays the local cartage carrier permit or annual renewal fee.

Subd. 3. [FAILURE TO REGISTER.] Failure to register for three consecutive years cancels the carrier's registration. The commissioner must give 30 days notice of the cancellation to the carrier at the carrier's last known address.

Subd. 4. [CAB CARD.] A carrier required to register under this section shall obtain the National Association of

Regulatory Utility Commissioners cab card described in Code of Federal Regulations, title 49, section 1023.36, and affix the stamp to the cab card. A cab card bearing a current Minnesota interstate identification stamp must be carried in the cab of a vehicle operated for hire in interstate commerce in Minnesota.

Subd. 5. [TEMPORARY INTERSTATE REGISTRATION.]
An interstate registration trip permit valid for ten days from the date of issue may be issued to a motor carrier engaged in interstate commerce that:

- (1) complies with section 221.141;*
- (2) either registers its interstate operating authority or registers and describes the transportation it performs under an exemption contained in the Interstate Commerce Act, United States Code, title 49; and*
- (3) pays a state fee of \$5 for each permit.*

Subd. 6. [TRANSFER OF AUTHORIZATION DOCUMENT.] *A motor carrier engaged in interstate commerce may not transfer or sell or allow another carrier to use its interstate identification stamp, its interstate registration trip permit, or its cab card. However, a cab card and identification stamp may be transferred to a leased vehicle operated under the authority of the motor carrier to whom the cab card and identification stamp were issued.*

Sec. 24. Minnesota Statutes 1984, section 221.65, is amended to read:

221.65 [RECIPROCAL AGREEMENTS.]

Nothing in (SECTIONS 221.61 TO 221.68) *this chapter* shall be construed to impair the authority of the commissioner to enter into reciprocal agreements with the regulatory bodies of other states and the provinces of the Dominion of Canada, as provided in section 221.231.

For the purposes of section 221.231, the commissioner shall be deemed to be the successor of the department of public service. The commissioner may exercise any power, duty or function heretofore conferred by law or agreement upon the department of public service to the extent necessary to preserve any reciprocal agreement heretofore concluded under the provisions of section 221.231. Nothing in this section shall be construed to prevent the negotiation of new or replacement agreements as conditions and circumstances may warrant.

Sec. 25. Minnesota Statutes 1984, section 221.67, is amended to read:

221.67 [SERVICE OF PROCESS.]

The use of any of the public highways of this state for the transportation of persons or property for compensation by a motor carrier in interstate commerce shall be deemed an irrevocable appointment by the carrier of the secretary of state to be his true and lawful attorney upon whom may be served all legal process in any action or proceeding brought under (SECTION 221.66) *this chapter* against him or his executor, administrator, personal representative, heirs, successors or assigns. This use is a signification of agreement by the interstate motor carrier that any process in any action against him or his executor, administrator, personal representative, heirs, successors, or assigns which is so served shall be of the same legal force and validity as if served upon him personally. Service shall be made by serving a copy thereof upon the secretary of state or by filing a copy in his office, together with payment of a fee of \$15, and the service shall be sufficient service upon the absent motor carrier if notice of the service and a copy of the process are within ten days thereafter sent by mail by the plaintiff to the defendant at his last known address and the plaintiff's affidavit of compliance with the provisions of *this section and sections (221.61 TO 221.68) 23, 24, and 26* is attached to the summons.

Sec. 26. Minnesota Statutes 1984, section 221.68, is amended to read:

221.68 [VIOLATIONS; PENALTIES.]

Any person who violates or procures, aids, or abets violation of, or fails to comply with, the provisions of sections (221.61 TO 221.68) *23 to 25* or any valid order or rule of the commissioner or board issued hereunder shall be guilty of a misdemeanor; and, additionally, shall be subject to a penalty of \$50 for each and every day of such failure to so comply, to be recovered for the state in a civil action. Each distinct violation shall be a separate offense.

Sec. 27. Minnesota Statutes 1984, section 221.81, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms used in this section have the meanings given them in this subdivision.

(a) "Building mover" means a person, corporation, or other entity who raises, supports off the foundation, and moves buildings on and over public streets and highways. Building mover does not include a person who moves manufactured homes or *modular homes*, farmers moving their own farm buildings, or persons moving buildings which are less than 16 feet wide by 20 feet long.

(b) "Political subdivision" means a city, town, or county.

(c) "Road authority" has the meaning given it in section 160.02, subdivision 9.

Sec. 28. Minnesota Statutes 1984, section 505.18, is amended to read:

505.18 [MINNESOTA COORDINATE SYSTEM.]

The system of plane coordinates which has been established by the *National Ocean Survey/National Geodetic Survey, formerly the United States Coast and Geodetic Survey or its successors*, for defining and stating the *geographic* positions or locations of points on the surface of the earth within the state of Minnesota is hereafter to be known and designated as the "Minnesota Coordinate System of 1927 and the Minnesota Coordinate System of 1983."

For the purpose of the use of this system the state is divided into a "North Zone," a "Central Zone," and a "South Zone."

The area now included in the following counties shall constitute the North Zone: Beltrami, Clearwater, Cook, Itasca, Kittson, Koochiching, Lake, Lake of the Woods, Mahnomen, Marshall, Norman, Pennington, Polk, Red Lake, Roseau, and Saint Louis.

The area now included in the following counties shall constitute the Central Zone: Aitkin, Becker, Benton, Carlton, Cass, Chisago, Clay, Crow Wing, Douglas, Grant, Hubbard, Isanti, Kanabec, Mille Lacs, Morrison, Otter Tail, Pine, Pope, Stearns, Stevens, Todd, Traverse, Wadena, and Wilkin.

The area now included in the following counties shall constitute the South Zone: Anoka, Big Stone, Blue Earth, Brown, Carver, Chippewa, Cottonwood, Dakota, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Hennepin, Houston, Jackson, Kandiyohi, Lac qui Parle, Le Sueur, Lincoln, Lyon, McLeod, Martin, Meeker, Mower, Murray, Nicollet, Nobles, Olmsted, Pipestone, Ramsey, Redwood, Renville, Rice, Rock, Scott, Sherburne, Sibley, Steele, Swift, Wabasha, Waseca, Washington, Watonwan, Winona, Wright, and Yellow Medicine.

Sec. 29. Minnesota Statutes 1984, section 505.19, is amended to read:

505.19 [ZONES; LAND DESCRIPTIONS.]

As established for use in the North Zone, the Minnesota Coordinate System of 1927 or the Minnesota Coordinate System of 1983 shall be named, and in any land description in which it is

used it shall be designated, the "Minnesota Coordinate System of 1927, North Zone or the Minnesota Coordinate System of 1983, North Zone."

As established for use in the Central Zone, the Minnesota Coordinate System of 1927 or the Minnesota Coordinate System of 1983 shall be named, and in any land description in which it is used it shall be designated, the "Minnesota Coordinate System of 1927, Central Zone or the Minnesota Coordinate System of 1983, Central Zone."

As established for use in the South Zone, the Minnesota Coordinate System of 1927 or the Minnesota Coordinate System of 1983 shall be named, and in any land description in which it is used it shall be designated, the "Minnesota Coordinate System of 1927, South Zone or the Minnesota Coordinate System of 1983, South Zone."

Sec. 30. Minnesota Statutes 1984, section 505.20, is amended to read:

505.20 [X- AND Y-COORDINATES.]

The plane (COORDINATES OF) *coordinate values* for a point on the earth's surface, to be used (IN EXPRESSING) *to express the geographic position or location of such point in the appropriate zone of this system, shall consist of two distances, expressed in U.S. Survey feet and decimals of a foot when using the Minnesota Coordinate System of 1927 and expressed in meters and decimals of a meter when using the Minnesota Coordinate System of 1983.* One of these distances, to be known as the "x-coordinate," shall give the position in an east-and-west direction; the other, to be known as the "y-coordinate," shall give the position in a north-and-south direction. These coordinates shall be made to depend upon and conform to (THE COORDINATES, ON THE MINNESOTA COORDINATE SYSTEM, OF THE TRIANGULATION AND TRAVERSE STATIONS OF THE UNITED STATES COAST AND GEODETIC SURVEY WITHIN THE STATE OF MINNESOTA, AS THOSE COORDINATES HAVE BEEN DETERMINED BY THE SAID SURVEY) *plane rectangular coordinate values for the monumented horizontal control stations of the North American Horizontal Geodetic Control Network as published by the National Ocean Survey/National Geodetic Survey (NOS/NGS) or its successors and whose plane coordinates have been computed on the systems defined in this chapter. The station may be used for establishing a survey connection to either Minnesota Coordinate System, 1927 or 1983.*

Sec. 31. Minnesota Statutes 1984, section 505.22, is amended to read:

505.22 [(DEFINITION OF) MINNESOTA COORDINATE
(SYSTEM) SYSTEMS DEFINED.]

(a) For purposes of more precisely defining the Minnesota Coordinate System of 1927, the following definition by the (UNITED STATES COAST AND) *National Ocean Survey/National Geodetic Survey* is adopted:

The Minnesota Coordinate System of 1927, North Zone, is a Lambert conformal *conic* projection of the Clarke spheroid of 1866, having standard parallels at north latitudes 47 degrees 02 minutes and 48 degrees 38 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 93 degrees 06 minutes west of Greenwich and the parallel 46 degrees 30 minutes north latitude. This origin is given the coordinates: x equals 2,000,000 feet and y equals 0 feet.

The Minnesota Coordinate System of 1927, Central Zone, is a Lambert conformal *conic* projection of the Clarke spheroid of 1866, having standard parallels at north latitudes 45 degrees 37 minutes and 47 degrees 03 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 94 degrees 15 minutes west of Greenwich and the parallel 45 degrees 00 minutes north latitude. This origin is given the coordinates: x equals 2,000,000 feet and y equals 0 feet.

The Minnesota Coordinate System of 1927, South Zone, is a Lambert conformal *conic* projection of the Clarke spheroid of 1866, having standard parallels at north latitudes 43 degrees 47 minutes and 45 degrees 13 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 94 degrees 00 minutes west of Greenwich with the parallel 43 degrees 00 minutes north latitude, such origin being given the coordinates: x equals 2,000,000 feet and y equals 0 feet.

(b) (THE POSITION OF THE MINNESOTA COORDINATE SYSTEM SHALL BE AS MARKED ON THE GROUND BY TRIANGULATION OR TRAVERSE STATIONS ESTABLISHED IN CONFORMITY WITH STANDARDS ADOPTED BY THE UNITED STATES COAST AND GEODETIC SURVEY FOR FIRST-ORDER AND SECOND-ORDER WORK, WHOSE GEODETIC POSITIONS HAVE BEEN RIGIDLY ADJUSTED ON THE NORTH AMERICAN DATUM OF 1927, AND WHOSE COORDINATES HAVE BEEN COMPUTED ON THE SYSTEM HEREIN DEFINED. ANY SUCH STATION MAY BE USED FOR ESTABLISHING A SURVEY CONNECTION WITH THE MINNESOTA COORDINATE SYSTEM) For purposes of more precisely defining the Minnesota Coordinate System of 1983, the following definition by the *National Ocean Survey/National Geodetic Survey* is adopted:

The Minnesota Coordinate System of 1983, North Zone, is a Lambert conformal conic projection of the North American Geocentric Datum of 1983, having standard parallels at north latitudes 47 degrees 02 minutes and 48 degrees 38 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 93 degrees 06 minutes west of Greenwich with the parallel 46 degrees 30 minutes north latitude. This origin is given the coordinates: x equals 800,000 meters and y equals 100,000 meters.

The Minnesota Coordinate System of 1983, Central Zone, is a Lambert conformal conic projection of the North American Geocentric Datum of 1983, having standard parallels at north latitudes 45 degrees 37 minutes and 47 degrees 03 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 94 degrees 15 minutes west of Greenwich with the parallel 45 degrees 00 minutes north latitude. This origin is given the coordinates: x equals 800,000 meters and y equals 100,000 meters.

The Minnesota Coordinate System of 1983, South Zone, is a Lambert conformal conic projection of the North American Geocentric Datum of 1983, having standard parallels at north latitudes 43 degrees 47 minutes and 45 degrees 13 minutes, along which parallels the scale shall be exact. The origin of coordinates is at the intersection of the meridian 94 degrees 00 minutes west of Greenwich with the parallel 43 degrees 00 minutes north latitude. This origin is given the coordinates: x equals 800,000 meters and y equals 100,000 meters.

Sec. 32. Minnesota Statutes 1984, section 505.23, is amended to read:

505.23 [WHERE COORDINATES RECORDED.]

No coordinates based on the Minnesota Coordinate System, purporting to define the position of a point on a land boundary, shall be presented to be recorded in any public land records or deed records unless such point is within one-half mile of a (TRIANGULATION OR TRAVERSE) *horizontal control station* established in conformity with the standards prescribed in section (505.25) 505.20; provided that said one-half mile limitation may be modified by a duly authorized state agency to meet local conditions.

Sec. 33. Minnesota Statutes 1984, section 505.24, is amended to read:

505.24 [LIMITATION OF USE.]

The use of the term "Minnesota Coordinate System of 1927, North, Central, or South Zone or Minnesota Coordinate System

of 1983, North, Central, or South Zone" on any map, report of survey, or other document, shall be limited to coordinates based on the Minnesota Coordinate System as defined in this chapter.

Sec. 34. [505.28] [LAST USE OF 1927 COORDINATE SYSTEM.]

The Minnesota Coordinate System of 1927 must not be used after December 31, 1992. The Minnesota Coordinate System of 1983 is the sole coordinate system that may be used after that date.

Sec. 35. [REPEALER.]

Minnesota Statutes 1984, sections 221.296, subdivision 2; 221.61; 221.62; 221.63; 221.64; and 221.66, are repealed. Section 7 is repealed January 1, 1988.

Sec. 36. [EFFECTIVE DATE.]

Sections 1, 2, 8, 9, 10, 13, 14, 15, 16, 19, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 are effective the day following final enactment. Section 3 is effective June 1, 1985. Section 4 is effective January 1, 1988. Sections 5, 6, and 7 are effective January 1, 1986."

Delete the title and insert:

"A bill for an act relating to transportation; removing the 24-foot restriction on county state-aid money needs; changing the definition of urban and rural counties; providing for apportionments in calendar years 1986 and 1987; establishing conflict of interest requirements for court-appointed commissioners in condemnation; providing for relocation and disposal of historically significant buildings or structures; denying certain contracts to persons convicted of contract crimes; providing certain exemptions from weight record requirements; establishing gross vehicle weight limits for courier service vehicles; providing that hours of service rules do not apply to farm vehicles; exempting certain farm vehicles from the vehicle identification rule; exempting certain persons from certain hazardous material rules and allowing variances; providing for rescission of canceled permits if a carrier has insurance coverage; excluding modular home movers from regulation as building movers; creating a new state-surveying coordinate system; amending Minnesota Statutes 1984, sections 117.075; 161.20, subdivision 2; 162.07, subdivisions 2, 3, and 4; 168.013, subdivision 1e; 169.872, subdivision 1; 174A.06; 221.011, subdivisions 13 and 25; 221.025; 221.031, subdivisions 2 and 6; 221.033; 221.131, by adding a subdivision; 221.161, subdivision 1; 221.185, subdivision 4, and by adding a subdivision; 221.231; 221.291, subdivision 1; 221.65; 221.67; 221.68; 221.81, subdivision 1; 505.18; 505.19; 505.20;

505.22; 505.23; 505.24; proposing coding for new law in Minnesota Statutes, chapters 161, 162, 221, and 505; repealing Minnesota Statutes 1984, sections 221.296, subdivision 2; 221.61; 221.62; 221.63; 221.64; and 221.66."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 63, A bill for an act relating to the city of Fergus Falls located in Otter Tail county and the city of Detroit Lakes located in Becker county; granting the cities the powers of a port authority; authorizing the port authority to exercise the powers of a municipal housing and redevelopment authority; permitting the cities to choose the name of the port authority; requiring local approval.

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

The report was adopted.

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

S. F. No. 279, A bill for an act relating to natural resources; eliminating the mandatory shooting by conservation officers of dogs pursuing deer; restricting the shooting by others; increasing the penalty for owners of dogs that kill deer; amending Minnesota Statutes 1984, sections 100.29, subdivision 19; and 347.01.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 100.29, subdivision 19, is amended to read:

Subd. 19. (ANY PERSON MAY, AND IT SHALL BE THE DUTY OF EVERY CONSERVATION OFFICER TO, KILL ANY DOG PURSUING OR KILLING DEER OR MOOSE, AND NO ACTION FOR DAMAGES SHALL BE MAINTAINED AGAINST THE PERSON FOR THE KILLING. THE OWNER OF ANY DOG WHICH IS FOUND PURSUING OR KILLING DEER, MOOSE, OR DOMESTIC LIVESTOCK

SHALL BE GUILTY OF A PETTY MISDEMEANOR) *A dog that is known to have killed or which is observed wounding, killing, or pursuing in a manner which endangers a big game animal may be killed by a peace officer or conservation officer, or, between January 1 and July 14, by any person. The officer or person is not liable for damages for killing the dog. The owner of the dog is guilty of a petty misdemeanor and is subject to a civil penalty of up to \$500 for each violation.*

Sec. 2. Minnesota Statutes 1984, section 347.01, is amended to read:

347.01 [OWNER'S LIABILITY; PENALTY.]

(a) Owners or keepers of any dog or dogs, that kill, wound, or worry any domestic animal or animals, shall be jointly and severally liable to the owner of such animal or animals for all damages done by such dog or dogs, without proving notice to or knowledge by any such owner or keeper of such dog or dogs, that any or either of them was mischievous or disposed to kill or worry any domestic animal.

(b) *The owner of any dog that kills or pursues domestic livestock is guilty of a petty misdemeanor."*

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 448, A bill for an act relating to crimes; providing penalty for assault of firefighters or emergency medical services personnel; amending Minnesota Statutes 1984, section 609.2231.

Reported the same back with the following amendments:

Page 1, line 10, before "Whoever" insert "*Subdivision 1. [PEACE OFFICERS.]*"

Page 1, line 12, after "law" delete the new language

Page 1, lines 13, 14, and 15, delete the new language

Page 1, after line 18, insert:

"Subd. 2. [FIREFIGHTERS AND EMERGENCY MEDICAL PERSONNEL.] Whoever assaults a member of a municipal or volunteer fire department or emergency medical services

personnel unit in the performance of his or her duties, or assaults an employee of the department of natural resources who is engaged in forest fire activities, and inflicts demonstrable bodily harm is guilty of a gross misdemeanor."

With the recommendation that when so amended the bill pass.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

S. F. No. 455, A bill for an act relating to uniform acts; enacting the Uniform Conservation Easement Act; proposing coding for new law as Minnesota Statutes, chapter 84C.

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

The report was adopted.

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

S. F. No. 542, A bill for an act relating to local improvements; providing for advertisement for bids in certain publications; amending Minnesota Statutes 1984, section 429.041, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1984, section 331A.02, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATION.] No newspaper in this state shall be entitled to any compensation or fee for publishing any public notice unless it is qualified as a medium of official and legal publication. To be qualified as a medium of official and legal publication, a newspaper shall:

(a) Be printed in the English language in newspaper format and in column and sheet form equivalent in printed space to at least 1,000 square inches;

(b) If a daily, be distributed at least five days each week, or if not a daily, be distributed at least once each week, for 50 weeks

each year. In any week in which a legal holiday is included, not more than four issues of a daily paper are necessary;

(c) In at least half of its issues each year, have no more than 75 percent of its printed space comprised of advertising material and paid public notices. In all of its issues each year, have 25 percent, if published more often than weekly, or 50 percent, if weekly, of its news columns devoted to news of local interest to the community which it purports to serve. Not more than 25 percent of its total nonadvertising column inches in any issue may wholly duplicate any other publication unless the duplicated material is from recognized general news services;

(d) Be circulated in the local public corporation which it purports to serve, *and either* have at least 500 copies regularly delivered to paying subscribers and (EITHER) have entry as second class matter in its local post office, or have at least 500 copies regularly distributed without charge to local residents;

(e) Have its known office of issue established in either the county in which lies, in whole or in part, the local public corporation which the newspaper purports to serve, or in an adjoining county;

(f) File a copy of each issue immediately with the state historical society;

(g) Be made available at single or subscription prices to any person, corporation, partnership, or other unincorporated association requesting the newspaper and making the applicable payment, or be distributed without charge to local residents;

(h) Have complied with all the foregoing conditions of this subdivision for at least one year immediately preceding the date of the notice publication;

(i) The newspaper must before January 1 of each year publish and submit to the secretary of state a sworn United States Post Office second-class statement of ownership and circulation or a statement of ownership and circulation verified by a recognized independent circulation auditing agency.

Sec. 2. Minnesota Statutes 1984, section 331A.06, subdivision 2, is amended to read:

Subd. 2. [FEES FOR PUBLICATION.] Notwithstanding subdivision 1, no newspaper may increase its rates for publication of public notices by more than ten percent per year (OVER), *as compared to the maximum rate actually charged by the newspaper in (1984) the previous year* for publication of public notices, and in any case the new rate shall not exceed the rate

described in subdivision 1 of this section. Nothing in this section shall be interpreted to mean that such an increase is required."

Page 2, after line 29, insert:

"Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment."

Renumber the sections in sequence.

Amend the title as follows :

Page 1, line 2, after the semicolon insert "clarifying procedures for publication of public notices ; clarifying fees for publication ;"

Page 1, line 4, delete "section" and insert "sections 331A.02, subdivision 1 ; 331A.06, subdivision 2 ; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred :

S. F. No. 623, A bill for an act relating to marriage dissolution ; clarifying factors to consider in awarding maintenance ; amending Minnesota Statutes 1984, sections 518.552 ; and 518.64, subdivision 2.

Reported the same back with the following amendments :

Page 3, after line 35, insert :

"Sec. 3. Minnesota Statutes 1984, section 518.17, subdivision 4, is amended to read :

Subd. 4. [CHILD SUPPORT.] The court may order either or both parents owing a duty of support to a child of the marriage to pay an amount reasonable or necessary for his support, without regard to marital misconduct, after (CONSIDERING ALL RELEVANT FACTORS INCLUDING) *the court makes findings as to the following :*

(a) The financial resources and needs of the child ;

(b) The financial resources and needs of the custodial parent; and

(c) *The financial resources and needs of the noncustodial parent.*

The court may consider all relevant factors in determining child support including:

(1) The standard of living the child would have enjoyed had the marriage not been dissolved;

((D)) (2) The physical and emotional condition of the child, and his educational needs (; AND)

((E) THE FINANCIAL RESOURCES AND NEEDS OF THE NONCUSTODIAL PARENT).

Sec. 4. Minnesota Statutes 1984, section 518.551, subdivision 5, is amended to read:

Subd. 5. [NOTICE TO PUBLIC AUTHORITY; GUIDELINES.] The petitioner shall notify the public authority of all proceedings for dissolution, legal separation, determination of parentage or for the custody of a child, if either party is receiving aid to families with dependent children or applies for it subsequent to the commencement of the proceeding. After receipt of the notice, the court shall set child support by multiplying the obligor's net income by the percentage indicated by the following guidelines:

Net Income Per Month of Obligor	Number of Children						
	1	2	3	4	5	6	7 or more
\$400 and Below	Order based on the ability of the obligor to provide support at these income levels, or at higher levels, if the obligor has the earning ability.						
\$401 - 500	14%	17%	20%	22%	24%	26%	28%
\$501 - 550	15%	18%	21%	24%	26%	28%	30%
\$551 - 600	16%	19%	22%	25%	28%	30%	32%
\$601 - 650	17%	21%	24%	27%	29%	32%	34%
\$651 - 700	18%	22%	25%	28%	31%	34%	36%

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\$701 - 750	19%	23%	27%	30%	33%	36%	38%
\$751 - 800	20%	24%	28%	31%	35%	38%	40%
\$801 - 850	21%	25%	29%	33%	36%	40%	42%
\$851 - 900	22%	27%	31%	34%	38%	41%	44%
\$901 - 950	23%	28%	32%	36%	40%	43%	46%
\$951 -1000	24%	29%	34%	38%	41%	45%	48%
\$1001-6000	25%	30%	35%	39%	43%	47%	50%

Guidelines for support for an obligor with a monthly income of \$6001 or more shall be the same dollar amounts as provided for in the guidelines for an obligor with a monthly income of \$6000.

Net Income defined as :

Total monthly

- | | | |
|-------------------|-------|---|
| income less | * (1) | Federal Income Tax |
| | * (2) | State Income Tax |
| *Standard | (3) | Social Security Deductions |
| Deductions apply— | (4) | Mandatory Pension Deductions |
| use of tax tables | (5) | Union Dues |
| recommended | (6) | Cost of Dependent Health Insurance Coverage |
| | (7) | Cost of Individual Health/Hospitalization Coverage or an Equivalent Amount for Actual Medical Expenses. |

(a) The child support payment guidelines take into consideration the following criteria:

- (1) all earnings, income, and resources of the obligor including real and personal property;
- (2) the basic living needs of the obligor;

(3) the court findings of financial (NEEDS) need of the obligor, the obligee, and of the child or children to be supported as required under section 518.17, subdivision 4; and

(4) the amount of the aid to families with dependent children grant for the child or children.

(b) In establishing a support obligation, the court may consider debts owed to private creditors, but only if:

(1) the right to support has not been assigned under section 256.74;

(2) the debt was reasonably incurred for necessary support of the child or obligee or for the necessary generation of income. If the debt was incurred for the necessary generation of income, the court shall consider only the amount of debt that is essential to the continuing generation of income;

(3) the party requesting a departure produces a sworn schedule of the debts, with supporting documentation, showing goods or services purchased, the recipient of them, the amount of the original debt, the outstanding balance, the monthly payment, and the number of months until the debt will be fully paid; and

(4) the court determines that the debt was legitimately incurred for the necessary support of the child or obligee or for the necessary generation of income.

Any schedule prepared under paragraph (b), clause (3), shall contain a statement that the debt will be fully paid after the number of months shown in the schedule, barring emergencies beyond the party's control.

The court shall order child support in accordance with the guidelines and any departure therefrom. Any further departure below the guidelines that is based on a consideration of debts owed to private creditors shall not exceed 18 months in duration, after which the support shall increase automatically to the level ordered by the court. Nothing in this section shall be construed to prohibit one or more step increases in support to reflect debt retirement during the 18-month period.

Where payment of debt is ordered pursuant to this section, the payment shall be ordered to be in the nature of child support.

(c) Previous support orders and maintenance orders may be considered if the obligor is paying them.

(d) Nothing shall preclude the court from receiving evidence on the above factors to determine if the guidelines should be exceeded or modified in a particular case.

(e) The above guidelines are binding in each case unless the court makes express findings of fact as to the reason for departure below the guidelines in that case in which the court orders support that so deviates from the guidelines. It may also increase the amount of child support by more than the guidelines without making express findings by agreement of the parties or by making further findings.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after "sections" insert "518.17, subdivision 4; 518.551, subdivision 5;"

With the recommendation that when so amended the bill pass.

The report was adopted.

McDonald from the Committee on Agriculture to which was referred:

House Resolution No. 23, A house resolution stating the sense of the House of Representatives that adequate funding for the Soil Conservation Service and the Agricultural Stabilization and Conservation Service should be restored.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 346, 384, 495, 568, 584, 592, 594, 693, 743, 806, 834, 851, 860, 911, 912, 922, 934, 942, 984, 1018, 1029, 1128, 1151, 1205, 1227, 1282, 1309, 1317, 1405, 1460, 1468, 1497, 1498, 1503, 1541, 1568 and 1589 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1045, 43, 63, 279, 448, 455, 542 and 623 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Knuth, Valento, Kostohryz, Stanius and Rose introduced:

H. F. No. 1611, A bill for an act relating to Ramsey county; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement.

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

Kahn introduced:

H. F. No. 1612, A bill for an act relating to the city of Minneapolis; directing the charter commission to propose certain organizational changes; requiring a report to the legislature.

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

Dyke, Redalen, Quist, Tunheim and Sparby introduced:

H. F. No. 1613, A resolution memorializing the President and Congress of the United States to eliminate the adverse effect on agriculture of the cargo preference law.

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

HOUSE ADVISORIES

The following House Advisory was introduced:

Rose, Munger, Pauly, Onnen and Hartinger introduced:

H. A. No. 19, A proposal to study unresolved issues associated with the management of solid waste.

The advisory was referred to the Committee on Environment and Natural Resources.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 112, A bill for an act relating to veterans; authorizing certain American Legion officers and employees to elect state employee benefit coverage at their own expense; amending Minnesota Statutes 1984, section 43A.27, subdivision 2.

H. F. No. 335, A bill for an act relating to corrections; removing certain information from the certified record for commitment of persons convicted of a felony or gross misdemeanor; amending Minnesota Statutes 1984, section 243.49.

H. F. No. 511, A bill for an act relating to crimes; clarifying the elements of the crime of assault in the second degree; amending Minnesota Statutes 1984, section 609.222.

H. F. No. 517, A bill for an act relating to insurance; authorizing the use of funding agreements; prescribing powers of the commissioner; proposing coding for new law in Minnesota Statutes, chapter 61A.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 928, A bill for an act relating to the registration of snowmobiles; correcting an erroneous repealer; amending Minnesota Statutes 1984, section 84.82, by adding a subdivision; repealing Minnesota Statutes 1984, section 84.82, subdivision 9.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Thiede moved that the House concur in the Senate amendments to H. F. No. 928 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 928, A bill for an act relating to recreational vehicles; requiring registration of snowmobiles; exemption; abolishing special registration requirements for collector's snowmobiles; amending Minnesota Statutes 1984, section 84.82, subdivision 6, and by adding a subdivision; repealing Minnesota Statutes 1984, section 84.82, subdivision 9.

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 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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. 118, A bill for an act relating to public employee labor relations; regulating public employee mediation; regulating mediation and strikes concerning teachers; providing for arbitration awards in principal and assistant principal disputes; providing penalties; amending Minnesota Statutes 1984, sections 179A.14, subdivision 1; 179A.15; 179A.16, subdivision 7; 179A.-17, subdivision 1; 179A.18, subdivisions 2 and 3; and 179A.20, subdivision 3.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Nelson, Dicklich and Mehrkens.

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

Sviggum 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. 118. The motion prevailed.

Mr. Speaker:

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

S. F. No. 1231.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1231, A resolution memorializing the President and Congress of the United States to take immediate steps to reduce acid deposition.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Rose moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1231 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Rose moved that the rules of the House be so far suspended that S. F. No. 1231 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1231 was read for the second time.

S. F. No. 1231, A resolution memorializing the President and Congress of the United States to take immediate steps to reduce acid deposition.

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

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Richter

The bill was passed and its title agreed to.

CONSENT CALENDAR

H. F. No. 823, A bill for an act relating to Ramsey county; placing the position of law clerk investigator and law clerks in the unclassified service; amending Minnesota Statutes 1984, section 383A.29, subdivision 6.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 783 was reported to the House.

There being no objection S. F. No. 783 was continued on the Consent Calendar for one day.

H. F. No. 1374, A bill for an act relating to mines and minerals; prescribing fencing of unused mine pits and shafts; providing exceptions to tort liability in regard to certain water access sites relating to mining areas; providing for a study and report; providing penalties; amending Minnesota Statutes 1984, sections 3.736, subdivision 3; 180.03, subdivisions 2, 3, and 4; 180.10; and 466.03, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Begich	Brandl	Clark	Dyke
Anderson, R.	Bennett	Brinkman	Clausnitzer	Elioff
Backlund	Bishop	Brown	Cohen	Ellingson
Battaglia	Blatz	Carlson, D.	Dempsey	Erickson
Beard	Boerboom	Carlson, J.	DenOuden	Fjoslien
Becklin	Boo	Carlson, L.	Dimler	Forsythe

Frederick	Knuth	O'Connor	Richter	Thorson
Frederickson	Kostohryz	Ogren	Riveness	Tjornhom
Frerichs	Krueger	Olsen, S.	Rodosovich	Tomlinson
Greenfield	Kvam	Onnen	Rose	Tompkins
Gruenes	Levi	Osthoff	Sarna	Tunheim
Gutknecht	Lieder	Otis	Schafer	Uphus
Halberg	McDonald	Ozment	Scheid	Valan
Hartle	McEachern	Pappas	Schoenfeld	Valento
Haukoos	McLaughlin	Pauly	Schreiber	Vanasek
Heap	McPherson	Peterson	Seaberg	Vellenga
Himle	Metzen	Piepho	Segal	Voss
Jacobs	Miller	Piper	Sherman	Waltman
Jaros	Minne	Poppenhagen	Skoglund	Welle
Jennings, L.	Munger	Price	Solberg	Wenzel
Johnson	Murphy	Quinn	Sparby	Wynia
Kahn	Nelson, D.	Quist	Stanius	Zaffke
Kelly	Nelson, K.	Redalen	Staten	Spk. Jennings, D.
Kiffmeyer	Neuenschwander	Rees	Sviggum	
Knickerbocker	Norton	Rest	Thiede	

Those who voted in the negative were:

Rice

The bill was passed and its title agreed to.

S. F. No. 379, A bill for an act relating to nonprofit corporations; requiring the articles of incorporation to contain a mailing address; amending Minnesota Statutes 1984, sections 317.02, by adding a subdivision; 317.08, subdivision 2; and 317.19, subdivision 2.

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

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

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Jacobs	Metzen	Piper
Anderson, R.	DenOuden	Jaros	Miller	Poppenhagen
Backlund	Dimler	Jennings, L.	Minne	Price
Battaglia	Dyke	Johnson	Munger	Quinn
Beard	Elioff	Kahn	Murphy	Quist
Becklin	Ellingson	Kelly	Nelson, D.	Redalen
Begich	Erickson	Kiffmeyer	Nelson, K.	Rees
Bennett	Fjoslien	Knickerbocker	Neuenschwander	Rest
Bishop	Forsythe	Knuth	Norton	Rice
Blatz	Frederick	Kostohryz	O'Connor	Richter
Boerboom	Frederickson	Krueger	Ogren	Riveness
Boo	Frerichs	Kvam	Olsen, S.	Rodosovich
Brandl	Greenfield	Levi	Onnen	Rose
Brinkman	Gruenes	Lieder	Osthoff	Sarna
Brown	Gutknecht	Marsh	Otis	Schafer
Carlson, D.	Hartinger	McDonald	Ozment	Scheid
Carlson, L.	Hartle	McEachern	Pappas	Schoenfeld
Clark	Haukoos	McKasy	Pauly	Seaberg
Clausnitzer	Heap	McLaughlin	Peterson	Segal
Cohen	Himle	McPherson	Piepho	Sherman

Skoglund	Thiede	Tunheim	Vellenga	Wynia
Solberg	Thorson	Uphus	Voss	Zaffke
Sparby	Tjornhom	Valan	Waltman	Spk. Jennings, D.
Stanius	Tomlinson	Valento	Welle	
Sviggum	Tompkins	Vanasek	Wenzel	

The bill was passed and its title agreed to.

S. F. No. 437, A bill for an act relating to insurance; providing for the regulation of fraternal benefit societies; amending Minnesota Statutes 1984, section 61B.02, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 64B; repealing Minnesota Statutes 1984, sections 64A.01 to 64A.48.

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

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 886, A resolution memorializing the governments of the United States and Sweden that the State of Minnesota adopts the County of Kronoberg as a sister state.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Hartinger Seaberg Staten

The bill was passed and its title agreed to.

H. F. No. 1113, A bill for an act relating to state lands; authorizing conveyance by commissioner of transportation of certain state lands for historical preservation purposes.

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

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

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

S. F. No. 46, A bill for an act relating to commerce; changing a cross reference relating to undistributed property after dissolution of a cooperative; amending Minnesota Statutes 1984, section 308.14, subdivision 3b.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 143 was reported to the House.

Dempsey moved that S. F. No. 143 be continued on the Consent Calendar for one day. The motion prevailed.

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.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Quinn

The bill was passed and its title agreed to.

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.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 118:

Sviggun, McPherson and Nelson, K.

CALENDAR

S. F. No. 70 was reported to the House and given its third reading.

UNANIMOUS CONSENT

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

Dimler moved to amend S. F. No. 70, as follows:

Page 1, line 16, delete "*corridor*" and insert "*right-of-way*"

Page 2, line 5, after "*federal*" insert "*or state*"

Page 2, line 8, delete "*corridor*" and insert "*right-of-way*"

Page 2, line 15, delete "*the council determines*"

Amend the title as follows:

Page 1, line 6, delete "*corridor*" and insert "*right-of-way*"

The motion prevailed and the amendment was adopted.

S. F. No. 70, A bill for an act relating to real property; local and metropolitan government; transportation; providing for acquisition and relocation assistance in cases of hardship to owners of homestead property located in a proposed state highway corridor; amending Minnesota Statutes 1984, section 473.167, subdivision 3, 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 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 368 was reported to the House and given its third reading.

DenOuden moved that H. F. No. 368 be temporarily laid over on the Calendar. The motion prevailed.

H. F. No. 399, A bill for an act relating to education; the permanent school fund; requiring exchange for land in state parks and waysides; requiring an inventory of other permanent school fund lands; stating the goal of the permanent school fund; proposing coding for new law in Minnesota Statutes, chapters 92 and 120.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 418, A bill for an act relating to local government; excluding firefighter and peace officer job classes from certain aspects of pay equity requirements; amending Minnesota Statutes 1984, section 179A.16, by adding a subdivision; 471.992; 471.993, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1984, section 471.9965.

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 90 yeas and 31 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dimler	Kahn	Otis	Seaberg
Backlund	Dyke	Kiffmeyer	Ozment	Shaver
Battaglia	Elioff	Knickerbocker	Pappas	Sherman
Beard	Ellingson	Knuth	Pauly	Sparby
Becklin	Erickson	Kostohryz	Peterson	Stanius
Begich	Fjoslien	Kvam	Piepho	Thiede
Blatz	Frederick	Levi	Poppenhagen	Thorson
Boerboom	Frederickson	Lieder	Price	Tjornhom
Brinkman	Frerichs	Marsh	Quist	Tompkins
Brown	Gruenes	McDonald	Redalen	Tunheim
Burger	Gutknecht	McEachern	Rees	Uphus
Carlson, D.	Halberg	McLaughlin	Rest	Valan
Carlson, J.	Hartinger	McPherson	Rice	Valento
Carlson, L.	Heap	Metzen	Richter	Voss
Clark	Himle	Munger	Riveness	Waltman
Cohen	Jaros	Nelson, K.	Rose	Wenzel
Dempsey	Jennings, L.	Omann	Sarna	Zaffke
DenOuden	Johnson	Onnen	Schafer	Spk. Jennings, D.

Those who voted in the negative were:

Anderson, R.	Haukoos	Neuenschwander	Scheid	Staten
Bishop	Kelly	O'Connor	Schoenfeld	Swiggum
Boo	Krueger	Olsen, S.	Schreiber	Tomlinson
Brandl	Long	Osthoff	Segal	Vanasek
Clausnitzer	Minne	Piper	Skoglund	Vellenga
Greenfield	Murphy	Rodosovich	Solberg	Wynia
Hartle				

The bill was passed and its title agreed to.

H. F. No. 449, A bill for an act relating to attachments; providing procedures for the prejudgment seizure of property; amending Minnesota Statutes 1984, sections 570.01; 570.02; 570.08; 570.11; 570.12; and 570.14; repealing Minnesota Statutes 1984, sections 570.013; 570.03; 570.04; 570.05; 570.06; 570.07; 570.09; 570.093; and 570.13; proposing coding for new law in Minnesota Statutes, chapter 570.

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

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

H. F. No. 507, A bill for an act relating to Hennepin county; setting the form in which county board members' salaries must be stated; amending Laws 1982, chapter 577, section 14.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Osthoff

Rice

Staten

Voss

The bill was passed and its title agreed to.

H. F. No. 558, A bill for an act relating to metropolitan government; providing conditions for the disposal of certain sports facilities property; requiring the metropolitan mosquito control district to establish a research program to evaluate the effects of its control program on other fauna; amending Minnesota Statutes 1984, sections 473.556, subdivision 6; and 473.704, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Osthoff

Vanasek

The bill was passed and its title agreed to.

S. F. No. 625, A bill for an act relating to energy; delaying the effective date of energy efficiency ratings for certain devices

sold in Minnesota; amending Minnesota Statutes 1984, section 116J.19, subdivision 13.

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

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

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Greenfield	Rice	Skoglund	Staten	Voss
McLaughlin				

The bill was passed and its title agreed to.

H. F. No. 368 which was temporarily laid over earlier today on the Calendar was again reported to the House and given its third reading.

UNANIMOUS CONSENT

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

Kelly moved to amend H. F. No. 368, the second engrossment, as follows:

Page 1, line 14, after "609.535" insert "*, and a description of the penalties contained in these sections,*"

Page 2, line 9, after "609.535" insert "*, and a description of the penalties contained in these sections,*"

Page 3, line 3, after "to" insert "*and a description of the penalties in*"

The motion prevailed and the amendment was adopted.

UNANIMOUS CONSENT

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

Kelly moved to amend H. F. No. 368, the second engrossment, as amended, as follows:

Page 2, line 1, delete "*other*"

Page 2, line 2, after "*checks*" insert "*which do not exceed \$15 or the actual cost of collection but in no case more than \$30,*"

The motion prevailed and the amendment was adopted.

H. F. No. 368, A bill for an act relating to crimes; requiring notice of dishonor for issuing a worthless check to cite laws creating civil and criminal liability; amending Minnesota Statutes 1984, sections 332.50, subdivisions 2 and 3; and 609.535, subdivision 3.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	Ellingson	Haukoos	Kvam
Anderson, R.	Burger	Erickson	Heap	Levi
Backlund	Carlson, D.	Fjoslien	Himle	Lieder
Battaglia	Carlson, J.	Forsythe	Jacobs	Marsh
Beard	Carlson, L.	Frederick	Jaros	McDonald
Becklin	Clark	Frederickson	Jennings, L.	McEachern
Begich	Clausnitzer	Frerichs	Johnson	McKasy
Bennett	Cohen	Greenfield	Kahn	McLaughlin
Bishop	Dempsey	Gruenes	Kelly	McPherson
Blatz	DenOuden	Gutknecht	Kiffmeyer	Metzen
Boerboom	Dimler	Halberg	Knuth	Miller
Boo	Dyke	Hartinger	Kostohryz	Minne
Brinkman	Elioff	Hartle	Krueger	Munger

Murphy	Ozment	Rest	Sherman	Uphus
Nelson, D.	Pappas	Richter	Skoglund	Valan
Nelson, K.	Pauly	Riveness	Solberg	Valento
Neuenschwander	Peterson	Rodosovich	Sparby	Vanasek
Norton	Piepho	Rose	Stanis	Vellenga
O'Connor	Piper	Sarna	Sviggun	Voss
Ogren	Poppenhagen	Schafer	Thiede	Waltman
Olsen, S.	Price	Schoenfeld	Thorson	Wenzel
Omann	Quinn	Schreiber	Tjornhom	Wynia
Onnen	Quist	Seaberg	Tomlinson	Zaffke
Osthoff	Redalen	Segal	Tompkins	Spk. Jennings, D.
Otis	Rees	Shaver	Tunheim	

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

SPECIAL ORDERS

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

Rose moved that H. F. No. 1263 be returned to its author. The motion prevailed.

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

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

POINT OF ORDER

Vanasek raised a point of order pursuant to rule 1.9 relating to the number of votes required to continue a bill on Special Orders. The Speaker ruled the point of order not well taken.

Vanasek appealed the decision of the Chair.

A roll call was requested and properly seconded.

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:

Anderson, G.	Brinkman	Ellingson	Hartle	Kostohryz
Anderson, R.	Burger	Erickson	Haukoos	Krueger
Backlund	Carlson, J.	Fjoslien	Heap	Kvam
Battaglia	Carlson, L.	Forsythe	Himle	Levi
Beard	Clark	Frederick	Jacobs	Lieder
Begich	Clausnitzer	Frederickson	Jaros	Long
Bennett	Cohen	Frerichs	Jennings, L.	Marsh
Bishop	Dempsey	Greenfield	Johnson	McDonald
Blatz	DenOuden	Gruenes	Kahn	McEachern
Boerboom	Dimler	Gutknecht	Kelly	McKasy
Boo	Dyke	Halberg	Kiffmeyer	McLaughlin
Brandl	Elioff	Hartinger	Knuth	McPherson

Metzen	Osthoff	Rest	Shaver	Tompkins
Miller	Otis	Rice	Sherman	Tunheim
Munger	Ozment	Richter	Simoneau	Uphus
Murphy	Pappas	Riveness	Skoglund	Valan
Nelson, D.	Pauly	Rodosovich	Solberg	Vanasek
Nelson, K.	Peterson	Rose	Sparby	Vellenga
Neuenschwander	Piepho	Sarna	Stanisus	Voss
Norton	Piper	Schafer	Staten	Waltman
O'Connor	Poppenhagen	Scheid	Sviggum	Welle
Ogren	Price	Schoenfeld	Thiede	Wenzel
Olsen, S.	Quinn	Schreiber	Thorson	Wynia
Omann	Quist	Seaberg	Tjornhom	Zaffke
Onnen	Rees	Segal	Tomlinson	Spk. Jennings, D.

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.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called.

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

There were 69 yeas and 59 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

The question recurred on the Piepho motion to continue H. F. No. 9 on the Special Orders calendar for one day. The motion did not prevail.

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

Amend the title as follows:

Page 1, line 2, delete everything after "memorializing" and insert "the President and Congress of the United States to adopt a balanced budget for fiscal year 1987."

Page 1, delete lines 3 to 5

The motion prevailed and the amendment was adopted.

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

Piepho moved that H. F. No. 9, as amended, be returned to its author. The motion prevailed.

H. F. No. 450 was reported to the House.

Greenfield moved to amend H. F. No. 450, the second engrossment, as follows:

Pages 1 and 2, delete sections 1 and 2

Page 3, line 3, delete "4 to 7" and insert "1 to 4"

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

Page 3, line 22, delete "4" and insert "2"

Page 3, line 30, delete "sections 6 and 7" and insert "section 4"

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

Page 4, line 9, delete "6" and insert "4"

Page 4, line 11, delete "5" and insert "3"

Page 4, line 13, delete "6" and insert "4"

Page 4, line 19, delete "4" and insert "2"

Page 5, line 14, delete "4 to 7" and insert "1 to 4"

Page 7, line 12, delete "4 to 7" and insert "1 to 4"

Page 7, after line 17, insert:

"Sec. 5. [APPROPRIATION.]

\$800,000 is appropriated annually from the general fund to the commissioner of human services for the implementation of sections 1 to 4."

Pages 7 to 9, delete sections 7, 8, 9, 10, and 11

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to children; establishing a child abuse prevention trust fund; providing for disbursement of funds for child abuse prevention; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 257."

A roll call was requested and properly seconded.

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

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

There were 63 yeas and 69 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, R.	Boerboom	Dempsey	Forsythe	Halberg
Backlund	Boo	DenOuden	Frederick	Hartinger
Becklin	Burger	Dimler	Frederickson	Hartle
Bennett	Carlson, D.	Dyke	Frerichs	Haukoos
Bishop	Carlson, J.	Erickson	Gruenes	Heap
Blatz	Clausnitzer	Fjoslien	Gutknecht	Himle

Johnson	McPherson	Poppenhagen	Seaberg	Tompkins
Kiffmeyer	Miller	Quist	Shaver	Uphus
Knickerbocker	Olsen, S.	Redalen	Sherman	Valan
Kvam	Omann	Rees	Stanius	Valento
Levi	Onnen	Richter	Sviggum	Waltman
Marsh	Ozment	Rose	Thiede	Zaffke
McDonald	Pauly	Schafer	Thorson	Spk. Jennings, D.
McKasy	Piepho	Schreiber	Tjornhom	

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

Greenfield moved to amend H. F. No. 450, the second engrossment, as follows:

Pages 1 and 2, delete sections 1 and 2

Page 3, line 3, delete "4 to 7" and insert "1 to 5"

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

Page 3, line 22, delete "4" and insert "2"

Page 3, line 30, delete "6 and 7" and insert "4 and 5"

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

Page 4, line 9, delete "6" and insert "4"

Page 4, line 11, delete "5" and insert "3"

Page 4, line 19, delete "4" and insert "2"

Page 5, line 14, delete "4 to 7" and insert "1 to 5"

Page 7, line 12, delete "4 to 7" and insert "1 to 4"

Page 7, after line 17, insert:

"Sec. 5. [290.432] [CHILD ABUSE PREVENTION CHECKOFF.]

For any taxable year beginning after December 31, 1984, and until the state treasurer certifies to the commissioner of revenue that the assets in the child abuse prevention trust fund, established in section 2, exceed \$20,000,000, any individual who files an income tax return or a property tax refund claim form may designate on his or her original return or form that \$1 or more shall be added to the tax or deducted from the return or refund otherwise payable by or to that individual and paid into the child abuse prevention trust fund. The commissioner of revenue shall, on the income tax return and the property tax refund claim

form, notify filers of their right to designate that portion of their tax or refund that shall be paid into the child abuse prevention trust fund.

Upon certification by the state treasurer that the assets in the trust fund exceed \$20,000,000, the checkoff provisions shall be discontinued for all taxable years beginning after December 31 of the year in which certification is made."

Pages 7, 8, and 9, delete sections 7, 8, and 9

Page 9, line 17, delete "10" and insert "6"

Page 9, delete lines 23 to 25

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete everything before "a" and insert "establishing"

Page 1, line 7, delete everything after the semicolon

Page 1, delete lines 8 and 9

Page 1, line 10, delete "subdivision 3;"

Page 1, line 11, delete "; repealing"

Page 1, line 12, delete everything before the period

A roll call was requested and properly seconded.

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

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

There were 58 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	Ellingson	Kahn	Long
Battaglia	Carlson, L.	Greenfield	Kelly	McEachern
Beard	Clark	Jacobs	Kostohryz	Metzen
Begich	Cohen	Jaros	Krueger	Minne
Brinkman	Elioff	Jennings, L.	Lieder	Munger

Murphy	Osthoff	Rice	Simoneau	Vanasek
Nelson, D.	Otis	Riveness	Skeglund	Vellenga
Nelson, K.	Pappas	Rodosovich	Solberg	Voss
Neuenschwander	Peterson	Sarna	Sparby	Welle
Norton	Piper	Scheid	Staten	Wenzel
O'Connor	Price	Schoenfeld	Tomlinson	
Ogren	Quinn	Segal	Tunheim	

Those who voted in the negative were:

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

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

Wynia moved to amend H. F. No. 450, the second engrossment.

A roll call was requested and properly seconded.

Levi requested a division of the Wynia amendment.

Wynia requested that the House vote first on the second portion of the Wynia amendment.

The second portion of the Wynia amendment to H. F. No. 450 reads as follows:

"Sec. 5. [CHILD ABUSE PREVENTION APPROPRIATION.]

\$4,200,000 is appropriated from the general fund to the commissioner of human services for the purposes of prevention of child abuse, to be available until June 30, 1986. \$4,600,000 is appropriated from the general fund to the commissioner of human services for the purposes of prevention of child abuse, to be available until June 30, 1987."

Delete the title and insert:

"A bill for an act relating to appropriations; establishing an income tax or property tax checkoff for the Minnesota racing

commission, the charitable gambling control board, the horticultural society, and the arts board; providing funds for the prevention of child abuse; appropriating money; proposing coding for new law in Minnesota Statutes 1984, chapter 290."

A roll call was requested and properly seconded.

The question was taken on the second portion of the Wynia amendment and the roll was called. There were 61 yeas and 69 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

The motion did not prevail and the second portion of the Wynia amendment was not adopted.

Wynia withdrew the first portion of her amendment to H. F. No. 450, the second engrossment.

Long; Kahn; Otis; Nelson, D.; Schoenfeld; Munger; Staten; Tunheim; Kelly; Price and Segal offered an amendment to H. F. No. 450, the second engrossment.

POINT OF ORDER

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

Long appealed the decision of the Chair.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called.

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

There were 81 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Erickson	Knickerbocker	Poppenhagen	Thiede
Backlund	Fjoslien	Krueger	Quist	Thorson
Becklin	Forsythe	Kvam	Redalen	Tjernhom
Bishop	Frederick	Levi	Rees	Tompkins
Blatz	Frederickson	Marsh	Rest	Uphus
Boerboom	Frerichs	McDonald	Richter	Valan
Boo	Gruenes	McKasy	Rose	Valento
Brandl	Gutknecht	McPherson	Schafer	Vellenga
Brinkman	Halberg	Miller	Scheid	Waltman
Burger	Hartinger	Munger	Schreiber	Welle
Carlson, D.	Hartle	Nelson, K.	Seaberg	Wenzel
Carlson, J.	Haukoos	Olsen, S.	Shaver	Zaffke
Clausnitzer	Heap	Omann	Sherman	Spk. Jennings, D.
Dempsey	Himle	Onnen	Skoglund	
DenOuden	Jennings, L.	Ozment	Sparby	
Dimler	Johnson	Pauly	Stanilus	
Dyke	Kiffmeyer	Piepho	Sviggum	

Those who voted in the negative were:

Battaglia	Jacobs	Minne	Piper	Simoneau
Beard	Kahn	Murphy	Price	Staten
Begich	Kelly	Nelson, D.	Quinn	Tomlinson
Carlson, L.	Knuth	Norton	Rice	Vanasek
Clark	Kostohryz	O'Connor	Riveness	Voss
Cohen	Lieder	Ogren	Rodosovich	Wynia
Elioff	Long	Osthoff	Sarna	
Ellingson	McEachern	Otis	Schoenfeld	
Greenfield	McLaughlin	Peterson	Segal	

So it was the judgment of the House that the decision of the Speaker should stand and that the Long et al. amendment was not in order.

Carlson, D., and Segal were excused for the remainder of today's session.

H. F. No. 450 was read for the third time.

POINT OF ORDER

Kahn raised a point of order pursuant to rule 5.7 that H. F. No. 450 be re-referred to the Committee on Appropriations. The Speaker ruled the point of order not well taken.

POINT OF ORDER

Vanasek raised a point of order pursuant to rule 5.8 that H. F. No. 450 be re-referred to the Committee on Governmental Operations.

The Speaker submitted the following question to the House: "Is it the judgment of the House that the Vanasek point of order is well taken?"

A roll call was requested and properly seconded.

The question was taken on the Vanasek point of order and the roll was called.

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

There were 61 yeas and 68 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

It was the judgment of the House that the Vanasek point of order relating to rule 5.8 on H. F. No. 450 was not well taken.

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

H. F. No. 450, A bill for an act relating to children; replacing the state election campaign fund with a child abuse prevention trust fund; providing for disbursement of funds for child abuse prevention; creating a tax return checkoff to fund the child abuse prevention trust fund; appropriating money; amending Minnesota Statutes 1984, sections 10A.25, subdivision 10, and by adding a subdivision; 290.06, subdivision 11; and 290.39, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 257 and 290; repealing Minnesota Statutes 1984, sections 10A.30 to 10A.335.

The bill was placed upon its final passage.

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

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

There were 70 yeas and 59 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, G.	Greenfield	Metzen	Pappas	Simoneau
Battaglia	Jacobs	Minne	Peterson	Skoglund
Beard	Jaros	Munger	Piper	Solberg
Begich	Jennings, L.	Murphy	Price	Sparby
Brandl	Kahn	Nelson, D.	Quinn	Staten
Brinkman	Kelly	Nelson, K.	Rest	Tomlinson
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	Wynia
Ellingson	McLaughlin	Otis	Schoenfeld	

The bill was passed and its title agreed to.

CALL OF THE HOUSE LIFTED

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

GENERAL ORDERS

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

MOTIONS AND RESOLUTIONS

Johnson moved that the name of Kalis be added as an author on H. F. No. 251. The motion prevailed.

Pauly moved that her name be stricken as an author and that the name of Schreiber be added as chief author on H. F. No. 495. The motion prevailed.

Johnson moved that the names of Carlson, D., and Lieder be added as authors on H. F. No. 1155. The motion prevailed.

Bishop moved that the name of Vellenga be added as an author on H. F. No. 1391. The motion prevailed.

Quist moved that the name of Kiffmeyer be added as an author on H. F. No. 1604. The motion prevailed.

Wenzel moved that the names of Begich, Neuenschwander, Krueger and O'Connor be added as authors on H. F. No. 1606. The motion prevailed.

Sviggum moved that H. F. No. 1607 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Nelson, K., moved that H. F. No. 1288 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Uphus moved that H. F. No. 134, now on General Orders, be re-referred to the Committee on Appropriations.

Norton moved to amend the Uphus motion as follows:

Delete "Appropriations" and insert "Rules and Legislative Administration."

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

The question recurred on the Uphus motion that H. F. No. 134, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Frederick moved that S. F. No. 597 be recalled from the Committee on Local and Urban Affairs and together with H. F. No. 693, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Forsythe moved that H. F. No. 961, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Olsen, S., moved that H. F. No. 1400 be returned to its author. The motion prevailed.

Rodosovich moved that H. F. No. 1447 be returned to its author. The motion prevailed.

Ogren moved that H. F. No. 515 be returned to its author. The motion prevailed.

Ogren moved that H. F. No. 1003 be returned to its author. The motion prevailed.

Frerichs introduced:

House Resolution No. 27, A house resolution commending Mr. Harold Johnson for his outstanding record of public service.

The resolution was referred to the Committee on Rules and Legislative Administration.

House Resolution No. 23 was reported to the House.

HOUSE RESOLUTION NO. 23

A house resolution stating the sense of the House of Representatives that adequate funding for the Soil Conservation Service and the Agricultural Stabilization and Conservation Service should be restored.

Whereas, agriculture is the major industry in Minnesota and directly affects the major part of our soil and water resources; and

Whereas, the National Resources Inventory identified that 13.5 million acres of our 23 million acres of cropland in Minnesota needs conservation treatment; and

Whereas, the Soil Conservation Service and the Agricultural Stabilization and Conservation Service are the two primary programs for preserving our invaluable cropland and preserving the quality of our waters; and

Whereas, the Soil Conservation Service provides technical assistance to landowners to ensure the protection of those resources; and

Whereas, the Agricultural Stabilization and Conservation Service provides the information and funding to enable landowners to install the practices needed to protect their soil; *Now, Therefore*,

Be It Resolved by the House of Representatives of the State of Minnesota that the people of Minnesota need the Soil Conservation Service expertise, personnel, and programs to protect the productivity of our soil and the quality of our water resources. We also need the assistance of the Agricultural Stabilization and Conservation Service through the ACP program to ensure implementation of these resource protection measures. Adequate funding for the Soil Conservation Service and the Agricultural Stabilization and Conservation Service should be restored.

Redalen moved that House Resolution No. 23 be now adopted. The motion prevailed and House Resolution No. 23 was adopted.

ADJOURNMENT

Levi moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, April 24, 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., Wednesday, April 24, 1985.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

the following: The first is a bill to amend the act relating to the election of judges of the Supreme Court, and the second is a bill to amend the act relating to the election of judges of the Supreme Court.

The first bill is a bill to amend the act relating to the election of judges of the Supreme Court, and the second is a bill to amend the act relating to the election of judges of the Supreme Court.

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