

STATE OF MINNESOTA

SEVENTY-FOURTH SESSION - 1985

SIXTY-THIRD DAY

SAINT PAUL, MINNESOTA, FRIDAY, MAY 17, 1985

The House of Representatives convened at 12:00 noon and was called to order by David M. Jennings, Speaker of the House.

Prayer was offered by Reverend Howard C. Gravrock, House Chaplain.

The roll was called and the following members were present:

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

A quorum was present.

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

Anderson, R., was excused while in conference.

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 658, 769, 1083, 1175, 810, 828, 961 and 1258 and S. F. Nos. 708, 977, 339, 719, 304, 1130, 928 and 930 have been placed in the members' files.

S. F. No. 719 and H. F. No. 940, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Rose moved that the rules be so far suspended that S. F. No. 719 be substituted for H. F. No. 940 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1130 and H. F. No. 1436, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Onnen moved that the rules be so far suspended that S. F. No. 1130 be substituted for H. F. No. 1436 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Forsythe from the Committee on Appropriations to which was referred:

H. F. No. 628, A bill for an act relating to game and fish; enhancement of fish and wildlife; planning and implementation of wildlife management; conservation of marginal agricultural lands; habitat management; aspen recycling program; appropriating money; amending Minnesota Statutes 1984, sections 97.49, subdivision 3; 97.55, by adding a subdivision; 98.52, by adding a subdivision; 290.431; and 296.421, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapters 40, 84, and 88.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [SHORT TITLE.]

Sections 2 to 17 may be cited as the "fish and wildlife enhancement act of 1985."

Sec. 2. [84.941] [POLICY.]

It is hereby declared to be the policy of the state to conserve, maintain, enhance, and wisely use fish and wildlife resources through natural resource planning, protection, and utilization. This policy shall include the following goals:

(1) to perpetuate all species of wild animals for their social, spiritual, economic, ecologic, and recreational values;

(2) to maintain diversified recreational uses of wild animals, including hunting, fishing, and trapping as proper uses of certain species of wild animals subject to scientific management and regulations that ensure the development and maintenance of optimum populations of wild animals consistent with public safety and quality outdoor experiences;

(3) to provide for the beneficial use and enjoyment of wild animals by all citizens of the state;

(4) to protect, provide, and maintain well distributed high-quality habitat for wild animals;

(5) to recognize that wild animals are renewable resources from which citizens of the state may derive economic return consistent with the public ownership of these resources;

(6) to provide for aesthetic, cultural, and educational uses of wild animals;

(7) to reduce damages, public health, or safety problems caused by wild animals in a manner consistent with the goals stated in this section;

(8) to stimulate private sector involvement as a partner with the state of Minnesota in promoting conservation of critical habitats, soil, water, and wildlife resources; and

(9) to establish a funding mechanism for the management of wild animals which is financed by all citizens of the state not just hunters, trappers, and anglers.

Sec. 3. [84.942] [FISH AND WILDLIFE RESOURCES MANAGEMENT PLAN.]

Subdivision 1. [PREPARATION.] The commissioner of natural resources shall prepare a comprehensive fish and wildlife management plan designed to accomplish the policy and goals stated in section 2. Phase 1 of the plan shall include a program outline and issues analysis and shall be completed by July 1, 1986. The final plan shall include a resource assessment and the program elements as provided in subdivisions 2 and 3 and any

other matter which the commissioner of the department of natural resources determines appropriate and shall be completed by July 1, 1988.

Subd. 2. [RESOURCE ASSESSMENT.] The resource assessment shall be updated every five years and shall include but not be limited to the following:

(1) a description of historical use as well as present use, supply, and demand for fish and wildlife resources statewide;

(2) an assessment of the projected use and demand for fish and wildlife resources statewide;

(3) an assessment of the capability of fish and wildlife resources to meet future demand; and

(4) development of a data base capable of continuous updating and useable as a resource management tool.

Subd. 3. [PROGRAM ELEMENTS.] The program elements shall be continuously reviewed and shall be updated every two years and shall describe specific actions to address the assessment and to accomplish the policy and goals of section 2, including but not limited to:

(1) an issue analysis describing major fish and wildlife management problems;

(2) a strategic plan which shall include a statement of goals, policies, and alternative actions by the commissioner of natural resources to address the resource management issues, and recommendations for actions of other agencies to accomplish fish and wildlife resource goals and policies;

(3) an operational plan including a description of the management program's objectives and specific actions needed to address the issues, an estimate of expenditures necessary to implement the management actions, and a description of the sources and amounts of revenue available and needed to finance the estimated expenditures as well as recommendations for additional funding sources; and

(4) a review to administer expenditures and to evaluate the effectiveness of the plan.

Subd. 4. [FEDERAL COORDINATION.] The commissioner of natural resources shall coordinate all fish and wildlife planning efforts with the appropriate federal agencies in order to achieve optimum public benefit.

Subd. 5. [PUBLIC AND PRIVATE COORDINATION.] The commissioner of natural resources shall coordinate fish and wildlife planning efforts with other public agencies and private organizations engaged in fish and wildlife resource management and research.

Sec. 4. [84.943] [MINNESOTA CRITICAL HABITAT PRIVATE SECTOR MATCHING FUND.]

There is hereby established a Minnesota critical habitat private sector matching fund. The fund shall be administered by the commissioner of natural resources as follows:

(a) The fund shall consist of contributions from private sources and appropriations by the legislature.

(b) Fund resources from appropriations by the legislature may be expended only to the extent that they are matched with contributions to the fund from private sources in an amount equal in value to any appropriation. The private contributions may be made in cash or in contributions of land or interests in land that are designated by the commissioner as program acquisitions. For the purposes of this section, the private contributions of land or interests in land shall be valued in accordance with their appraised value.

(c) The fund shall be managed to earn the highest interest compatible with prudent investment, preservation of principal, and reasonable liquidity. Absent reversion under the terms of clause (d), principal and interest shall remain in the fund until expended under the terms of this act.

(d) Any fund resources appropriated by the legislature and not matched within three years from the date of the appropriation shall revert to the general fund.

(e) The commissioner of natural resources may accept contributions and pledges to the fund. Pledges made contingent on appropriation of funds by the legislature are acceptable and shall be reported with other pledges as set forth in this section. On each December 1 preceding a new budgetary biennium until the fund size limit is reached, the commissioner shall report the amount that has been contributed and the amount that has been pledged for payment in the succeeding two calendar years in his budget request. In addition, the commissioner shall report the contributed and pledged amounts to the governor and to the chairs of the standing committees in the house of representatives and the senate dealing with finance and natural resources so that these public officials know what an appropriate matching amount of general fund appropriation is for the fund to equal the value of the private contributions. A similar state match to private contributions and pledges for successive years shall be requested in successive biennial years by the commissioner.

Fund resources may be expended only for the direct acquisition of land or interests in land in accordance with section 5 of this act. Acquisition includes (1) purchase of land or any interest in land by the commissioner, or (2) acceptance by the department of gifts of land or interests in land as program projects.

Sec. 5. [84.944] [DESIGNATION OF SITES AS PROGRAM ACQUISITIONS.]

The commissioner of natural resources shall utilize the fund created in section 4, in accordance with the provisions of this act, to acquire by purchase or gift lands which are critical natural habitat for the benefit of wildlife and related resources.

(a) In determining what critical natural habitat shall be acquired utilizing the fund, the commissioner shall consider whether the area is:

(1) significant habitat for wildlife and waterfowl;

(2) significant habitat for nongame species;

(3) significant habitat for native plant or animal species classified as endangered or threatened by the Minnesota natural heritage program;

(4) a significant example of a native ecological community which is now uncommon or diminishing; or

(5) significant enough to enhance efforts to protect or manage natural systems or features in an existing state-owned wildlife or natural area which meets the criteria of the program.

(b) All sites acquired by the commissioner in accordance with the provisions of this section shall be designated by the commissioner as outdoor recreation units pursuant to section 86A.05 as is appropriate for the specific critical habitat or features on the required site.

Sec. 6. [PURPOSE AND POLICY.]

It is the purpose of sections 6 to 10 that certain marginal farm lands should be kept out of annual crop production to protect our soil and water quality and support wildlife habitat, to help our depressed farm economy by placing conservation dollars where they would give ailing farmers relief, to enhance the natural resource values of marginal agricultural land, and to protect and develop wildlife habitat. It is hereby declared to be the policy of the state to encourage the retirement of marginal or highly erodible lands from crop production and to reestablish on those lands a cover of perennial vegetation.

Sec. 7. [40.41] [DEFINITIONS.]

For the purposes of sections 7 to 10, "commissioner" means the commissioner of the department of agriculture.

"Marginal agricultural land" means land which is composed of class IIIe, IVe, V, VI, VII, or VIII soil as identified in the land capability classification system of the United States Department of Agriculture and the county soil survey, if completed, unless superseded by another classification system as determined by the commissioner. Examples of this land include, but are not limited to, cropland adjacent to streams, lakes and marshes, hillsides, drainage ditch rights-of-way, native and perennial grasses, sinkholes, roadsides, river bottoms and other land supporting natural vegetation.

Sec. 8. [40.42] [ELIGIBLE LAND.]

Marginal agricultural land that is eligible for the conservation reserve program must be:

- (1) privately owned by a Minnesota resident landowner;*
- (2) land that is south and west of marked trunk highways 10, 23, and 95;*
- (3) at least two acres in size;*
- (4) land that is not currently set aside or diverted under another federal or state government program; and*
- (5) land that has been in crop production for wheat, corn, oats, barley, soybeans, grain or cane sorghum, sugar beets, forage crops, or pasture in two of the five years prior to the final enactment of this act.*

Sec. 9. [40.43] [CONSERVATION RESERVE PROGRAM.]

Subdivision 1. [AUTHORITY.] The commissioner may enter into contractual agreements with landowners for the conservation of marginal agricultural land. In entering agreements, the commissioner must give priority to protection of class IIIe and IVe soils in choosing marginal agricultural lands for annual payments. The agreements must be for a period of five to ten years with provision for renewal for additional five-year to ten-year periods. The commissioner may reexamine the payment rates and the condition of the established cover at the beginning of any five-year renewal period in the light of the then current land and crop values and make needed adjustments in rates and cover payments for any renewal period. Contracts authorized

by this section are exempt from contractual provisions of chapter 16B. No contract may provide for payment of more than \$10,000 to any landowner in any year.

Subd. 2. [AGREEMENT.] In the agreement with the commissioner, a landowner must agree:

(1) to place in the program for the period of the agreement marginal agricultural land he or she and the commissioner designate which is not more than 20 percent of the landowner's total acreage within the state;

(2) to seed the lands, as specified in the agreement but no later than May 15 for spring seeding in the first year of the agreement so as to establish and maintain a continuous cover either of a grass-legume mixture or native grasses for the term of the agreement at seeding rates determined by the commissioner, or to plant corn, sorghum, or other grain on three acres of the lands which are adjacent to a swamp or woods at the appropriate times in the first year of the agreement and at the appropriate times in any succeeding year in which the resident landowner chooses to plant grain rather than to establish and maintain a grass cover on the three acres. Grain planted pursuant to this provision may not be harvested and must be left available for consumption by wildlife. The grain must be planted in strips no more than 100 feet wide which are at least 100 feet apart;

(3) not to burn, fill, impair, or destroy the wildlife habitat and other natural features of the land nor to use the land for agricultural crop production purposes as determined by the commissioner;

(4) not to allow the grazing of livestock except, with the approval of the commissioner after consultation with the commissioner of natural resources, in the case of severe drought or other natural disasters;

(5) not to conduct chemical spraying or mowing except for spot weed control or emergency control of pests necessary to protect public health;

(6) not to convert other land supporting natural vegetation which has not been in crop production and which is a part of the same farm operation to the production of wheat, corn, oats, barley, soybeans, grain or cane sorghum, sugar beets, forage crops, or pasture during the term of the agreement;

(7) to forfeit all rights to further payments and to refund to the state all payments received under the agreement upon violation of the agreement at any stage during the time the landowner has control of the land subject to the agreement, if

the commissioner determines that the violation is of such a nature as to warrant termination of the agreement. The commissioner may require that the landowner make refunds or accept payment adjustments the commissioner considers appropriate if the commissioner determines that the violation by the landowner does not warrant termination of the agreement;

(8) not to adopt any practice specified by the commissioner in the agreement as a practice that would tend to defeat the purposes of the agreement; and

(9) to any additional provisions which the commissioner determines are desirable and includes in the agreement to effectuate the purposes of the program or to facilitate its administration.

Subd. 3. [DUTY OF COMMISSIONER.] In return for the agreement of the landowner, the commissioner shall (1) immediately make a payment to the landowner to establish the cover crop required by the agreement in an amount determined by the commissioner, but not more than \$75 per acre or in the case of landowners who choose to plant grain for consumption by wildlife, in an amount, method, and location determined by the commissioner, but not more than \$100 per acre for three acres, to plant the grain as required by the agreement; (2) make an annual payment to the owner for the period of the agreement at a rate determined by multiplying the most recent fair market value of the landowner's agricultural land as established by the county assessor by five percent; and (3) provide advice on land conservation through the local soil and water conservation district as the commissioner determines to be appropriate in cooperation with field personnel of the department of natural resources.

Subd. 4. [AGREEMENT RENEWAL.] Any agreement may be renewed or extended at the end of the agreement period for an additional period of five to ten years by mutual agreement of the commissioner and the landowner, subject to any rate redetermination by the commissioner. If during the agreement period the landowner sells or otherwise divests himself or herself of the ownership or right of occupancy of the land, the new landowner must continue the agreement under the same terms or conditions, or enter into a new agreement in accordance with the provisions of this section, including the provisions for renewal and adjustment of payment rates.

Subd. 5. [AGREEMENT TERMINATION.] The commissioner may terminate any agreement by mutual agreement with the owner if the commissioner determines that the termination would be in the public interest, and the commissioner may agree to any modification of agreements the commissioner determines to be desirable to carry out the purposes of the program or facilitate its administration, except that no changes in payment rates are authorized during the terms of the agreement.

Sec. 10. [40.44] [COOPERATION AND TECHNICAL ASSISTANCE.]

Subdivision 1. [COOPERATION.] In implementing sections 6 to 10 the commissioner must share information and cooperate with the department of natural resources, the United States Fish and Wildlife Service, the Agricultural Stabilization and Conservation Service and Soil Conservation Service of the United States Department of Agriculture, the agricultural extension service of the University of Minnesota, county boards, and interested private organizations and individuals.

Subd. 2. [TECHNICAL ASSISTANCE.] The commissioner must provide needed technical assistance through the local soil and water conservation districts to landowners enrolled in the conservation reserve program. The commissioner of natural resources must provide technical advice and assistance to the commissioner on the form and content of the conservation reserve agreement, on cultural practices relating to the establishment and maintenance of permanent cover, and in monitoring the terms and conditions of the agreements. The commissioners of agriculture and natural resources shall jointly prepare an informational booklet on other state and federal programs for land acquisition, conservation, and retirement that shall be made available to each eligible landowner for the conservation reserve program under sections 6 to 10.

Sec. 11. [40.45] [RULEMAKING.]

The commissioner may adopt rules and is authorized to adopt emergency rules in order to carry out the purposes of sections 6 to 10.

Sec. 12. [88.80] [ASPEN RECYCLING PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The commissioner may:

(1) establish and accelerate an aspen recycling program to assure that marketable stands of aspen are available on state lands;

(2) designate priority areas on state lands for aspen recycling; and

(3) establish the pilot project under subdivision 2 in the highest priority area for aspen recycling.

Subd. 2. [PILOT PROJECT.] The commissioner may establish a pilot project to develop methods and practices to recycle aspen stands in the state. The commissioner may restrict bidding to loggers residing in the pilot project area designated under

subdivision 1 that are financially distressed. The commissioner may establish standards and procedures for awarding logging contracts under section 86.35 relating to eligibility for employment for conservation work projects.

Subd. 3. [REPORT.] The commissioner shall report to the legislature by July 1, 1986, with the results of the pilot project and a plan to recycle the overmature aspen stands of the state.

Sec. 13. Minnesota Statutes 1984, section 97.49, subdivision 3, is amended to read:

Subd. 3. A sum equal to: (1) 35 percent of the gross receipts from all special use permits and leases of lands acquired for public hunting grounds and game refuges, or (2) 50 cents per acre on purchased land actually used for public hunting grounds and game refuges, or (3) three-quarters of one percent of the appraised value of purchased land actually used for public hunting grounds and game refuges, whichever amount is the greater, shall be paid out of the (GAME AND FISH) *general fund* annually to the county in which said lands are located, to be distributed by the county treasurer among the county and the respective towns and school districts wherein such grounds and refuges lie, on the same basis as if the payments were received as taxes on such lands, payable in the current year, but this provision shall not apply to state trust fund lands or any other state lands not purchased for game refuge and public hunting ground purposes. The county's share of the proceeds shall be deposited in the county general revenue fund. For the purpose of determining the applicability of payments pursuant to clause (3) above, the appraised value of the lands acquired shall be deemed to be the purchase or acquisition price thereof during the first five years following acquisition. After the expiration of five years from the date of acquisition or, in the case of lands acquired prior to July 1, 1974, within 90 days after July 1, 1979, and thereafter at five year intervals, a current appraisal of the land shall be made by the appropriate county assessor, and shall govern payments.

Sec. 14. Minnesota Statutes 1984, section 97.55, is amended by adding a subdivision to read:

Subd. 17. Any person who illegally buys or sells any protected wild animal when the total amount of the sale or sales exceeds \$1,000 is guilty of a felony punishable by a fine of not less than \$3,000 or more than \$10,000 or by imprisonment for not less than one year and one day and not more than 10 years or by both the fine and imprisonment.

Any person convicted of a second or subsequent unlawful sale or purchase of a protected wild animal within a period of one year from the date of the prior conviction shall be sentenced at the felony level described in this section.

Sec. 15. Minnesota Statutes 1984, section 98.52, is amended by adding a subdivision to read:

Subd. 6. When a person is convicted of unlawfully buying or selling a protected wild animal and is subject to the penalty prescribed in section 14, any license to take wild animals possessed by the person immediately becomes void and the person forfeits all rights to take any wild animals in any manner for a period of three years after the date of conviction.

Sec. 16. Minnesota Statutes 1984, section 296.421, subdivision 4, is amended to read:

Subd. 4. [DISTRIBUTION OF UNREFUNDED TAX FOR MOTOR BOAT PURPOSES.] The amount of unrefunded tax paid on gasoline used for motor boat purposes as computed in Minnesota Statutes 1961, Section 296.421, Subdivision 5, shall be paid into the state treasury and (33 1/3 PERCENT THEREOF SHALL BE CREDITED TO THE STATE PARK DEVELOPMENT ACCOUNT; 33 1/3 PERCENT THEREOF SHALL BE CREDITED TO THE GAME AND FISH FUND TO BE USED TO DEFRAY THE COST AND EXPENSE OF THE DIVISION OF GAME AND FISH AND THE DEPARTMENT OF NATURAL RESOURCES IN THE ACQUISITION, IMPROVEMENT, DEVELOPMENT AND MAINTENANCE OF SITES FOR PUBLIC ACCESS TO PUBLIC WATERS OF THIS STATE AND FOR LAKE IMPROVEMENT; AND THE REMAINING 33 1/3 PERCENT THEREOF SHALL BE CREDITED TO THE GENERAL FUND FOR PURPOSES OF BOAT AND WATER SAFETY) *be credited to the department of natural resources water recreation account which is hereby established for the purpose of providing additional funds for acquisition, development, maintenance, and rehabilitation of sites for public access and boating facilities on public waters; lake and river improvement; state park development; and boat and water safety. Notwithstanding any other law to the contrary, funds in the water recreation account must be spent for boat and water safety grants to counties under chapter 361 in an amount at least equal to the amount expended in fiscal year 1985 and shall be adjusted after that date according to the commissioner's formula.*

Sec. 17. Minnesota Statutes 1984, section 296.421, subdivision 5, is amended to read:

Subd. 5. [COMPUTATION OF UNREFUNDED TAX.] The amount of unrefunded tax shall be a sum equal to (THREE-FOURTHS OF) *one and one-half* percent of all revenues derived from the excise taxes on gasoline, except on gasoline used for aviation purposes, together with interest thereon and penalties for delinquency in payment, paid or collected pursuant to the provisions of sections 296.02 to 296.17. The amount of such tax shall be computed for each six-month period commencing Janu-

ary 1, 1961, and shall be paid into the state treasury on November 1 and June 1 following each six-month period.

Sec. 18. Minnesota Statutes 1984, section 290.431, is amended to read:

290.431 [NONGAME WILDLIFE CHECKOFF.]

Every individual who files an income tax return or property tax refund claim form may designate on their original return that \$1 or more shall be added to the tax or deducted from the refund that would otherwise be payable by or to that individual and paid into an account to be established for the management of nongame wildlife. 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 a portion of their tax or refund shall be paid into the nongame wildlife management account. The sum of the amounts so designated to be paid shall be credited to the nongame wildlife management account for use by the nongame section of the division of wildlife in the department of natural resources. *All interest earned on money accrued in the nongame wildlife management account shall be credited to the account by the state treasurer.* The commissioner of natural resources shall submit a work program for each fiscal year and semi-annual progress reports to the legislative commission on Minnesota resources in the form determined by the commission. None of the money provided in this section may be expended unless the commission has approved the work program.

The state pledges and agrees with all contributors to the nongame wildlife management account to use the funds contributed solely for the management of nongame wildlife projects and further agrees that it will not impose additional conditions or restrictions that will limit or otherwise restrict the ability of the commissioner of natural resources to use the available funds for the most efficient and effective management of nongame wildlife.

Sec. 19. [APPROPRIATION.]

Of the appropriation in Laws 1985, chapter 4, \$10,000,000 shall cancel and be reappropriated for the following purposes. Notwithstanding any other law to the contrary, this appropriation is available until June 30, 1987.

\$3,000,000 is appropriated to the commissioner of natural resources for the period ending June 30, 1987, to carry out the provisions in section 4.

\$10,000,000 is appropriated to the commissioner of agriculture for the period ending June 30, 1987, to carry out the pro-

visions of sections 6 to 10. No more than ten percent shall be expended for administrative expenses, including technical assistance.

\$2,000,000 is appropriated to the commissioner of natural resources for the purpose of carrying out the duties assigned by section 12. The appropriation shall be available until June 30, 1987.

Sec. 20. Laws 1985, chapter 4, section 10, is amended to read:

Sec. 10. [APPROPRIATION.]

(\$25,050,000) \$10,050,000 is appropriated from the general fund to the commissioner of commerce for the following purposes:

(a) For payment of interest on existing farm loans under section 5, to be available until June 30, 1986 (\$ 9,200,000) \$5,680,000

(b) For payment of interest on new farm operating loans under section 6, to be available until June 30, 1986 ... (15,800,000) 9,320,000

(c) For administration of sections 4 to 6, to be available until June 30, 1986 50,000

(d) If the appropriation for paragraph (b) is insufficient the appropriation for paragraph (a) is available for it.

Sec. 21. [REPEALER.]

Section 12, subdivisions 2 and 3, are repealed effective July 1, 1987.

Sec. 22. [EFFECTIVE DATE.]

Sections 1 to 20 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 9, after "5;" insert "Laws 1985, chapter 4, section 10;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Forsythe from the Committee on Appropriations to which was referred:

H. F. No. 687, 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 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 6 and 24; and 296.02, subdivisions 7 and 8; proposing coding for new law in Minnesota Statutes, chapter 17.

Reported the same back with the following amendments:

Page 5, lines 18 to 21, delete section 9

Renumber the remaining section in sequence

Amend the title as follows:

Page 1, line 8, delete "and appropriating money"

With the recommendation that when so amended the bill pass.

The report was adopted.

Forsythe from the Committee on Appropriations to which was referred:

H. F. No. 849, A bill for an act relating to water pollution control; establishing a state financial assistance program for the abatement of combined sewer overflow; reauthorizing the state independent grants program; increasing the cigarette tax rates; appropriating money; amending Minnesota Statutes 1984, sections 116.16, subdivision 1, and by adding a subdivision; 116.18, subdivisions 1 and 3a; 297.02, by adding a subdivision; 297.13, by adding a subdivision; 297.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116; repealing Minnesota Statutes 1984, section 116.18, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [86.36] [RESOURCES WORK PROGRAMS; CONDITIONS.]

(a) *Expenditures of funds appropriated under section 297.13, subdivision 10, shall be made by the legislative commis-*

sion on Minnesota resources for various projects, as the commission determines, in the categories of:

- (1) fishing and water management related activities;
- (2) land conservation and wildlife habitat improvement;
- (3) outdoor recreation related activities; and
- (4) lake restoration and redevelopment.

(b) The agency or entity receiving the appropriation must submit work programs, showing the purpose for which the funds will be expended, and semiannual progress reports in the form determined by the commission. Notwithstanding any other law to the contrary, at least 15 percent of the funds appropriated must be used on projects employing members of the Minnesota conservation corps and youth employment program. None of the money appropriated under section 297.13, subdivision 10, may be spent unless the commission has approved the pertinent work program. Upon request from the commission, the head of an agency receiving an appropriation under section 11 and this section shall submit an evaluation to the commission by July 1, 1986, as to whether the program should be incorporated in the agency's next budget.

(c) Persons employed by a state agency and paid by an appropriation under section 297.13, subdivision 10, are in the unclassified civil service, and their continued employment is contingent upon the availability of money from the appropriation. When the appropriation has been spent, their positions shall be canceled and the approved complement of the agency reduced accordingly. Part-time employment of persons is authorized.

Sec. 2. Minnesota Statutes 1984, section 116.16, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] A Minnesota state water pollution control fund is created as a separate bookkeeping account in the general books of account of the state, to record receipts of the proceeds of state bonds and other money appropriated to the fund and disbursements of money appropriated or loaned from the fund to agencies and subdivisions of the state for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control, and abatement of water pollution in accordance with the long range state policy, plan, and program established in sections 115.41 to 115.63, and in accordance with standards adopted pursuant to law by the Minnesota pollution control agency. It is determined that state financial assistance for the construction of water pollution prevention and abatement facilities for mu-

municipal disposal systems and combined sewer overflow is a public purpose and a proper function of state government, in that the state is trustee of the waters of the state and such financial assistance is necessary to protect the purity of state waters, and to protect the public health of the citizens of the state, which is endangered whenever pollution enters state waters at one point and flows to other points in the state.

Sec. 3. Minnesota Statutes 1984, section 116.16, is amended by adding a subdivision to read:

Subd. 3a. [RECEIPTS.] The revenues required to be deposited in the fund by section 8 must be apportioned as provided in this subdivision.

(a) The amount required for loans for combined sewer overflow abatement under section 4, subdivision 6, must be credited annually to a separate account. These amounts are appropriated annually to the agency for expenditure under section 4.

(b) The remaining amount must be spent by the agency, upon appropriation by the legislature, for water pollution control under sections 116.16 to 116.18.

Sec. 4. [116.162] [FINANCIAL ASSISTANCE FOR COMBINED SEWER OVERFLOW.]

Subdivision 1. [PURPOSE.] The legislature finds and declares:

(a) that combined sewer overflow to the Mississippi River in the Twin Cities metropolitan area remains a significant source of unwanted pollution to the river despite substantial and long-standing local efforts to remedy the problem;

(b) that federal and state financial assistance for combined sewer reconstruction, together with increased local funding and better local management of storm water runoff, infiltration, and inflow, can so greatly accelerate efforts to abate combined sewer overflow that the problem can be substantially remedied in ten years and virtually eliminated in 15 years without disrupting commerce or impairing orderly and economical planning and construction programs; and

(c) that a commitment of state funds for combined sewer overflow projects in the metropolitan area is consistent with a state program to meet the acute need that exists throughout the state, especially in nonmetropolitan areas, for increased financial assistance to enable local jurisdictions to meet federally-mandated water quality standards, if the financial assistance for metropolitan sewer overflow projects is targeted specifically on acceleration programs required by a 15-year abatement deadline.

Accordingly, it is the purpose of this section:

(1) to provide state financial assistance to help remedy the combined sewer overflow problem in the metropolitan area in a manner consistent with the implementation of a balanced state-wide program of water pollution control;

(2) to dedicate annually an amount of state financial resources that will be sufficient, together with fair and responsible federal and local contributions, to remedy the overflow problem over a 15-year period; and

(3) to make the most effective use of limited state funds for combined sewer overflow projects by targeting assistance on any local jurisdiction that is compelled, in order to meet a 15-year abatement schedule, to so significantly accelerate its planned sewer reconstruction program as to disrupt local capital programming and threaten local fiscal integrity.

Subd. 2. [DEFINITIONS.] (a) Except as otherwise provided in this section, the terms used in this section have the meanings given in section 116.16, subdivision 2.

(b) "Combined sewer" means a sewer that is designed and intended to serve as a sanitary sewer and a storm sewer, or as an industrial sewer and a storm sewer.

(c) "Combined sewer overflow" means a discharge of a combination of storm and sanitary wastewater or storm and industrial wastewater directly or indirectly into the waters of the state, occurring when the volume of wastewater flow exceeds the conveyance or storage capacity of a combined sewer system.

(d) "Combined sewer overflow abatement plan" means the plan approved by the agency which constitutes the basis for a combined sewer overflow construction schedule contained in a permit, stipulation agreement, consent decree, or order issued by the agency subsequent to the effective date of this section.

(e) "Rainleader" means any structure or device, excluding catch basins on public property, constructed to direct or convey storm water, snow melt, or surface water from private or public property into a public sanitary or combined sewer.

Subd. 3. [LOAN PROGRAM; PURPOSE.] The pollution control agency shall administer a state loan program to assist eligible recipients to abate combined sewer overflow to the Mississippi River between the confluence of the Rum River and the confluence of the St. Croix River. The program must be administered under this section, and, to the extent consistent with this section, section 116.16.

Subd. 4. [ELIGIBLE RECIPIENTS.] Any statutory or home rule charter city that has separated less than 75 percent of its combined sewers on the effective date of this section is eligible for assistance under the program, if the city has a permit, stipulation agreement, consent decree, or order issued by the agency requiring construction to abate combined sewer overflow and if the city adopts an approved plan to abate combined sewer overflow within a specified period, not exceeding 15 years. An eligible recipient of loans under this section is not eligible for other grants, reimbursements, or loans of state funds from the agency for combined sewer overflow projects.

Subd. 5. [ELIGIBLE COSTS.] The eligible cost of a loan applicant under this section includes the costs listed in section 116.16, subdivision 2, paragraph (6), and costs for projects for the abatement of combined sewer overflow as determined by the agency, using as guidelines the regulations promulgated by the United States environmental protection agency under the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314, et seq., except that the eligible cost includes easements necessary for implementing the combined sewer overflow abatement plan and does not include:

- (a) the preparation of combined sewer overflow abatement plans,*
- (b) acquisition of interests in real property other than easements,*
- (c) storm water treatment facilities,*
- (d) costs for a rainleader disconnection program,*
- (e) costs incurred before the effective date of this section, and*
- (f) costs incurred after the effective date of this section but without prior written approval of the agency.*

Subd. 6. [LOANS.] During the period commencing January 1, 1986, and ending 15 years after the date of the first loan to an eligible recipient, the agency shall award annually to an eligible recipient a loan for the eligible costs in that year that are not paid by federal grants and that are not required by this subdivision to be paid by the recipient. The recipient is required to pay 50 percent of the difference between the eligible costs in that year and the amount of federal grant money received by the recipient in that year for combined sewer overflow projects.

Subd. 7. [LOAN CONDITIONS; ADMINISTRATION.] A recipient of loans under this section shall construct the com-

bined sewer overflow abatement facilities in accordance with the construction schedule contained in the permit, stipulation agreement, consent decree, or order issued by the agency. As a condition of receiving a loan, the recipient shall implement a rainleader disconnection program approved by the agency. The deadlines for submittal of facilities plans, plans and specifications, and other documents to the agency for a loan are governed by the construction schedule contained in the permit, stipulation agreement, consent decree, or order issued by the agency requiring combined sewer overflow abatement construction.

Subd. 8. [LOAN REPAYMENT.] A recipient of loans under this section shall repay the loans in annual installments over a period commencing 15 years after the date when the recipient received the first loan and ending no more than 15 years after the date when the recipient makes the first repayment. The minimum repayment required each year during the repayment period is:

(a) the principal amount of the loan received in the annual installment 15 years before, plus

(b) interest at six percent on that principal amount, less

(c) an amount equal to the interest on the portion of the principal due in that year that the agency determines was required to pay the costs attributable to the difference between the construction schedule contained in the permit, stipulation agreement, consent decree, or order issued by the agency and the construction schedule that the agency determines the recipient would otherwise have followed to complete combined sewer overflow abatement construction.

The deduction of interest under clause (c) may not be less than 62.5 percent of the interest due each year. The amounts repaid must be deposited in the general fund.

Subd. 9. [RULES.] By October 31, 1985, the agency shall promulgate emergency rules for the administration of the loan program established by this section. By October 31, 1986, the agency shall promulgate permanent rules. The emergency and permanent rules must contain as a minimum:

(a) procedures for application;

(b) criteria for eligibility of combined sewer overflow abatement projects;

(c) conditions for use of the loans;

(d) procedures for the administration of the loans; and

(e) other matters that the agency finds necessary for the proper administration of the program.

Sec. 5. Minnesota Statutes 1984, section 116.18, subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATION FROM THE FUND.] The sum of \$167,000,000, or so much thereof as may be necessary, is appropriated from the Minnesota state water pollution control fund in the state treasury to the pollution control agency, for the period commencing on July 23, 1971 and ending June 30, (1985,) 1987. *The amount deposited in the fund under section 3, clause (b), or so much thereof as may be necessary, is appropriated from the fund to the agency for the period beginning July 1, 1985, and ending June 30, 1987. The amounts appropriated by this subdivision are to be granted and disbursed to municipalities and agencies of the state in aid of the construction of projects conforming to section 116.16, in accordance with the rules, priorities, and criteria therein described.*

Sec. 6. Minnesota Statutes 1984, section 116.18, subdivision 3a, is amended to read:

Subd. 3a. [STATE INDEPENDENT GRANTS PROGRAM.] (a) The agency may award independent grants for projects for 50 percent or, if the agency requires advanced treatment, 65 percent of the eligible cost of construction. The agency may award independent grants for up to an additional 15 percent or, if the agency requires advanced treatment, up to an additional ten percent of the eligible cost of construction to municipalities for which the construction would otherwise impose significant financial hardship; the amounts of the additional grants shall be based on per connection capital cost, median household income, and per capita adjusted assessed valuation. These grants may be awarded in separate steps for planning and design in addition to actual construction. (NOT MORE THAN 20 PERCENT OF THE TOTAL AMOUNT OF GRANTS AWARDED UNDER THIS SUBDIVISION IN ANY SINGLE FISCAL YEAR MAY BE AWARDED FOR PROJECTS FOR THE CONTROL OF COMBINED SEWER OVERFLOW AS DEFINED BY FEDERAL REGULATION.) Until December 31, 1990, not more than 20 percent of the total amount of grants awarded under this subdivision in any single fiscal year may be awarded to a single grantee.

(b) Up to ten percent of the money to be awarded as grants under this subdivision in any single fiscal year shall be set aside for municipalities having substantial economic development projects that cannot come to fruition without municipal wastewater treatment improvements. The agency shall forward its municipal needs list to the commissioner of energy and economic development at the beginning of each fiscal year, and the com-

missioner shall review the list and identify those municipalities having substantial economic development projects. After the first 90 percent of the total available money is allocated to municipalities in accordance with agency priorities, the set-aside shall be used by the agency to award grants to remaining municipalities that have been identified.

(c) Grants may also be awarded under this subdivision to reimburse municipalities willing to proceed with projects and (APPLY TO) be reimbursed in (THE) a subsequent year conditioned upon appropriation of sufficient money under subdivision 1 for that year. The maximum amount of the reimbursement the agency may commit in any single fiscal year is equal to the amount newly appropriated under subdivision 1 for that year.

Sec. 7. Minnesota Statutes 1984, section 116.18, is amended by adding a subdivision to read:

Subd. 3b. [COMBINED SEWER OVERFLOW.] No state grants may be awarded under subdivision 2a or 3a for projects for the control of combined sewer overflow as defined by federal regulation and section 4, subdivision 2.

Sec. 8. Minnesota Statutes 1984, section 297.02, is amended by adding a subdivision to read:

Subd. 1a. [POLLUTION CONTROL RATES.] In addition to the tax imposed by subdivision 1, a tax is imposed on 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, two mills on each cigarette; and

(2) on cigarettes weighing more than three pounds per thousand, four mills on each cigarette.

Sec. 9. Minnesota Statutes 1984, section 297.02, is amended by adding a subdivision to read:

Subd. 1b. [MINNESOTA RESOURCES RATES.] In addition to the taxes imposed by subdivisions 1 and 1a, a tax is imposed on 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, one mill on each cigarette; and

(2) *on cigarettes weighing more than three pounds per thousand, two mills on each cigarette.*

Sec. 10. Minnesota Statutes 1984, section 297.13, is amended by adding a subdivision to read:

Subd. 9. [POLLUTION CONTROL FUND.] Notwithstanding the provisions of subdivision 1, the commissioner of revenue shall deposit in the water pollution control fund the revenues received from the tax imposed by section 8 and no portion of the revenues are subject to the provisions of subdivision 1.

Sec. 11. Minnesota Statutes 1984, section 297.13, is amended by adding a subdivision to read:

Subd. 10. [TAX INCREASE.] Notwithstanding subdivision 1 or any other law, the increased revenue derived from the increase in cigarette taxes imposed by section 9 shall be deposited to the credit of the natural resources acceleration account in the general fund and is appropriated annually to the legislative commission on Minnesota resources for the purposes specified in section 1.

Sec. 12. 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. 13. [MUNICIPAL POWERS.]

Subdivision 1. [PURPOSE.] Notwithstanding any provision of any statute or home rule charter to the contrary, for the purpose of abating combined sewer overflow and of providing funds to pay all or any portion of the costs of the abatement, a recipient of loans under section 4 may exercise the authority provided in this section.

Subd. 2. [GENERAL.] A recipient may acquire any real or personal property by purchase, lease, condemnation, gift, or

grant, and it may construct, enlarge, improve, replace, repair, maintain and operate a public sewer system, including storm sewers, sanitary sewers and facilities for separating storm sewers from combined storm and sanitary sewers. To accomplish these purposes, a recipient may exercise all of the powers granted any municipality by Minnesota Statutes, chapters 115, 117, 412, 429, 435, 444, 471 and 475.

Subd. 3. [DEBT.] A recipient may incur indebtedness and may issue and sell bonds or other obligations pledging the full faith and credit of the city to its payment for storm and sanitary sewers and systems without submitting the question of the issuance of the bonds to the electors. Except as provided in this section, the bonds must be issued and sold according to the provisions of chapter 475.

Subd. 4. [PROPERTY TAX.] In addition and supplemental to the foregoing grant of authority, the governing body may establish a special taxing district or districts within the corporate limits of the city, and may levy and collect ad valorem taxes on some or all of the real or personal property within the city. The taxes must be collected by the county and paid over to the city as are other taxes. The taxes are not restricted by any other tax levy limitations imposed upon the city by any other law or charter provision.

Subd. 5. [ASSESSMENTS.] The governing body of the city may divide the city into drainage districts or areas, and may levy and collect assessments based on benefit to property, whether the benefit be direct or indirect, and the assessments so levied may be based upon the existing or highest and best land usage, square footage, front footage or area. The assessments may be levied in accordance with the procedures set forth in the city's home rule charter or chapter 429, as the council determines. The assessments may be levied and collected from all property whether public or private, and in the case of public property the agency of government responsible for the property shall provide the necessary funds in their budget appropriations.

Sec. 14. [COMPLEMENT.]

The complement of the agency is increased by one position.

Sec. 15. [REPEALER.]

Minnesota Statutes 1984, section 116.18, subdivision 2, is repealed.

Sec. 16. [EFFECTIVE DATE.]

Sections 8 to 15 are effective July 1, 1985."

Delete the title and insert:

"A bill for an act relating to water pollution control; establishing a state financial assistance program for the abatement of combined sewer overflow; reauthorizing the state independent grants program; increasing the cigarette tax rates; appropriating money; amending Minnesota Statutes 1984, sections 116.16, subdivision 1, and by adding a subdivision; 116.18, subdivisions 1, 3a, and by adding a subdivision; 297.02, by adding subdivisions; 297.13, by adding subdivisions; 297.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 86 and 116; repealing Minnesota Statutes 1984, section 116.18, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Forsythe from the Committee on Appropriations to which was referred:

H. F. No. 1402, A bill for an act relating to economic development; agricultural resource loan guaranty program; modifying the terms of the state guaranty; repealing the authority to issue state general obligation bonds; authorizing the issuance of revenue bonds; restricting the use of tax increments; authorizing the designation of new enterprise zones; amending Minnesota Statutes 1984, sections 41A.01; 41A.02, subdivisions 5, 7, 8, and by adding a subdivision; 41A.03, subdivisions 1, 3, and by adding a subdivision; 41A.04, subdivisions 1, 3, and 4; 41A.05, subdivisions 1, 2, 3, and by adding a subdivision; 41A.06, subdivisions 1 and 5; 273.1312, subdivisions 3, 4, and 5; 273.1313, subdivision 2, and by adding a subdivision; and 273.1314, subdivisions 1, 2, 4, 5, 7, 8, 9, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 41A; repealing Laws 1984, chapter 502, article 10, section 12.

Reported the same back with the following amendments:

Page 30, line 10, after the comma insert "*of the appropriations in Laws 1985, chapter 4, \$5,000,000 shall cancel and be reappropriated*"

Page 30, line 11, delete "\$5,000,000 as appropriated"

Page 30, line 12, delete "*from the general fund*"

Page 30, line 13, delete "*in fiscal year 1985*"

Page 30, line 15, delete everything after the period

Page 30, delete line 16

Page 30, line 17, delete "*guaranty fund for fiscal years 1986 and 1987.*"

Page 30, line 18, after "*appropriated*" insert "*from the agricultural resource loan guaranty fund*"

Page 30, line 19, delete the comma and insert "*for fiscal years 1986 and 1987.*"

Page 30, delete lines 20 to 23

Page 30, after line 29, insert:

"Sec. 36. Laws 1985, chapter 4, section 10, is amended to read:

Sec. 10. [APPROPRIATION.]

(\$25,050,000) *\$10,050,000* is appropriated from the general fund to the commissioner of commerce for the following purposes:

(a) For payment of interest on existing farm loans under section 5, to be available until June 30, 1986 (\$9,200,000) *\$3,680,000*

(b) For payment of interest on new farm operating loans under section 6, to be available until June 30, 1986 (15,800,000) *6,320,000*

(c) For administration of sections 4 to 6, to be available until June 30, 1986 50,000

(d) If the appropriation for paragraph (b) is insufficient the appropriation for paragraph (a) is available for it."

Page 30, line 33, delete "*36*" and insert "*37*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 15, delete "and"

Page 1, line 16, after the semicolon insert "and Laws 1985, chapter 4, section 10;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Forsythe from the Committee on Appropriations to which was referred:

H. F. No. 1645, A bill for an act relating to economic development; creating a special enterprise zone for a large manufacturing facility; providing for the taxation of the facility; authorizing the issuance of bonds; providing assistance to locate a large manufacturing facility in the state; appropriating money; amending Minnesota Statutes 1984, sections 273.1312, subdivisions 3 and 4; and 273.1314, subdivisions 3, 4, 6, 7, 8, 9, and by adding a subdivision.

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

The report was adopted.

Forsythe from the Committee on Appropriations to which was referred:

S. F. No. 916, A bill for an act relating to human services; authorizing the commissioner to establish a state advisory planning council; requiring counties to contract with nonprofit organizations; changing set aside project amounts; amending Minnesota Statutes 1984, sections 245.70, subdivision 1; 245.71; 245.711, subdivision 2; and 245.713, subdivision 2.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 628, 687, 849, 1402 and 1645 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 719, 1130 and 916 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Carlson, J.; Valan; Frerichs and Neuenschwander introduced:

H. F. No. 1684, A bill for an act relating to traffic regulations; authorizing commissioner of transportation to issue special per-

mit for three-vehicle combination exceeding length and weight restrictions to travel on certain interstate highways; prescribing fees; amending Minnesota Statutes 1984, sections 169.81, subdivision 2; and 169.86, subdivision 5, and by adding a subdivision.

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

Tjornhom, Pauly, Osthoff, Scheid and Dimler introduced :

H. F. No. 1685, A bill for an act relating to transportation; allowing car pools to use bus ramps onto controlled access highways; amending Minnesota Statutes 1984, section 160.08, subdivision 3.

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

McKasy introduced :

H. F. No. 1686, A bill for an act relating to taxation; income; changing computation of corporate net operating losses and carryovers; amending Minnesota Statutes 1984, section 290.095, subdivision 3.

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

HOUSE ADVISORIES

The following House Advisories were introduced :

Otis introduced :

H. A. No. 49, A proposal to study programs designed to serve teenaged parents.

The advisory was referred to the Committee on Education.

Bishop, Redalen and Quist introduced :

H. A. No. 50, A proposal to study the effect of long-term contracts to supply electricity to municipal utilities.

The advisory was referred to the Committee on Regulated Industries and Energy.

Redalen, Gruenes and Bishop introduced :

H. A. No. 51, A proposal to study the Division of Energy.

The advisory was referred to the Committee on Regulated Industries and Energy.

Osthoff, Redalen and Minne introduced :

H. A. No. 52, A proposal to study utility regulation in the State of Minnesota.

The advisory was referred to the Committee on Regulated Industries and Energy.

Miller, Redalen, Jacobs, Tjornhom and Ogren introduced :

H. A. No. 53, A proposal to study the Energy Assistance Program.

The advisory was referred to the Committee on Regulated Industries and Energy.

Frederick, Brinkman, Waltman, Schafer and Riveness introduced :

H. A. No. 54, A proposal to study agricultural commodities marketing through on-farm production of ethanol.

The advisory was referred to the Committee on Agriculture.

Richter, McDonald, Omann, Redalen and Wenzel introduced :

H. A. No. 55, A proposal to study fluid milk enhancement through the addition of non-fat milk solids.

The advisory was referred to the Committee on Agriculture.

Valan, Uphus, Kalis, Dyke and Frederickson introduced :

H. A. No. 56, A proposal to study the problem of capital flight from Minnesota Agriculture.

The advisory was referred to the Committee on Agriculture.

Sparby; Anderson, G.; Redalen; Uphus and Wenzel introduced :

H. A. No. 57, A proposal for an interim study on agriculture.

The advisory was referred to the Committee on Agriculture.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 779, A bill for an act relating to taxation; changing certain income tax provisions relating to corporations; amending Minnesota Statutes 1984, sections 290.05, subdivision 1; 290.37, subdivision 1; 290.391; 290.42; and 290.931, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

McKasy moved that the House concur in the Senate amendments to H. F. No. 779 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 779, A bill for an act relating to taxation; changing certain income tax provisions relating to corporations; amending Minnesota Statutes 1984, sections 290.05, subdivision 1; 290.391; and 290.42.

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 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Carlson, L.	Gruenes	Kvam	Neuenschwander
Backlund	Clark	Gutknecht	Levi	Norton
Battaglia	Clausnitzer	Hartinger	Lieder	O'Connor
Beard	Cohen	Hartle	Long	Ogren
Becklin	Dempsey	Haukoos	McDonald	Olsen, S.
Begich	DenOuden	Heap	McEachern	Olson, E.
Bennett	Dyke	Jacobs	McKasy	Omann
Bishop	Elioff	Jaros	McLaughlin	Onnen
Boerboom	Ellingson	Johnson	McPherson	Osthoff
Boo	Erickson	Kalis	Metzen	Otis
Brandl	Fjoslien	Kelly	Miller	Ozment
Brinkman	Forsythe	Kiffmeyer	Minne	Pappas
Brown	Frederick	Knickerbocker	Munger	Pauly
Burger	Frederickson	Knuth	Murphy	Peterson
Carlson, D.	Frerichs	Kostohryz	Nelson, D.	Piepho
Carlson, J.	Greenfield	Krueger	Nelson, K.	Piper

Poppenhagen	Riveness	Sherman	Tomlinson	Voss
Price	Rodosovich	Skoglund	Tompkins	Waltman
Quinn	Sarna	Solberg	Tunheim	Welle
Quist	Schafer	Stanius	Uphus	Wenzel
Redalen	Scheid	Staten	Valan	Wynia
Rees	Schoenfeld	Sviggum	Valento	Spk. Jennings, D.
Rest	Seaberg	Thiede	Vanasek	
Richter	Segal	Tjornhom	Vellenga	

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

Mr. Speaker :

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 83, A bill for an act relating to courts; eliminating restrictions on the chief judge's ability to make assignments to juvenile court in Hennepin and Ramsey counties; amending Minnesota Statutes 1984, section 260.019, subdivision 3.

The Senate has appointed as such Committee Ms. Reichgott, Messrs. Freeman and Storm.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 213, A bill for an act relating to the maltreatment of minors or vulnerable adults in certain licensed facilities; providing for notification of parents or guardians after reports of alleged abuse; clarifying certain provisions; amending Minnesota Statutes 1984, sections 626.556, subdivisions 10b, 11, and by adding a subdivision; and 626.557, subdivision 12, and by adding a subdivision.

The Senate has appointed as such Committee Messrs. Spear, Ramstad and Merriam.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 264, A bill for an act relating to animals; providing for a rabies control program; imposing criminal liability on persons who cause the death or substantial bodily harm of another by permitting certain dogs to be unconfined or improperly confined; providing for the destruction of dangerous animals; imposing penalties; amending Minnesota Statutes 1984, section 609.25; proposing coding for new law in Minnesota Statutes, chapters 346 and 609.

The Senate has appointed as such Committee Messrs. Ramstad, Merriam and Petty.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 513, A bill for an act relating to state government; regulating the career executive service; specifying executive branch conflicts of interest; providing for review of state trooper arbitration awards; regulating approved complements; regulating liquidation of vacation leave; amending Minnesota Statutes 1984, sections 15.62, subdivision 2; 16A.123, subdivision 3; 16B.65, subdivision 3; 43A.17, subdivision 8; 43A.21, subdivision 5; 43A.38, subdivision 5; 62D.22, subdivision 7; and 299D.03, subdivision 11.

The Senate has appointed as such Committee Messrs. Moe, D. M.; Wegscheid and Frederickson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 968, A bill for an act relating to education; permitting payroll deductions in the state university system for a certain nonprofit university foundation; proposing coding for new law in Minnesota Statutes, chapter 136.

The Senate has appointed as such Committee Messrs. Waldorf, Nelson and Mrs. Kronebusch.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1032, A bill for an act relating to the borough of Belle Plaine; permitting Belle Plaine to use the term "borough" for all purposes; amending Minnesota Statutes 1984, sections 410.015; and 413.02, subdivision 5, and by adding a subdivision.

The Senate has appointed as such Committee Messrs. Schmitz, Renneke and Mrs. Adkins.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 533, A bill for an act relating to occupations and professions; concerning the practice of veterinary medicine; allowing foreign veterinary graduates to be admitted to practice

under certain conditions; amending Minnesota Statutes 1984, sections 156.001; 156.02, subdivision 1; 156.081, subdivision 2; and 156.12, subdivision 2; repealing Minnesota Statutes 1984, section 156.09.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rose moved that the House concur in the Senate amendments to H. F. No. 533 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 533, A bill for an act relating to occupations and professions; concerning the practice of veterinary medicine; allowing foreign veterinary graduates to be admitted to practice under certain conditions; amending Minnesota Statutes 1984, sections 156.001; 156.02, subdivision 1; 156.081, subdivision 2; and 156.12, subdivision 2; repealing Minnesota Statutes 1984, section 156.09.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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. 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Langseth, Purfeerst, DeCramer, Schmitz 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

Johnson moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 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. 43. The motion prevailed.

Mr. Speaker :

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

S. F. No. 35, 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Diessner; Peterson, R. W.; and Merriam.

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

Bennett 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. 35. The motion prevailed.

Mr. Speaker:

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

S. F. No. 196, A bill for an act relating to crimes; requiring the county attorney to prosecute failure to report child abuse or neglect; providing for the reporting of child abuse or neglect; defining certain terms; clarifying immunity from liability for reporting child abuse or neglect; providing for concise summaries of disposition of reports; making technical changes; prescribing penalties; amending Minnesota Statutes 1984, sections 388.051, subdivision 2; and 626.556, subdivisions 1, 2, 3, 4, 4a, 5, 6, 9, and 11.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Reichgott, Messrs. Pogemiller and Knaak.

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

Levi 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. 196. The motion prevailed.

Mr. Speaker:

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

S. F. No. 251, A bill for an act relating to nursing homes; establishing an educational program for resident and family advisory councils; authorizing a surcharge on license fees; requiring eval-

uation and a report to the legislature by the Minnesota board on aging; appropriating money; amending Minnesota Statutes 1984, sections 256B.421, subdivision 8; and 256B.431, subdivision 2b; proposing coding for new law in Minnesota Statutes, chapter 144A.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Berglin, Mrs. Lantry and Mr. Benson.

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

Boo 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. 251. The motion prevailed.

Mr. Speaker:

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

S. F. No. 647, A bill for an act relating to education; Minnesota Educational Computing Corporation; removing some limits on its powers; providing for compliance with certain bidding laws for management computing services; amending Minnesota Statutes 1984, sections 119.04, subdivision 2; 119.05, subdivision 2; and 119.07.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Mr. Pehler, Ms. Olson and Mr. Moe, D. M.

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

Erickson 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. 647. The motion prevailed.

Mr. Speaker:

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

S. F. No. 818, A bill for an act relating to employment and economic opportunity; providing for the streamlining and coordination of job, economic development, and income-maintenance programs; setting as dual goals the lowering of unemployment rates and welfare caseloads; creating the councils for the hearing impaired and for the blind; abolishing the department of economic security; creating a new department of employment and training; transferring responsibilities of the department of economic security to the department of employment and training and the department of human services; transferring certain employment and training functions of the department of human services and the department of administration to the department of employment and training; providing for biennial statewide plans for employment and training and apprenticeships; providing for coordination of state and federal jobs programs; establishing community investment programs; granting rule-making authority; changing formulas for paying local agencies for general assistance grants to recipients subject to work requirements; removing a sunset provision from the Minnesota emergency employment development act; amending Minnesota Statutes 1984, sections 15A.081, subdivision 1; 86.33, by adding subdivisions; 116J.035, by adding a subdivision; 116L.03, subdivision 7; 116L.04, by adding a subdivision; 129A.02, subdivision 2; 136.63, by adding a subdivision; 136C.06; 178.03, by adding a subdivision; 245.87; 248.07; 248.08; 256.736; 256.737; 256C.24; 256C.25; 256C.26; 256D.02, subdivision 13; 256D.03, subdivision 2; 256D.09, subdivision 3, and by adding a subdivision; 256D.111, subdivision 2; 268.04, by adding subdivisions; 268.08, by adding a subdivision; 268.31; 268.32; 268.33; 268.34; 268.36; 268.672, subdivision 6; 268.676, subdivision 1; and 268.686; proposing coding for new law in Minnesota Statutes, chapters 256C and 268; proposing coding for new law as Minnesota Statutes, chapters 267 and 268A; repealing Minnesota Statutes 1984, sections 129A.02, subdivision 4; 245.84, subdivision 2; 256.736, subdivisions 1 and 2; 256D.02, subdivision 8a; 256D.111, subdivision 1a; 256D.112; 268.011; 268.012; 268.013; 268.12, subdivisions 1 and 1a; 268.683, subdivision 2; 268.684; 268.80; and 268.81.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Pogemiller, Freeman and Dicklich.

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

Quist 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. 818. The motion prevailed.

Mr. Speaker:

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

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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Reichgott, Mrs. Brataas and Ms. Berglin.

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

Bishop 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. 623. The motion prevailed.

Mr. Speaker:

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

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

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Dieterich, Novak and Gustafson.

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

Bennett 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. 1183. The motion prevailed.

Mr. Speaker:

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

S. F. No. 767.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 908.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 903 and 1513.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 1014 and 1512.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 767, A bill for an act relating to local government; allowing for an increase in the appropriation a county may make for a county humane society in any year; authorizing the county

board of Otter Tail county to adopt an ordinance for the control of dogs and cats; amending Minnesota Statutes 1984, section 343.11.

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

S. F. No. 908, A bill for an act relating to human services; revising procedures and requirements under the aid to families with dependent children, medical assistance, and general assistance programs; appropriating money; amending Minnesota Statutes 1984, sections 245.791; 245.804, subdivision 1; 256.12, subdivision 20; 256.73, subdivisions 2, 3a, and 6; 256.736, subdivisions 3 and 4; 256.74, subdivisions 1, 1a, and 2; 256.76, subdivision 1; 256.78; 256.79; 256.871, subdivision 3; 256.99; 256B.02, subdivisions 2 and 3; 256B.06, subdivision 1; 256B.07; 256B.17, subdivision 6; 256D.01, subdivision 1a; 256D.03, subdivision 4; and 256D.06, by adding a subdivision.

The bill was read for the first time.

Gruenes moved that S. F. No. 908 and H. F. No. 911, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 903, A bill for an act relating to human services; creating a procedure for reconsideration of a resident's case mix classification; establishing approval procedures and requirements for hospital swing beds; restricting licensure of new nursing home beds; expanding the preadmission screening program; revising statutes relating to nursing home reimbursement; requiring nursing homes participating in the medical assistance program to be medicare certified; creating an appeal process for nursing home appraisals; authorizing the legislative commission on long-term health care to study cost containment strategies and collect data; requiring recovery of the federal share of medical assistance overpayments; authorizing bingo in nursing homes and senior citizen housing projects; requiring review by the commissioners of human services and health of proposals for revenue bond financing of health facility projects; requiring a study of the feasibility of home equity conversion to finance long-term health care; appropriating money; amending Minnesota Statutes 1984, sections 144.50, subdivision 2; 144A.01, subdivision 5; 144A.071, subdivisions 1, 2, and 3; 256B.02, subdivision 8; 256B.091, subdivisions 1, 2, 4, 5, and 8; 256B.421, subdivision 1; 256B.431, subdivisions 2b, 3, and 4, and by adding a subdivision; 256B.50; 256B.504, subdivision 1; 349.214, by adding a subdivision; and 474.01, subdivisions 7a and 9; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time.

Onnen moved that S. F. No. 903 and H. F. No. 769, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1513, A bill for an act relating to local government; permitting the establishment of special service districts in the cities of Sartell, Sauk Rapids, St. Cloud, Isle, Mora, Becker, and Waite Park; providing taxing and other financial authority for the cities.

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

S. F. No. 1014, A bill for an act relating to public safety; subjecting rules relating to drunk driving to certain provisions of the administrative procedure act; repealing rules; providing for the application of certain traffic regulations; eliminating redundant and surplus language; requiring courts to furnish information relating to prior convictions without charge in gross misdemeanor prosecutions of the driving while under the influence of alcohol law; clarifying the prosecution for failure to appear in court; providing for notice to grandparents in certain matters concerning juveniles; providing for rights of grandparents at hearings concerning juveniles; requiring revocation of the drivers license of a person who flees in a motor vehicle from a peace officer; authorizing criminal trials with petit juries composed of six persons for gross misdemeanor prosecutions; clarifying the receipt of a copy of a confession or admission; admitting into evidence for impeachment purposes certain convictions of prior driving offenses; amending Minnesota Statutes 1984, sections 14.02, subdivision 4; 169.02, subdivision 1; 169.121, subdivisions 1, 2, and 3; 169.123, subdivision 2; 169.128; 169.129; 169.92, subdivision 1; 171.17; 171.30, subdivision 1; 260.141, subdivision 1; 260.155, subdivision 6; 593.01, subdivision 2; and 611.033; proposing coding for new law in Minnesota Statutes, chapter 634.

The bill was read for the first time.

Marsh moved that S. F. No. 1014 and H. F. No. 851, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1512, A bill for an act relating to public finance; imposing financial reporting and accounting requirements; allowing municipalities to issue bonds for pension liabilities; allowing municipalities to issue bonds on various conditions; limiting use of tax increments in interest reduction programs; removing limitation on duration of interest reduction programs; modifying limitations for Duluth home energy improvement loans; amending Minnesota Statutes 1984, sections 273.74, subdivision 2, and by adding a subdivision; 273.75, subdivision 4;

475.52, subdivision 6; 475.54, by adding a subdivision; 475.56; 475.58, subdivision 1; 475.60, subdivision 2; and 475.67, subdivision 8, and by adding a subdivision; and Laws 1981, chapter 223, section 4, subdivisions 2 and 3; repealing Minnesota Statutes 1984, section 462.445, subdivision 13.

The bill was read for the first time.

Schreiber moved that S. F. No. 1512 and H. F. No. 1116, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1109

A bill for an act relating to state government; concerning the state procurement of goods and services from small businesses; modifying geographical distribution requirements and preference program limitations; amending Minnesota Statutes 1984, section 16B.19, subdivisions 5, 6, 9, and by adding a subdivision; 16B.21, subdivision 1; 16B.22; and 645.445, subdivision 5.

May 16, 1985

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1109, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1109 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 16B.06, is amended by adding a subdivision to read:

Subd. 3a. [WARRANTIES.] A contract for the purchase of a product covered by a manufacturer's warranty must provide for servicing of the product under the warranty by the vendor or a designated agent of the vendor.

Sec. 2. Minnesota Statutes 1984, section 16B.19, subdivision 5, is amended to read:

Subd. 5. [CERTAIN SMALL BUSINESS PREFERENCES AND SET-ASIDES.] At least (SIX) *nine* percent of the value of all procurements shall be (SET ASIDE) *awarded*, if possible, for award to businesses owned and operated by socially or economically disadvantaged persons as defined in section 645.445 *with their principal place of business in Minnesota*. (IN ADDITION, THREE PERCENT OF THE VALUE OF ALL PROCUREMENTS SHALL BE DESIGNATED FOR AWARD UNDER THE PREFERENCE PROGRAM PROVIDED FOR BELOW.) The commissioner shall designate set-aside procurements in a manner that will encourage proportional distribution of set-aside awards among the geographical regions of the state. To promote the geographical distribution of set-aside awards, the commissioner may designate a portion of the set-aside for small businesses owned and operated by socially or economically disadvantaged persons for award to bidders from a specified congressional district or other geographical region specified by the commissioner. (THE COMMISSIONER MAY ALLOW SMALL BUSINESSES OWNED AND OPERATED BY SOCIALLY OR ECONOMICALLY DISADVANTAGED PERSONS A FIVE PERCENT PREFERENCE IN THE BID AMOUNT ON SELECTED STATE PROCUREMENTS. THE COMMISSIONER MAY PROMULGATE RULES RELATIVE TO THE SET-ASIDE AND PREFERENCE PROGRAMS PROVIDED FOR IN THIS SUBDIVISION) *To reach a goal of nine percent, the commissioner must set aside at least three percent of all procurements for bidding only by small businesses owned and operated by socially or economically disadvantaged persons, may award a five percent preference in the amount bid on selected state procurements to small businesses owned and operated by socially or economically disadvantaged persons, or may utilize any other bidding process authorized by this chapter.* In the event small businesses owned and operated by socially or economically disadvantaged persons are unable to perform at least (24) *nine* percent of the (SET-ASIDE AWARDS) *value of all procurements*, the commissioner shall award the (BALANCE OF THE SET-ASIDE CONTRACTS) *remainder* to other small businesses. At least 50 percent of the value of the procurements awarded to businesses owned and operated by socially or economically disadvantaged persons shall actually be performed by the business to which the award is made or another business owned and operated by a socially or economically disadvantaged person or persons. The commissioner may not designate more than 20 percent of any commodity class for set-aside or *preference awards* to businesses owned and operated by socially or economically disadvantaged persons. A business owned and operated by socially or economically disadvantaged persons that has been awarded more than three-tenths of one percent of the value of the total anticipated procurements for a fiscal year under this subdivision is disqualified from receiving further set-aside or preference advantages for that fiscal year.

Sec. 3. Minnesota Statutes 1984, section 16B.19, subdivision 6, is amended to read:

Subd. 6. [CONTRACTS IN EXCESS OF \$200,000; SET-ASIDE.] The commissioner as a condition of awarding state procurements for construction contracts or approving contracts for consultant, professional, or technical services pursuant to section 16B.17 in excess of \$200,000 shall require that at least ten percent of the contract award to a prime contractor be subcontracted to a business owned and operated by a socially or economically disadvantaged person or persons *or that at least ten percent of the contract award be expended in purchasing materials or supplies from said person or persons. If there is no socially or economically disadvantaged person or persons or other small businesses able to perform the subcontract or to provide the supplies or materials, the construction contract or contract for consultant, professional, or technical services may be awarded notwithstanding the ten percent requirement provided that the ten percent requirement is made up in other such contracts awarded or to be awarded by the same agency.* Any subcontracting or purchasing of supplies and materials pursuant to this subdivision may not be included in determining the total amount of awards required by subdivisions 1, 2, and 5. In the event small businesses owned and operated by socially and economically disadvantaged persons are unable to perform ten percent of the prime contract award, the commissioner shall require that other small businesses perform at least ten percent of the prime contract award. The commissioner may determine that small businesses owned and operated by socially and economically disadvantaged persons are unable to perform at least ten percent of the prime contract award prior to the advertising for bids. Each construction contractor bidding on a project over \$200,000 shall submit with the bid a list of the businesses owned and operated by socially or economically disadvantaged persons that are proposed to be utilized on the project with a statement indicating the portion of the total bid to be performed by each business. The commissioner shall reject any bid to which this subdivision applies that does not contain this information. Prime contractors receiving construction contract awards in excess of \$200,000 shall furnish to the commissioner the name of each business owned and operated by a socially or economically disadvantaged person or persons or other small business that is performing work *or supplying supplies and materials* on the prime contract and the dollar amount of the work performed *or to be performed or the supplies and materials to be supplied.*

This subdivision does not apply to prime contractors that are themselves small businesses owned and operated by socially or economically disadvantaged persons, as duly certified pursuant to section 16B.22.

Sec. 4. Minnesota Statutes 1984, section 16B.19, subdivision 9, is amended to read:

Subd. 9. [PROCUREMENT PROCEDURES.] All laws and rules pertaining to solicitations, bid evaluations, contract awards, and other procurement matters apply equally to procurements designated for small businesses. In the event of conflict with other rules, *section 16B.18 and rules adopted under it govern if section 16B.18 applies. If it does not apply, sections 16B.19 to 16B.22 and rules adopted under those sections govern.*

Sec. 5. Minnesota Statutes 1984, section 16B.19, is amended by adding a subdivision to read:

Subd. 10. [APPLICABILITY.] This section does not apply to construction contracts or contracts for consultant, professional, or technical services pursuant to section 16B.17 which are financed in whole or in part with federal funds and which are subject to federal disadvantaged business enterprise regulations.

Sec. 6. Minnesota Statutes 1984, section 16B.21, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioner shall submit an annual report pursuant to section 3.195 to the governor and the legislature with a copy to the commissioner of energy and economic development indicating the progress being made toward the objectives and goals of sections 16B.19 to 16B.22 during the preceding fiscal year. The commissioner shall also submit a quarterly report to the small business procurement advisory council. These reports shall include the following information:

(1) the total dollar value and number of potential set-aside awards identified during this period and the percentage of total state procurement this figure reflects;

(2) the number of small businesses identified by and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;

(3) the total dollar value and number of (SET-ASIDE) contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons (WITH APPROPRIATE DESIGNATION AS TO) *pursuant to each bidding process authorized by section 16B.19, subdivision 5*; the total number and value of (SET-ASIDE) *these* contracts awarded to each small business and to each category of economically or socially disadvantaged persons as defined by section 645.445 and agency rules, and the percentages of the total state procurements

the figures of total dollar value and the number of (SET-ASIDES REFLECT) *contracts awarded by each bidding process*; and

(4) the number of contracts which were designated and set aside pursuant to section 16B.19 but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business, and the price at which these contracts were awarded pursuant to the normal procurement procedures.

The information required by paragraphs (1) and (2) must be presented on a statewide basis and also broken down by geographic regions within the state.

Sec. 7. Minnesota Statutes 1984, section 16B.22, is amended to read:

16B.22 [RULES.]

The commissioner shall adopt by rule standards and procedures for certifying that small businesses and small businesses owned and operated by socially or economically disadvantaged persons are eligible to participate under the requirements of sections 16B.19 to 16B.22. The rules shall provide that, *except for sheltered workshops and work activity programs*, certification as a small business owned and operated by socially or economically disadvantaged persons will be for a maximum of five years from the date of receipt of the first set-aside award, and that after the expiration of the certification period the business may not again be certified for a five-year period. The commissioner shall adopt by rule standards and procedures for hearing appeals and grievances and other rules necessary to carry out the duties set forth in sections 16B.19 to 16B.22.

The commissioner may make rules which exclude or limit the participation of nonmanufacturing business, including third-party lessors, jobbers, manufacturers' representatives, and others from eligibility under sections 16B.19 to 16B.22.

(THE COMMISSIONER MAY ADOPT RULES TO ESTABLISH A PREFERENCE PROGRAM WHEREBY BUSINESSES OWNED AND OPERATED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED PERSONS WOULD BE ALLOWED A FIVE PERCENT PREFERENCE IN THE BID AMOUNT ON SELECTED STATE PROCUREMENTS OR A PREFERENCE PROGRAM WHEREBY BUSINESSES OWNED AND OPERATED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED PERSONS WOULD BE AWARDED ANY STATE PROCUREMENT IF THE BUSINESS COULD MEET THE LOW BID AMOUNT FOR THAT PROCUREMENT. EACH OF THE PREFERENCE PRO-

GRAMS IS APPLICABLE TO NO MORE THAN 1.5 PERCENT OF THE VALUE OF ANTICIPATED TOTAL STATE PROCUREMENTS OF GOODS AND SERVICES, INCLUDING CONSTRUCTION. EACH PREFERENCE PROGRAM ESTABLISHED BY THE COMMISSIONER EXPIRES ON JUNE 30, 1986, AND THE COMMISSIONER SHALL REPORT TO THE LEGISLATURE ON THE PROGRESS OF THE PROGRAM BY JANUARY 1, 1986.)

Sec. 8. Minnesota Statutes 1984, section 645.445, subdivision 5, is amended to read:

Subd. 5. "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic conditions. This disadvantage may arise from cultural, social or economic circumstances, or background, physical location if the person resides or is employed in an area designated a labor surplus area by the United States department of labor, or other similar cause. It includes racial minorities, women, or persons who have suffered a substantial physical disability. *For purposes of sections 16B.19 to 16B.22, the definition of "socially or economically disadvantaged person" includes sheltered workshops and work activity programs.*

Sec. 9. [PREFERENCE PROGRAM STUDY.]

The commissioner shall prepare a report that examines the short-term and long-term effects of the preference bidding process on each category of businesses owned and operated by economically or socially disadvantaged persons. This report shall be submitted to the governor and the legislature by February 15, 1986."

Delete the title and insert:

"A bill for an act relating to state government; concerning the state procurement of goods and services from small businesses; modifying geographical distribution requirements and preference program limitations; providing for a warranty for certain purchases; amending Minnesota Statutes 1984, sections 16B.06, by adding a subdivision; 16B.19, subdivisions 5, 6, 9, and by adding a subdivision; 16B.21, subdivision 1; 16B.22; and 645.445, subdivision 5."

We request adoption of this report and repassage of the bill.

House Conferees: DON FRERICHS and TONY BENNETT.

Senate Conferees: BETTY A. ADKINS, JOHN BERNHAGEN and DONNA C. PETERSON.

Frerichs moved that the report of the Conference Committee on H. F. No. 1109 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1109, A bill for an act relating to state government; concerning the state procurement of goods and services from small businesses; modifying geographical distribution requirements and preference program limitations; amending Minnesota Statutes 1984, section 16B.19, subdivisions 5, 6, 9, and by adding a subdivision; 16B.21, subdivision 1; 16B.22; and 645.445, subdivision 5.

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

The question was taken on the repassage of the bill and the roll was called. There were 110 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Elioff	Knickerbocker	Otis	Sherman
Backlund	Ellingson	Knuth	Ozment	Simoneau
Battaglia	Erickson	Kostohryz	Pauly	Skoglund
Beard	Fjoslien	Krueger	Peterson	Sparby
Becklin	Forsythe	Kvam	Piepho	Stanis
Begich	Frederick	Levi	Piper	Sviggum
Bennett	Frederickson	Lieder	Poppenhagen	Thiede
Bishop	Frerichs	Marsh	Price	Thorson
Blatz	Greenfield	McDonald	Quinn	Tjornhom
Boerboom	Gruenes	McEachern	Quist	Tomlinson
Brandl	Cutknecht	McLaughlin	Redalen	Tompkins
Brinkman	Halberg	McPherson	Rees	Tunheim
Brown	Hartinger	Metzen	Richter	Uphus
Burger	Hartle	Munger	Riveness	Valan
Carlson, D.	Haukoos	Nelson, D.	Rodosovich	Valento
Carlson, L.	Heap	Nelson, K.	Rose	Vanasek
Clark	Jacobs	Neuenschwander	Sarna	Vellenga
Clausnitzer	Jaros	O'Connor	Schafer	Waltman
Cohen	Johnson	Ogren	Schoenfeld	Welle
Dempsey	Kalis	Olson, E.	Schreiber	Wenzel
DenOuden	Kelly	Omann	Seaberg	Zaffke
Dyke	Kiffmeyer	Onnen	Segal	Spk. Jennings, D.

Those who voted in the negative were:

Norton	Osthoff	Scheid	Voss
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The bill was repassed, as amended by Conference, and its title agreed to.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 282

A bill for an act relating to education; declaring the mission of public elementary and secondary education in Minnesota; proposing coding for new law in Minnesota Statutes, chapter 120.

May 16, 1985

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 282, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 282 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [120.011] [PURPOSE STATEMENT.]

In accordance with the responsibility vested in the legislature in the Minnesota Constitution, article XIII, section 1, the legislature declares that the purpose of public education in Minnesota is to help all individuals acquire knowledge, skills, and positive attitudes toward self and others that will enable them to solve problems, think creatively, continue learning, and develop maximum potential for leading productive, fulfilling lives in a complex and changing society.

Sec. 2. Minnesota Statutes 1984, section 128A.01, is amended to read:

128A.01 [LOCATION.]

The Minnesota (SCHOOL) *state academy* for the deaf and the Minnesota (BRAILLE AND SIGHT-SAVING SCHOOL) *state academy for the blind* shall be continued at Faribault, and shall be grouped and classed with the educational institutions of the state.

Sec. 3. Minnesota Statutes 1984, section 128A.02, is amended to read:

128A.02 [(TRANSFER OF AUTHORITY) STATE BOARD DUTIES AND POWERS.]

Subdivision 1. The state board of education (SHALL BE) is responsible for the control, management and administration of the Minnesota (SCHOOL) *state academy* for the deaf and the Minnesota (BRAILLE AND SIGHT-SAVING SCHOOL) *state academy for the blind* (, AND ALL THE PROPERTY REAL OR PERSONAL APPERTAINING THERETO). *At the request of the state board, the department of education shall be responsible*

for program leadership, program monitoring, and technical assistance at the academies. The department shall assist the state board in the preparation of reports.

Subd. 1a. By July 1, 1986, the academies shall comply with the uniform financial accounting and reporting system under sections 121.90 to 121.917, subject to variances developed by the advisory council and adopted by the state board.

Subd. 2. The state board (MAY) shall promulgate rules regarding the operation of both (SCHOOLS) academies and the individuals in attendance, and shall perform all duties necessary to provide the most beneficial and least restrictive program of education for each child handicapped by visual disability or hearing impairment.

Subd. 2a. The state board shall develop a two-year plan for the academies and update it annually. The plan shall include at least the following:

- (1) interagency cooperation;*
- (2) financial accounting;*
- (3) cost efficiencies;*
- (4) staff development;*
- (5) program and curriculum development;*
- (6) use of technical assistance from the department;*
- (7) criteria for program and staff evaluation;*
- (8) pupil performance evaluation;*
- (9) follow-up study of graduates;*
- (10) implementation of the requirements of chapter 128A;*
- (11) communication procedures with districts of pupils attending the academies; and*
- (12) coordination between the instructional and residential programs.*

The state board shall submit the plan and recommendations for improvement to the education committees of the legislature by January 15 of each odd-numbered year.

Subd. 3. The state board may employ central administrative staffs and other personnel as necessary to provide and support programs and services in each (SCHOOL) *academy*. The board (MAY) *shall* place the position of the residential (SCHOOL) *academy* administrator in the unclassified service and may place any other position in the unclassified service if (THE POSITION) it meets the criteria established in section 43A.08, subdivision 1a. These (SCHOOLS SHALL BE) *academies* are deemed to be public schools for the purposes of sections 125.03 and 125.04, and all teachers as defined in those sections who are employed at these (SCHOOLS SHALL BE) *academies* are subject to the standards of the board of teaching and the state board of education (; PROVIDED THAT ANY TEACHER WHO DOES NOT MEET THESE STANDARDS AS OF JULY 1, 1977 SHALL BE REQUIRED TO MEET THESE STANDARDS BY SEPTEMBER 15, 1980 IN ORDER TO CONTINUE IN EMPLOYMENT). *Instructional supervisory staff shall have appropriate post-secondary credits from a teacher education program for teachers of the deaf or blind and have experience in working with handicapped pupils.*

Subd. 3a. *All staff employed by the academy for the deaf are required to have sign language communication skills, as applicable. Staff employed by the academy for the blind must be knowledgeable in Braille communication, as applicable. The department of employee relations, in cooperation with the state board, shall develop a statement of necessary qualifications and skills for all staff. An employee hired after August 1, 1985 shall not attain permanent status until the employee is proficient in sign language communication skills or is knowledgeable in Braille communication, as applicable.*

Subd. 4. The state board may enter into contracts with other public and private agencies and institutions to provide residential and building maintenance services if it determines that these services could thus be provided in a more efficient and less expensive manner. The state board may also enter into contracts with public and private agencies and institutions, school districts or combinations thereof, and educational cooperative service units to provide supplementary educational instruction and services, *including assessments and counseling.*

Subd. 5. The state board of education may by agreement with teacher preparing institutions or accredited institutions of higher education arrange for practical experience in the Minnesota (SCHOOL) *academy* for the deaf and the Minnesota (BRAILLE AND SIGHT-SAVING SCHOOL) *academy* for the blind for practice or student teachers, or for other students engaged in fields of study which prepare professionals to provide special services to handicapped children in school programs, who have completed not less than two years of an approved program in their respective fields. These student trainees shall be provided

with appropriate supervision by a teacher licensed by the board of teaching or by a professional licensed or registered in the appropriate field of special services and shall be deemed employees of (THE SCHOOL FOR THE DEAF OR THE BRAILLE AND SIGHT-SAVING SCHOOL) *either academy, as applicable, for purposes of workers' compensation.*

Subd. 6. The rules of the state board pursuant to this section shall establish procedures for admission to, *including short-term admission*, and discharge from the (SCHOOLS) *academies*, for decisions on a child's program at the (SCHOOLS) *academies* and for evaluation of the progress of children enrolled in the (SCHOOLS) *academies. Discharge procedures must include reasonable notice to the district of residence.* These procedures shall guarantee children and their parents appropriate procedural safeguards, including a review of the placement determination made pursuant to sections 120.17 and 128A.05, and the right to participate in educational program decisions. Notwithstanding the provisions of section 14.02, proceedings concerning admission to and discharge from the (SCHOOLS) *academies*, a child's program at the (SCHOOLS) *academies* and a child's progress at the (SCHOOLS) *academies* shall not be deemed to be contested cases subject to sections 14.01 to 14.70 but shall be governed instead by the rules of the state board pursuant to this section.

Sec. 4. Minnesota Statutes 1984, section 128A.03, is amended to read:

128A.03 [ADVISORY COUNCIL.]

Subdivision 1. The state board of education (MAY) *shall* appoint an advisory (TASK FORCE) *council on the Minnesota (SCHOOL) state academy for the Deaf and (AN ADVISORY TASK FORCE ON THE) Minnesota (BRAILLE AND SIGHT-SAVING SCHOOL) state academy for the blind* to advise the board on policies pertaining to the control, management, and administration of these (SCHOOLS) *academies.*

Subd. 2. (IF CREATED) The members shall be representative of the various geographic regions of the state, shall include parents or guardians of visually disabled or hearing impaired children, shall include a staff representative of the applicable (SCHOOL) *academy*, and shall include two representatives from groups representing the interests of visually disabled or hearing impaired individuals, as applicable. All members shall have knowledge, experience and interest in the problems of visually disabled or hearing impaired children.

Subd. 3. The (TASK FORCES SHALL EXPIRE AND THE) terms, compensation and removal of *council* members shall be as provided in section 15.059, *subdivisions 2, 3, and 4. The council shall not expire.*

Sec. 5. Minnesota Statutes 1984, section 128A.05, is amended to read:

128A.05 [ATTENDANCE.]

Subdivision 1. Any individual who (IS BETWEEN FOUR AND 21 YEARS OF AGE AND WHO) is deaf or (HARD OF) hearing *impaired* (SHALL BE) is entitled to attend the (SCHOOL) *academy* for the deaf if it is determined, pursuant to the provisions of section 120.17, that the nature or severity of the hearing impairment is such that education in regular or special education classes provided for by the school district of residence cannot be achieved satisfactorily and that attendance at the (SCHOOL) *academy* would be the least restrictive alternative for that individual. *A deaf or hearing impaired child also may be admitted to acquire socialization skills. Short-term admission for skills development is also permitted.* Nothing in this subdivision shall be construed as a limitation on the attendance at this (SCHOOL) *academy* of children who have other handicaps in addition to being deaf or (HARD OF) hearing *impaired*.

Subd. 2. Any individual who is (BETWEEN FOUR AND 21 YEARS OF AGE AND WHO IS BLIND) *visually impaired, blind-deaf, or* (PARTIALLY SEEING) *multiple handicapped* (SHALL BE) is entitled to attend the (BRAILLE AND SIGHT-SAVING SCHOOL) *academy for the blind* if it is determined, pursuant to the provisions of section 120.17, that the nature or severity of the visual impairment is such that education in regular or special education classes provided for by the school district of residence cannot be achieved satisfactorily and that attendance at the (SCHOOL) *academy* would be the least restrictive alternative for that individual. *A visually impaired child may be admitted to acquire socialization skills. Short-term admission for skills development is also permitted.* Nothing in this subdivision shall be construed as a limitation on the attendance at this (SCHOOL) *academy* of children who have other handicaps in addition to being blind or (PARTIALLY SEEING) *visually impaired*.

Subd. 3. Attendance at the (SCHOOL) *academy* for the deaf and the (BRAILLE AND SIGHT-SAVING SCHOOLS) *academy for the blind* (SHALL BE) is subject to the compulsory attendance provisions of section 120.10 except that attendance may be excused pursuant to that section by the commissioner of education or his designee. Any person failing to comply with the provisions of section 120.10 (SHALL BE) is subject to the provisions of section 120.12. The superintendent of the applicable (SCHOOL) *academy* shall exercise the duties imposed by section 120.12. Attendance at the (SCHOOL) *academy* for the deaf or the (BRAILLE AND SIGHT-SAVING SCHOOL) *academy for the blind* shall fulfill the mandatory requirements of section 120.17. *The academies are subject to sections 127.26 to 127.39.*

Sec. 6. [UFARS VARIANCES.]

The advisory council on uniform financial accounting and reporting standards shall develop variances to the standards to account for the unique financial status of the academies. The variances shall be reported to the state board by December 31, 1985.

Sec. 7. [EMPLOYEE TRAINING FOR COMMUNICATION AND BRAILLE SKILLS.]

The state board of education shall provide to people employed by the academies on August 1, 1985, training in sign language communications skills or Braille communication, according to the academy in which the person is employed. If an employee fails to become proficient in the appropriate communication method within 12 months after training is provided, that failure shall be grounds for dismissal, disciplinary action, or corrective action.

Sec. 8. [MANAGEMENT AND GOVERNANCE REPORT.]

The state planning agency shall coordinate a study with the management analysis unit of the department of administration, the department of finance, the department of employee relations and the department of education of issues related to the academies. The study shall include but not be limited to the following:

- (1) the management organization structure;*
- (2) the governance;*
- (3) financing methods;*
- (4) ratios;*
- (5) student assessments;*
- (6) admission and discharge criteria.*

The state planning agency shall report to the senate and house education committees, the senate finance committee, and the house appropriations committee by January 1, 1986. The agency shall report to those committees by October 1, 1985, with a progress report. The actual cost of the study must be paid by the academies."

Delete the title and insert:

"A bill for an act relating to education; declaring the purpose of public education in Minnesota; changing the name of and

provisions about the Minnesota school for the deaf and the Minnesota braille and sight saving school; requiring annual development of two-year plans for the academies; allowing for certain positions at the academies to be in the unclassified service; amending Minnesota Statutes 1984, sections 128A.01; 128A.02; 128A.03; and 128A.05; proposing coding for new law in Minnesota Statutes, chapter 120."

We request adoption of this report and repassage of the bill.

House Conferees: KEN NELSON, BEN BOO and PETER RODOSOVICH.

Senate Conferees: JAMES C. PEHLER, CLARENCE M. PURFEERST and GEN OLSON.

Nelson, K., moved that the report of the Conference Committee on H. F. No. 282 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 282, A bill for an act relating to education; declaring the mission of public elementary and secondary education in Minnesota; proposing coding for new law in Minnesota Statutes, chapter 120.

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

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dimler	Kalis	Nelson, K.	Rees
Backlund	Dyke	Kelly	Neuenschwander	Rest
Battaglia	Elioff	Kiffmeyer	Norton	Riveness
Beard	Ellingson	Knickerbocker	O'Connor	Rodosovich
Becklin	Erickson	Knuth	Ogren	Rose
Begich	Fjoslien	Kostohryz	Olson, E.	Sarna
Bennett	Forsythe	Krueger	Omann	Schafer
Bishop	Frederick	Kvam	Onnen	Scheid
Blatz	Frederickson	Lieder	Osthoff	Schoenfeld
Boerboom	Frerichs	Long	Otis	Schreiber
Brandl	Greenfield	Marsh	Ozment	Seaberg
Brinkman	Gruenes	McDonald	Pappas	Segal
Brown	Gutknecht	McEachern	Pauly	Shaver
Burger	Hartinger	McLaughlin	Peterson	Simoneau
Carlson, D.	Hartle	McPherson	Piepho	Skoglund
Carlson, L.	Haukoos	Metzen	Piper	Solberg
Clark	Heap	Miller	Poppenhagen	Sparby
Clausnitzer	Himle	Minne	Price	Stanius
Cohen	Jacobs	Munger	Quinn	Staten
Dempsey	Jaros	Murphy	Quist	Swiggum
DenOuden	Johnson	Nelson, D.	Redalen	Thorson

Tjornhom
Tomlinson
Tompkins

Tunheim
Uphus
Valan

Valento
Vanasek
Vellenga

Voss
Waltman
Welle

Wenzel
Zaifke
Spk. Jennings, D.

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

The Speaker called Halberg to the Chair.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 58

A bill for an act relating to the town of Moorhead; allowing the town certain powers.

May 16, 1985

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 58, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 58 be further amended as follows:

Page 1, line 11, delete "*after compliance with*" and insert "*following final enactment.*"

Page 1, delete lines 12 and 13

We request adoption of this report and repassage of the bill.

House Conferees: MERLYN O. VALAN, DENNIS POPPENHAGEN and HENRY J. KALIS.

Senate Conferees: KEITH LANGSETH, LEROY A. STUMPF and GARY M. DECRAMER.

Valan moved that the report of the Conference Committee on H. F. No. 58 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 58, A bill for an act relating to the town of Moorhead; allowing the town certain powers.

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

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

Those who voted in the affirmative were:

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

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 245

A bill for an act relating to crimes; clarifying elements of the crime of depriving another of custodial or parental rights; amending Minnesota Statutes 1984, section 609.26, subdivisions 1 and 2.

May 16, 1985

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 245, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

We request adoption of this report and repassage of the bill.

House Conferees: GLORIA SEGAL, KATHLEEN BLATZ and DAVID T. BISHOP.

Senate Conferees: LAWRENCE J. POGEMILLER, LINDA BERGLIN and DEAN E. JOHNSON.

Segal moved that the report of the Conference Committee on H. F. No. 245 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 245, A bill for an act relating to crimes; clarifying elements of the crime of depriving another of custodial or parental rights; amending Minnesota Statutes 1984, section 609.26, subdivisions 1 and 2.

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

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 786

A bill for an act relating to state departments and agencies; transferring authority to make certain appointments to various

commissioners; reducing size of alcohol and drug abuse advisory council; abolishing the cable communications board and the telecommunications council; amending Minnesota Statutes 1984, sections 1.22; 4.31, subdivision 5; 14.02, subdivision 4; 16B.20, subdivision 2; 16B.33, subdivision 2; 35.02, subdivision 1; 40.03, subdivision 1; 84B.11, subdivision 1; 115.74, subdivision 1; 116C.41, subdivision 2; 116L.03; 121.82, subdivision 1; 121.83; 129B.01, subdivision 1; 144A.19, subdivision 1; 147.01, subdivisions 1 and 2; 148.03; 148.181; 148.52; 148.90, subdivision 2; 150A.02, subdivision 1; 151.03; 153.02; 154.22; 156.01, subdivisions 1 and 2; 161.1419, subdivision 2; 250.05, subdivision 2; 254A.04; 270.41; 326.04; 326.17; 326.241, subdivision 1; 343.01, subdivision 3; 386.63, subdivision 1; 611.215, subdivision 1; and 626.841; amending Laws 1984, chapter 654, article 2, section 151, subdivision 2; repealing Minnesota Statutes 1984, sections 3.29, subdivisions 1 to 11; 16C.01; 238.01; 238.02, subdivision 4; 238.04 to 238.06; 238.08, subdivision 2; 238.09; 238.10; 238.11, subdivision 1; 238.12, subdivision 3; and 238.13 to 238.17.

May 15, 1985

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 786, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 786 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 4.31, subdivision 5, is amended to read:

Subd. 5. The (GOVERNOR) *commissioner of administration* shall appoint an advisory committee of not more than 21 members, at least one member from each economic development region, to advise and make recommendations to him and the director of volunteer services. Notwithstanding this numerical limitation, members currently serving on an advisory group to the (GOVERNOR'S) office of volunteer services shall complete their prescribed terms of office; thereafter, appointments of successors shall be made so as to be consistent with the numerical limitation contained in this section. Membership terms, compensation, removal and filling of vacancies of members and expiration of the advisory committee shall be as provided in section 15.059; provided, that members shall not be eligible for a per diem.

Sec. 2. Minnesota Statutes 1984, section 14.02, subdivision 4, is amended to read :

Subd. 4. [RULE.] "Rule" means every agency statement of general applicability and future effect, including amendments, suspensions, and repeals of rules, adopted to implement or make specific the law enforced or administered by it or to govern its organization or procedure. It does not include (a) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public; (b) rules of the commissioner of corrections relating to the internal management of institutions under the commissioner's control and those rules governing the inmates thereof prescribed pursuant to section 609.105; (c) rules of the division of game and fish published in accordance with section 97.53; (d) rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs; (e) opinions of the attorney general; (f) the systems architecture plan and long range plan of the state education management information system provided by section 121.931; (g) the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121.932; (h) the comprehensive statewide plan of the crime control planning board provided in section 299A.03; (i) (SPECIAL TERMS AND CONDITIONS FOR AN INTERIM CERTIFICATE OF CONFIRMATION OF THE MINNESOTA CABLE COMMUNICATIONS BOARD PROVIDED IN SECTION 238.09; (J)) occupational safety and health standards provided in section 182.655; or ((K)) (j) rules of the commissioner of public safety adopted pursuant to section 169.128.

Sec. 3. Minnesota Statutes 1984, section 15.0591, subdivision 2, is amended to read :

Subd. 2. [BODIES AFFECTED.] A member meeting the qualifications in subdivision 1 shall be appointed to the following boards, commissions, advisory councils, task forces, or committees:

- (1) advisory council on battered women;
- (2) advisory task force on the use of state facilities;
- (3) alcohol and other drug abuse advisory council;
- (4) board for community colleges;
- (5) board of examiners for nursing home administrators;
- (6) board on aging;

(7) (CABLE COMMUNICATIONS BOARD;)

((8)) chiropractic examiners board;

((9)) (8) consumer advisory council on vocational rehabilitation;

((10)) (9) council for the handicapped;

((11)) (10) council on affairs of Spanish-speaking people;

((12)) (11) council on black Minnesotans;

((13)) (12) dentistry board;

((14)) (13) department of economic security advisory council;

((15)) (14) higher education coordinating board;

((16)) (15) housing finance agency;

((17)) (16) Indian advisory council on chemical dependency;

((18)) (17) medical examiners board;

((19)) (18) medical policy directional task force on mental health;

((20)) (19) metropolitan transit commission or its successor;

((21)) (20) Minnesota emergency employment development task force;

((22)) (21) Minnesota office of volunteer services advisory committee;

((23)) (22) Minnesota state arts board;

((24)) (23) mortuary sciences advisory council;

((25)) (24) nursing board;

((26)) (25) optometry board;

((27)) (26) pharmacy board;

((28)) (27) physical therapists council;

((29)) (28) podiatry board;

((30)) (29) psychology board;

((31)) (30) veterans advisory committee.

Sec. 4. Minnesota Statutes 1984, section 16B.20, subdivision 2, is amended to read:

Subd. 2. [ADVISORY COUNCIL.] A small business procurement advisory council is created. The council consists of 13 members appointed by the (GOVERNOR) *commissioner of administration*. A chairperson of the advisory council shall be elected from among the members. The appointments are subject to the appointments program provided by section 15.0597. The terms and removal of members are as provided in section 15.059, but members do not receive per diem or expenses.

Sec. 5. Minnesota Statutes 1984, section 16B.33, subdivision 2, is amended to read:

Subd. 2. [ORGANIZATION OF BOARD.] (a) [MEMBERSHIP.] The state designer selection board consists of five individuals, the majority of whom must be Minnesota residents. Each of the following three organizations shall nominate one individual whose name and qualifications shall be submitted to the (GOVERNOR) *commissioner of administration* for consideration: the consulting engineers council of Minnesota after consultation with other professional engineering societies in the state; the Minnesota society of architects; and the Minnesota board of the arts. The (GOVERNOR) *commissioner* may appoint the three named individuals to the board (WITH THE ADVICE AND CONSENT OF THE SENATE,) but (THE GOVERNOR) may reject a nominated individual and request another nomination. The remaining two members shall also be appointed by the (GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE) *commissioner*.

(b) [NONVOTING MEMBERS.] In addition to the five members of the board, two nonvoting members shall participate in the interviewing and selection of designers pursuant to this section. One shall be a representative of the commissioner and shall participate in the interviewing and selection of designers for all projects. The other shall be a representative of the user agency, who shall participate in the interviewing and selection of the designers for the project being undertaken by the user agency. The commissioner shall appoint the representative of the user agency in consultation with the user agency.

(c) [TERMS; COMPENSATION; REMOVAL; VACANCIES.] The membership terms, compensation, removal

of members, and filling of vacancies on the board are as provided in section 15.0575. No individual may serve for more than two consecutive terms.

(d) [OFFICERS, RULES.] At its first meeting, the board shall elect a voting member of the board as chairman. The board shall also elect other officers necessary for the conduct of its affairs. The board shall adopt rules governing its operations and the conduct of its meetings. The rules shall provide for the terms of the chairman and other officers.

(e) [MEETINGS.] The board shall meet as often as is necessary, not less than twice annually, in order to act expeditiously on requests submitted to it for selection of primary designers.

(f) [OFFICE, STAFF, RECORDS.] The department of administration shall provide the board with suitable quarters to maintain an office, hold meetings, and keep records. The commissioner shall designate an employee of the department of administration to serve as executive secretary to the board and shall furnish a secretarial staff to the board as necessary for the expeditious conduct of the board's duties and responsibilities.

Sec. 6. Minnesota Statutes 1984, section 115.74, subdivision 1, is amended to read:

Subdivision 1. The water and wastewater treatment operators certification council shall be composed of six members. The (GOVERNOR) *commissioner of health* shall appoint (FOUR) *two* members as follows: A currently employed water supply system operator holding a valid certificate issued by the commissioner; *and a representative of the league of Minnesota cities. The director of the pollution control agency shall appoint two members as follows:* a currently employed wastewater treatment facility operator holding a valid certificate issued by the director; *and a university or college faculty member whose major field is related to water supply or wastewater collection and treatment (;* AND A REPRESENTATIVE OF THE LEAGUE OF MINNESOTA MUNICIPALITIES). The remainder of the council shall be composed of the following persons: A representative of the state department of health who is either the director of the division of environmental health or a qualified member of his staff; the director of the Minnesota pollution control agency or a qualified member of his staff. In the case of the first council, the appointments of a water supply system operator and a wastewater treatment facility operator shall be made from currently employed operators holding valid certificates under the voluntary certification program administered by the state department of health and the Minnesota pollution control agency.

Sec. 7. Minnesota Statutes 1984, section 116C.41, subdivision 2, is amended to read:

Subd. 2. [SOUTHERN MINNESOTA RIVERS BASIN.] The board shall guide the creation and implementation of a comprehensive environmental conservation and development plan for the southern Minnesota rivers basin. The board shall coordinate state and local interests with respect to the study in southwestern Minnesota under Public Law Number 87-639. The board shall appoint an advisory council to advise the board concerning its responsibilities under this subdivision. The council shall consist of 11 members who are residents of the basin and appointed by the (GOVERNOR) *chair of the environmental quality board with the board's concurrence.* The council is subject to the provisions of section 15.059, except that the council shall expire June 30, 1987. The council shall make recommendations to the board by June 30, 1985, concerning the establishment of a statewide advisory council to advise the board on water resources planning, regulation, and management.

Sec. 8. Minnesota Statutes 1984, section 121.83, is amended to read:

121.83 [MINNESOTA EDUCATION COUNCIL.]

There is hereby established the Minnesota education council composed of the members of the education commission of the states representing this state, and (16) *two* other persons (, TWO) from each congressional district of which one shall be a legislator (, APPOINTED BY THE GOVERNOR FOR). *Four representatives shall be appointed by the speaker of the house and four senators shall be appointed by the committee on committees. Legislative members shall serve terms coinciding with (THE TERM) their respective terms of (THE APPOINTING GOVERNOR) office. (PERSONS OTHER THAN LEGISLATORS SHALL BE SELECTED SO AS TO BE BROADLY REPRESENTATIVE OF)* *The commissioner of education shall appoint one member from each congressional district, for terms coinciding with the term of the commissioner, who broadly represent professional and lay interests within this state having the responsibilities for, knowledge with respect to, and interest in educational matters. The (CHAIRMAN SHALL BE DESIGNATED BY THE GOVERNOR) commissioner shall designate a chairman from among (ITS) the council members. The council shall meet on the call of the (GOVERNOR) commissioner, but in any event the council shall meet not less than twice in each year. The council may consider any and all matters relating to recommendations of the education commission of the states and the activities of the members representing this state thereon, shall serve as a forum for major education policies, and shall*

serve to exchange information about important education activities of interest to all parties. Members of the council shall serve without salary, but shall be reimbursed for actual expenses incurred in attendance at meetings of the council.

Sec. 9. Minnesota Statutes 1984, section 161.1419, subdivision 2, is amended to read:

Subd. 2. The commission shall be composed of ten members of which (THREE) *one shall be appointed by the (GOVERNOR) commissioner of transportation, one shall be appointed by the commissioner of natural resources, one shall be appointed by the commissioner of energy and economic development*, three shall be members of the senate to be appointed by the committee on committees, and three shall be members of the house of representatives to be appointed by the speaker. The tenth member shall be the secretary appointed pursuant to subdivision 3. The members of the commission shall be selected immediately after final enactment of this act and shall serve for a term expiring at the close of the next regular session of the legislature and until their successors are appointed. Successor members shall be appointed at the close of each regular session of the legislature by the same appointing authorities. Members may be reappointed. Any vacancy shall be filled by the appointing authority. The commissioner of transportation, the commissioner of natural resources, and the director of the Minnesota historical society shall be ex officio members, and shall be in addition to the ten members heretofore provided for. Immediately upon making the appointments to the commission the appointing authorities shall so notify the Mississippi River parkway commission, hereinafter called the national commission, giving the names and addresses of the members so appointed.

Sec. 10. Minnesota Statutes 1984, section 238.01, is amended to read:

238.01 [DECLARATION OF LEGISLATIVE FINDINGS AND INTENT.]

Upon investigation of the public interest associated with cable communications, the legislature of the state of Minnesota has determined that while cable communications serve in part as an extension of interstate broadcasting, that their operations also involve public rights-of-way, municipal franchising, and vital business and community service, which are of state concern; that while said operations must be subject to state oversight, they also must be protected from undue restraint and regulation so as to assure development of cable systems with optimum technology and maximum penetration in this state as rapidly as economically and technically feasible; that the municipalities and the state would benefit from valuable educational and public services through cable communications systems;

that the cable communications industry must provide the opportunity for minority participation and benefit which its diversity promises; that the public and the business community would benefit if served by cable channels sufficient to meet the needs of producers and distributors of program and other communication content services; that the cable communications industry is in a period of rapid growth and corporate consolidation and should proceed in accord with regional and statewide service objectives; that these objectives should encourage area-wide service where consistent with the public interest and discourage concentration of control and ownership when not in the public interest; and that many municipalities lack the necessary resources and expertise to plan for and secure these benefits and to protect subscribers and other parties to the public interest in franchise negotiations.

There is, therefore, a need (FOR A STATE AGENCY) to develop a state cable communications policy; to promote the rapid development of the cable communications industry responsive to community and public interest and consonant with policies, regulations and statutes of the federal government; to assure that cable communications companies provide adequate, economical and efficient service to their subscribers, the municipalities within which they are franchised and other parties to the public interest; to encourage the endeavors of public and private institutions, municipalities, associations and organizations in developing programming for public interest; and to provide minorities with the fullest opportunity to make effective use of the medium.

It is the intent of the legislature in (SECTIONS 238.01 TO 238.17) *this chapter* to (VEST AUTHORITY IN A BOARD TO) oversee development of the cable communications industry in Minnesota (IN ACCORDANCE WITH THE STATEWIDE SERVICE PLAN); to review the suitability to practices for franchising cable communications companies to protect the public interest; to set standards for cable communications systems and franchise practices; to assure channel availability for municipal services, educational television, program diversity, local expression and other program and communications content services; to assure that municipal franchising results in communication across metropolitan areas and in neighborhood communities in larger municipalities; to provide (CONSULTANT SERVICES) *guidance* to community organizations and municipalities in franchise negotiations; and, to stimulate the development of diverse instructional, educational, community interest and public affairs programming with full access thereto by cable communications companies, educational broadcasters and public and private institutions operating closed circuit television systems and instructional television fixed services.

Sec. 11. Minnesota Statutes 1984, section 238.02, subdivision 14, is amended to read:

Subd. 14. "Core service unit" shall mean the municipality, or, in the case of a joint powers agreement, municipalities, in which a cable communications system first provides service under a lawful franchise and from which the cable communications system extends service into additional areas which are included in the boundaries of a cable service territory (APPROVED BY THE BOARD).

Sec. 12. Minnesota Statutes 1984, section 238.02, is amended by adding a subdivision to read:

Subd. 17. [CLASS A CABLE SYSTEMS.] "Class A cable systems" means systems that are located outside of the metropolitan area, are located in a franchise area having a population of 4,000 or fewer persons, and are serving fewer than 1,000 subscribers.

Sec. 13. Minnesota Statutes 1984, section 238.02, is amended by adding a subdivision to read:

Subd. 18. [CLASS B CABLE SYSTEMS.] "Class B cable systems" means all systems, except those systems meeting the criteria of the class A system, that are located outside of the metropolitan area, are located in a franchise area having a population of fewer than 15,000 persons, and are serving fewer than 3,500 subscribers.

Sec. 14. Minnesota Statutes 1984, section 238.02, is amended by adding a subdivision to read:

Subd. 19. [CLASS C CABLE SYSTEMS.] "Class C cable systems" means systems that are located in the metropolitan area, or are located in a franchise area having a population of 15,000 or more persons or serving 3,500 or more subscribers.

Sec. 15. Minnesota Statutes 1984, section 238.02, is amended by adding a subdivision to read:

Subd. 20. [METROPOLITAN AREA.] "Metropolitan area" is that area defined under section 473.121, subdivision 2.

Sec. 16. Minnesota Statutes 1984, section 238.03, is amended to read:

238.03 [APPLICATION.]

(SECTIONS 238.01 TO 238.17 APPLY) *This chapter applies to every cable communications system and every cable communications company as defined in section 238.02, operating within the state, including a cable communications company which constructs, operates and maintains a cable communica-*

tions system in whole or in part through the facilities of a person franchised to offer common or contract carrier services. Persons possessing franchises for any of the purposes of (SECTIONS 238.01 TO 238.17) *this chapter* are subject to (SECTIONS 238.01 TO 238.17) *this chapter* although no property has been acquired, business transacted or franchises exercised.

Sec. 17. Minnesota Statutes 1984, section 238.08, subdivision 2, is amended to read:

Subd. 2. Nothing in this chapter shall be construed to prevent franchise requirements in excess of those prescribed (BY THE BOARD,) unless such requirement is inconsistent with this chapter (OR ANY REGULATION OF THE BOARD).

Sec. 18. Minnesota Statutes 1984, section 238.08, subdivision 3, is amended to read:

Subd. 3. Nothing in this chapter shall be construed to limit any municipality from the right to construct, purchase, and operate a cable communications system. Any municipal system shall be subject to (THE LAWS, RULES AND REGULATIONS OF THE BOARD) *this chapter* to the same extent as would any non-public cable communications system.

Sec. 19. Minnesota Statutes 1984, section 238.08, subdivision 4, is amended to read:

Subd. 4. Nothing in (SECTIONS 238.01 TO 238.17) *this chapter* shall be construed to limit the power of any municipality to impose upon any cable communications company a fee, tax or charge.

Sec. 20. [238.081] [FRANCHISE PROCEDURE.]

Subdivision 1. [PUBLICATION.] The franchising authority shall have published once each week for two successive weeks in a newspaper of general circulation in each municipality within the cable service territory, a notice of intent to franchise, requesting applications for the franchise.

Subd. 2. [REQUIRED INFORMATION.] The notice must include at least the following information:

- (1) the name of the municipality making the request;*
- (2) the closing date for submission of applications;*
- (3) a statement of the application fee, if any, and the method for its submission;*

(4) *a statement by the franchising authority of the desired system design and services to be offered;*

(5) *a statement by the franchising authority of criteria and priorities against which the applicants for the franchise must be evaluated;*

(6) *a statement that applications for the franchise must contain at least the information required by subdivision 4;*

(7) *the date, time, and place for the public hearing, to hear proposals from franchise applicants;*

(8) *the name, address, and telephone number of the individuals who may be contacted for further information.*

Subd. 3. [OTHER RECIPIENTS OF NOTICE.] In addition to the published notice, the franchising authority shall mail copies of the notice of intent to franchise to any person it has identified as being a potential candidate for the franchise.

Subd. 4. [CONTENTS OF FRANCHISING PROPOSAL.] The franchising authority shall require that proposals for a cable communications franchise be notarized and contain, but not necessarily be limited to, the following information:

(1) *plans for channel capacity, including both the total number of channels capable of being energized in the system and the number of channels to be energized immediately;*

(2) *a statement of the television and radio broadcast signals for which permission to carry will be requested from the Federal Communications Commission;*

(3) *a description of the proposed system design and planned operation, including at least the following items:*

(i) *the general area for location of antennae and the head end, if known;*

(ii) *the schedule for activating two-way capacity;*

(iii) *the type of automated services to be provided;*

(iv) *the number of channels and services to be made available for access cable broadcasting; and*

(v) a schedule of charges for facilities and staff assistance for access cable broadcasting;

(4) the terms and conditions under which particular service is to be provided to governmental and educational entities;

(5) a schedule of proposed rates in relation to the services to be provided, and a proposed policy regarding unusual or difficult connection of services;

(6) a time schedule for construction of the entire system with the time sequence for wiring the various parts of the area requested to be served in the request for proposals;

(7) a statement indicating the applicant's qualifications and experience in the cable communications field, if any;

(8) an identification of the municipalities in which the applicant either owns or operates a cable communications system, directly or indirectly, or has outstanding franchises for which no system has been built;

(9) plans for financing the proposed system, which must indicate every significant anticipated source of capital and significant limitations or conditions with respect to the availability of the indicated sources of capital;

(10) a statement of ownership detailing the corporate organization of the applicant, if any, including the names and addresses of officers and directors and the number of shares held by each officer or director, and intracompany relationship including a parent, subsidiary or affiliated company; and

(11) a notation and explanation of omissions or other variations with respect to the requirements of the proposal.

Substantive amendments may not be made in a proposal after a proposal has been submitted to the franchising authority and before award of a franchise.

Subd. 5. [TIME LIMITS TO SUBMIT APPLICATIONS.] The franchising authority shall allow at least 20 days from the first date of published notice to the closing date for submitting applications.

Subd. 6. [PUBLIC HEARING ON FRANCHISE.] A public hearing before the franchising authority affording reasonable notice and a reasonable opportunity to be heard with respect to all applications for the franchise must be completed at least seven days before the introduction of the franchise ordinance in the proceedings of the franchising authority.

Subd. 7. [AWARD OF FRANCHISE.] Franchises may be awarded only by ordinance.

Subd. 8. [COSTS OF AWARDING FRANCHISE.] Nothing in this section prohibits a franchising authority from recovering from a successful applicant the reasonable and necessary costs of the entire process of awarding the cable communications franchise.

Subd. 9. [FRANCHISING NONPROFIT OR MUNICIPAL-OWNED SYSTEM.] Nothing contained in this section prohibits a franchising authority from franchising a nonprofit or municipally-owned system. The municipality or nonprofit entity is considered an applicant for purposes of this section.

Subd. 10. [FRANCHISE; JOINT POWERS.] In the cases of municipalities acting in concert, the municipalities may delegate to another entity such duties, responsibilities, privileges, or activities described in this section, if such delegation is proper according to state and local law.

Sec. 21. [238.082] [FRANCHISE AMENDMENTS.]

The franchising authority shall act pursuant to local law pertaining to ordinance amendment procedures.

Sec. 22. [238.083] [SALE OR TRANSFER OF FRANCHISE.]

Subdivision 1. [FUNDAMENTAL CORPORATE CHANGE DEFINED.] For purposes of this section, "fundamental corporate change" means the sale or transfer of a majority of a corporation's assets; merger, including a parent and its subsidiary corporation; consolidation; or creation of a subsidiary corporation.

Subd. 2. [WRITTEN APPROVAL OF FRANCHISING AUTHORITY.] A sale or transfer of a franchise, including a sale or transfer by means of a fundamental corporate change, requires the written approval of the franchising authority. The parties to the sale or transfer of a franchise shall make a written request to the franchising authority for its approval of the sale or transfer. The franchising authority shall reply in writing within 30 days of the request and shall indicate its approval of the request or its determination that a public hearing is necessary if it determines that a sale or transfer of a franchise may adversely affect the company's subscribers. The franchising authority shall conduct a public hearing on the request within 30 days of that determination.

Subd. 3. [NOTICE OF HEARING.] Unless otherwise already provided for by local law, notice of the hearing must be

given 14 days before the hearing by publishing notice of it once in a newspaper of general circulation in the area being served by the franchise. The notice must contain the date, time, and place of the hearing and must briefly state the substance of the action to be considered by the franchising authority.

Subd. 4. [APPROVAL OR DENIAL OF SALE OR TRANSFER REQUEST.] *Within 30 days after the public hearing, the franchising authority shall approve or deny in writing the sale or transfer request. The approval must not be unreasonably withheld.*

Subd. 5. [SALE OR TRANSFER OF FRANCHISE WITHOUT SYSTEM.] *The parties to the sale or transfer of a franchise only, without the inclusion of a cable communications system in which at least substantial construction has commenced, shall establish that the sale or transfer of only the franchise will be in the public interest.*

Subd. 6. [SALE OR TRANSFER OF STOCK.] *Sale or transfer of stock in a corporation so as to create a new controlling interest in a cable communication system is subject to the requirements of this section.*

The term "controlling interest" as used herein is not limited to majority stock ownership, but includes actual working control in whatever manner exercised.

Sec. 23. [238.084] [REQUIRED CONTENTS OF FRANCHISE ORDINANCE.]

Subdivision 1. [ALL SYSTEMS.] *The following requirements apply to all classes A, B, and C systems unless provided otherwise:*

(a) *a provision that the franchise complies with the Minnesota franchise standards contained in this section;*

(b) *a provision requiring the franchisee and the franchising authority to conform to state laws and rules regarding cable communications not later than one year after they become effective, unless otherwise stated, and to conform to federal laws and regulations regarding cable as they become effective;*

(c) *a provision limiting the initial and renewal franchise term to not more than 15 years each;*

(d) *a provision specifying that the franchise is nonexclusive;*

(e) *a provision prohibiting sale or transfer of the franchise or sale or transfer of stock so as to create a new controlling interest under section 22, except at the approval of the franchis-*

ing authority, which approval must not be unreasonably withheld, and that the sale or transfer is completed pursuant to section 22;

(f) a provision granting the franchising authority collecting a franchise fee the authority to audit the franchisee's accounting and financial records upon reasonable notice, and requiring that the franchisee file with the franchising authority annually reports of gross subscriber revenues and other information as the franchising authority deems appropriate;

(g) provisions specifying:

(1) current subscriber charges or that the current charges are available for public inspection in the municipality;

(2) the length and terms of residential subscriber contracts, if they exist, or that the current length and terms of residential subscriber contracts are available for public inspection in the municipality; and

(3) the procedure by which subscriber charges are established, unless such a provision is contrary to state or federal law;

(h) a provision indicating by title the office or officer of the franchising authority that is responsible for the continuing administration of the franchise;

(i) a provision requiring the franchisee to indemnify and hold harmless the franchising authority during the term of the franchise, and to maintain throughout the term of the franchise, liability insurance in an amount as the franchising authority may require insuring both the franchising authority and the franchisee with regard to damages and penalties which they may legally be required to pay as a result of the exercise of the franchise;

(j) a provision that at the time the franchise becomes effective and thereafter until the franchisee has liquidated all of its obligation with the franchising authority, the franchisee shall furnish a performance bond, certificate of deposit, or other type of instrument approved by the franchising authority in an amount as the franchising authority deems to be adequate compensation for damages resulting from the franchisee's nonperformance. The franchising authority may, from year to year and in its sole discretion, reduce the amount of the performance bond or instrument;

(k) a provision that nothing contained in the franchise relieves a person from liability arising out of the failure to exercise reasonable care to avoid injuring the franchisee's facilities

while performing work connected with grading, regrading, or changing the line of a street or public place or with the construction or reconstruction of a sewer or water system;

(l) a provision that the franchisee's technical ability, financial condition, and legal qualification were considered and approved by the franchising authority in a full public proceeding that afforded reasonable notice and a reasonable opportunity to be heard;

(m) a provision requiring the construction of a cable system with a channel capacity available for immediate or potential use, equal to a minimum of 72MHz of bandwidth, the equivalent of 12 television broadcast channels. For purposes of this section, a cable system with a channel capacity, available for immediate or potential use, equal to a minimum of 72 MHz of bandwidth means: the provision of a distribution system designed and constructed so that a minimum of 72 MHz of bandwidth, the equivalent of 12 television broadcast channels, can be put into use with only the addition of the appropriate headend equipment;

(n) a provision in initial franchises that there be a full description of the system proposed for construction and a schedule showing:

(1) that for franchise areas which will be served by a system proposed to have fewer than 100 plant miles of cable:

(i) that within 90 days of the granting of the franchise, the franchisee shall apply for the necessary governmental permits, licenses, certificates, and authorizations;

(ii) that energized trunk cable must be extended substantially throughout the authorized area within one year after receipt of the necessary governmental permits, licenses, certificates, and authorizations and that persons along the route of the energized cable will have individual "drops" as desired during the same period of time; and

(iii) that the requirement of this section may be waived by the franchising authority only upon occurrence of unforeseen events or acts of God; or

(2) that for franchise areas which will be served by a system proposed to have 100 plant miles of cable or more, a provision:

(i) that within 90 days of the granting of the franchise, the franchisee shall apply for the necessary governmental permits, licenses, certificates, and authorizations;

(ii) that engineering and design must be completed within one year after the granting of the franchise and that a signifi-

cant amount of construction must be completed within one year after the franchisee's receipt of the necessary governmental permits, licenses, certificates, and authorizations;

(iii) that energized trunk cable must be extended substantially throughout the authorized area within five years after commencement of construction and that persons along the route of the energized cable will have individual "drops" within the same period of time, if desired; and

(iv) that the requirement of this section be waived by the franchising authority only upon occurrence of unforeseen events or acts of God;

(o) unless otherwise already provided for by local law, a provision that the franchisee shall obtain a permit from the proper municipal authority before commencing construction of a cable communications system, including the opening or disturbance of a street, sidewalk, driveway, or public place. The provision must specify remedies available to the franchising authority in cases where the franchisee fails to meet the conditions of the permit;

(p) unless otherwise already provided for by local law, a provision that wires, conduits, cable, and other property and facilities of the franchisee be located, constructed, installed, and maintained in compliance with applicable codes. The provision must also specify that the franchisee keep and maintain its property so as not to unnecessarily interfere with the usual and customary trade, traffic, or travel upon the streets and public places of the franchise area or endanger the life or property of any person;

(q) unless otherwise already provided for by local law, a provision that the franchising authority and the franchisee shall establish a procedure in the franchise for the relocation or removal of the franchisee's wires, conduits, cables, and other property located in the street, right-of-way, or public place whenever the franchising authority undertakes public improvements which affect the cable equipment;

(r) a provision incorporating by reference as a minimum the technical standards promulgated by the Federal Communications Commission relating to cable communications systems contained in subpart K of part 76 of the Federal Communications Commission's rules and regulations relating to cable communications systems and found in Code of Federal Regulations, title 47, sections 76.601 to 76.617. The results of tests required by the Federal Communications Commission must be filed within ten days of the conduct of the tests with the franchising authority;

(s) a provision establishing how the franchising authority and the cable communications company shall determine who is to bear the costs of required special testing;

(t) a provision pertaining to the franchisee's construction and maintenance of a cable communications system having the technical capacity for nonvoice return communications which, for purposes of this section, means the provision of appropriate system design techniques with the installation of cable and amplifiers suitable for the subsequent insertion of necessary nonvoice communications electronic modules.

In cases where an initial franchise is granted, the franchisee shall provide a cable communications system having the technical capacity for nonvoice return communications.

When a franchise is renewed, sold, or transferred and is served by a system that does not have the technical capacity for nonvoice return communications, the franchising authority shall determine when and if the technical capacity for nonvoice return communications is needed after appropriate public proceedings at the municipal level giving reasonable notice and a reasonable opportunity to be heard;

(u) a provision stating that no signals of a class IV cable communications channel may be transmitted from a subscriber terminal for purposes of monitoring individual viewing patterns or practices without the express written permission of the subscriber. The request for permission must be contained in a separate document with a prominent statement that the subscriber is authorizing the permission in full knowledge of its provisions. The written permission must be for a limited period of time not to exceed one year which is renewable at the option of the subscriber. No penalty may be invoked for a subscriber's failure to provide or renew the authorization. The authorization is revocable at any time by the subscriber without penalty of any kind. The permission must be required for each type or classification of class IV cable communications activity planned for the purpose;

(1) No information or data obtained by monitoring transmission of a signal from a subscriber terminal, including but not limited to lists of the names and addresses of the subscribers or lists that identify the viewing habits of subscribers, may be sold or otherwise made available to any party other than to the company and its employees for internal business use, or to the subscriber who is the subject of that information, unless the company has received specific written authorization from the subscriber to make the data available;

(2) Written permission from the subscriber must not be required for the systems conducting systemwide or individually addressed electronic sweeps for the purpose of verifying system integrity or monitoring for the purpose of billing. Confidentiality of this information is subject to clause (1);

(3) For purposes of this provision, a "class IV cable communications channel" means a signaling path provided by a cable

communications system to transmit signals of any type from a subscriber terminal to another point in the communications system;

(v) a provision specifying the procedure for the investigation and resolution by the franchisee of complaints regarding quality of service, equipment malfunction, billing disputes, and other matters;

(w) a provision requiring that at least a toll-free or collect telephone number for the reception of complaints be provided to the subscriber and that the franchisee maintain a repair service capable of responding to subscriber complaints or requests for service within 24 hours after receipt of the complaint or request. The provision must also state who will bear the costs included in making these repairs, adjustments, or installations;

(x) a provision granting the franchising authority the right to terminate and cancel the franchise and the rights and privileges of the franchise if the franchisee substantially violates a provision of the franchise ordinance, attempts to evade the provisions of the franchise ordinance, or practices fraud or deceit upon the franchising authority.

The municipality shall provide the franchisee with a written notice of the cause for termination and its intention to terminate the franchise and shall allow the franchisee a minimum of 30 days after service of the notice in which to correct the violation.

The franchisee must be provided with an opportunity to be heard at a public hearing before the governing body of the municipality before the termination of the franchise;

(y) a provision that no cable communications company, notwithstanding any provision in a franchise, may abandon a cable communications service or a portion of it without having given three months prior written notice to the franchising authority. No cable communications company may abandon a cable communications service or a portion of it without compensating the franchising authority for damages resulting to it from the abandonment;

(z) a provision requiring that upon termination or forfeiture of a franchise, the franchisee remove its cable, wires, and appliances from the streets, alleys, and other public places within the franchise area if the franchising authority so requests, and a procedure to be followed in the event the franchisee fails to remove its cable, wires, and appliances from the streets, alleys, and other public places within the franchise area;

(aa) a provision that when a franchise or cable system is offered for sale, the franchising authority shall have the right to purchase the system;

(bb) a provision establishing the minimum number of access channels that the franchisee shall make available. This provision must require that the franchisee shall provide to each of its subscribers who receive some or all of the services offered on the system, reception on at least one specially designated access channel. The specially designated access channel may be used by local educational authorities and local government on a first-come, first-served, nondiscriminatory basis. During those hours that the specially designated access channel is not being used by the local educational authorities or local government, the franchisee shall lease time to commercial or noncommercial users on a first-come, first-served, nondiscriminatory basis if the demand for that time arises. The franchisee may also use this specially designated access channel for local origination during those hours when the channel is not in use by local educational authorities, local government, or commercial or noncommercial users who have leased time. The VHF spectrum must be used for the specially designated access channel required in this paragraph.

The provision must also require that the franchisee shall establish rules for the administration of the specially designated access channel.

Franchisees providing only alarm services or only data transmission services for computer-operated functions do not need to provide access channel reception to alarm and data service subscribers.

Subd. 2. [REQUIRED PROVISIONS FOR CLASS B SYSTEM.] Franchises for class B cable systems must contain statements and provisions consistent with subdivision 1, unless hereafter provided otherwise, and statements and provisions consistent with the following requirements:

(a) a provision establishing the minimum number of access channels that the franchisee shall make available. Franchisees subject to this provision are not subject to subdivision 1, paragraph (bb).

(1) The provision must require that the franchisee provide to each of its subscribers who receive all or a part of the total services offered on the system, reception on at least one specially designated access channel available for use by the general public on a first-come, first-served, nondiscriminatory basis. Channel time and playback of prerecorded programming on this specially designated access channel must be provided without charge to the general public, except that personnel, equipment, and production costs may be assessed for live studio presentations exceeding five minutes in length. Charges for production costs must be consistent with the goal of affording the public a low-

cost means of television access. The specially designated access channel may be used by local education authorities and local government on a first-come, first-served, nondiscriminatory basis during those hours when the channel is not in use by the general public. During those hours that the specially designated access channel is not being used by the general public, local educational authorities, or local government, the franchisee shall lease time to commercial or noncommercial users on a first-come, first-served, nondiscriminatory basis if the demand for that time arises. The franchisee may also use this specially designated access channel for local origination during those hours when the channel is not in use by the general public, local educational authorities, local government, or commercial or noncommercial users who have leased time. The VHF spectrum must be used for the specially designated access channel required in this paragraph.

(2) The provision must also require that the franchisee establish rules for the administration of the specially designated access channel.

(3) The provision must require that whenever the specially designated access channel required in clause (1) is in use during 80 percent of the weekdays, Monday to Friday, for 80 percent of the time during a consecutive three-hour period for six weeks running, and there is a demand for use of an additional channel for the same purpose, the franchisee has six months in which to provide a new specially designated access channel for the same purpose, provided that provision of the additional channel or channels does not require the cable system to install converters. Nothing in this section precludes the installation of converters by the system on a voluntary basis, as a result of an agreement arrived at through negotiation between the parties to a franchise, or by a potential access user who wishes to install converters in order to make use of an additional channel or channels.

(4) Franchisee providing only alarm services or only data transmission services for computer-operated functions do not need to provide access channel reception to alarm and data service subscribers.

(b) A provision establishing the minimum equipment that the franchisee shall make available for public use. The provision shall require that the franchisee make readily available for public use upon need being shown, at least the minimal equipment necessary to perform good quality playback of prerecorded programming, and to make it possible to record programs at remote locations with battery-operated portable equipment. Need within the meaning of this section must be determined by subscriber petition. The petition must con-

tain the signatures of at least ten percent of the subscribers of the system, but in no case more than 350 nor fewer than 100 signatures.

Subd. 3. [REQUIRED PROVISIONS FOR CLASS C SYSTEM.] *Franchises for class C cable systems must contain statements and provisions consistent with subdivision 1, unless this section provides otherwise, and statements and provisions consistent with the following requirements:*

(a) *a provision establishing the minimum number of public, educational, governmental, and leased access channels that the franchisee shall make available. Franchisees subject to this provision are not subject to subdivision 1, paragraph (bb).*

(1) *The provision must require that the franchisee shall, to the extent of the system's available channel capacity, provide to each of its subscribers who receives some or all of the services offered on the system, reception on at least one specially designated noncommercial public access channel available for use by the general public on a first-come, first-served, nondiscriminatory basis; at least one specially designated access channel for use by local educational authorities; at least one specially designated access channel available for local government use; and at least one specially designated access channel available for lease on a first-come, first-served, nondiscriminatory basis by commercial and noncommercial users. The VHF spectrum must be used for at least one of the specially designated noncommercial public access channels required in this paragraph. The provision must require that no charges may be made for channel time or playback of prerecorded programming on at least one of the specially designated noncommercial public access channels required by this paragraph. Personnel, equipment, and production costs may be assessed, however, for live studio presentations exceeding five minutes in length. Charges for those production costs and fees for use of other public access channels must be consistent with the goal of affording the public a low-cost means of television access.*

(2) *The provision must require that whenever the specially designated noncommercial public access channel, the specially designated education access channel, the specially designated local government access channel, or the specially designated leased access channel required in clause (1) is in use during 80 percent of the weekdays, Monday to Friday, for 80 percent of the time during any consecutive three-hour period for six weeks running, and there is demand for use of an additional channel for the same purpose, the franchisee shall then have six months in which to provide a new specially designated access channel for the same purpose, provided that provision of the additional channel or channels must not require the cable system to install converters. However, nothing in this section precludes the installation of converters by the system on a voluntary basis, or as a result of an*

agreement arrived at through negotiation between the parties to a franchise, or by a potential access user who wishes to install converters in order to make use of an additional channel or channels.

(3) The provision must also require that the franchisee establish rules pertaining to the administration of the specially designated noncommercial public access channel, the specially designated educational access channel, and the specially designated leased access channel required in this section.

(4) Those systems which offer subscribers the option of receiving programs on one or more special service channels without also receiving the regular subscriber services may comply with this section by providing the subscribers who receive the special service only, at least one specially designated composite access channel composed of the programming on the specially designated noncommercial public access channel, the specially designated education access channel, and the specially designated local government access channel required in this section.

(5) On those systems without sufficient available channel capacity to allow for activation of all specially designated access channels required in this section, or when demand for use of the channels does not warrant activation of all specially designated access channels required in this section, public, educational, governmental, and leased access channel programming may be combined on one or more cable channels. To the extent time is available, access channels may also be used for other broadcast and nonbroadcast services, provided that these services are subject to immediate displacement if there is demand to use the channel for its specially designated purpose. The system shall, in any case, provide at least one full channel on the VHF spectrum for shared access programming.

(6) Franchisees providing only alarm services or only data transmission services for computer-operated functions do not need to provide access channel reception to alarm and data service subscribers.

(b) a provision establishing the minimum equipment that the franchisee shall make available for public use. The provision shall require that the franchisee shall make readily available for public use at least the minimal equipment necessary for the production of programming and playback of prerecorded programs for the specially designated noncommercial public access channel required by paragraph (a), clause (1). The franchisee shall also make readily available, upon need being shown, the minimum equipment necessary to make it possible to record programs at remote locations with battery-operated portable equipment. Need within the meaning of this section must be de-

terminated by subscriber petition. The petition must contain the signatures of at least ten percent of the subscribers of the system, but in no case more than 500 nor fewer than 100 signatures.

(c) a provision establishing the minimum systemwide channel capacity that the franchisee shall make available. Franchisees subject to the requirement of this provision are not subject to the requirements of subdivision 1, paragraph (bb).

(1) The provision must require the construction of a cable system with a channel capacity, available for immediate or potential use, equal to a minimum of 120 MHz of bandwidth, the equivalent of 20 television broadcast channels.

(2) Systems that are already constructed pursuant to a preexisting franchise requiring fewer than 120 MHz of bandwidth, the equivalent of fewer than 20 television broadcast channels, shall have until June 21, 1986, to increase the system's channel capacity to a minimum of 120 MHz of bandwidth. However, nothing in this section precludes the parties to a franchise from negotiating an agreement calling for an increase to a minimum of 120 MHz of bandwidth before June 21, 1986.

(3) For purposes of this section, a cable system with a channel capacity, available for immediate or potential use, equal to a minimum of 120 MHz of bandwidth means: the provision of a distribution system designed and constructed so that a minimum of 120 MHz of bandwidth, the equivalent of 20 television broadcast channels, can be put into use with only the addition of the appropriate headend and subscriber terminal equipment.

(d) In Twin Cities metropolitan area franchises, a provision designating the standard VHF channel 6 for uniform regional channel usage as required in section 43.

Subd. 4. [ADDITIONAL TERMS AND CONDITIONS PERMITTED.] *A franchise may contain additional terms and conditions as the municipality and the franchisee deem appropriate, provided the additional terms and conditions are consistent with federal and state law.*

Subd. 5. [RECLASSIFICATION OF SYSTEMS.] *A franchise must be amended by the franchising authority when the number of subscribers served by the cable communications system in the franchise area changes so as to result in reclassification of the system under this section. Amendments must include provisions consistent with the requirements of that class of cable communications systems.*

Sec. 24. [238.085] [COMMISSIONER OF COMMERCE.]

Subdivision 1. [DOCUMENTATION TO THE COMMISSIONER OF COMMERCE.] Upon the granting of a franchise, the extension of a franchise for a term, the renewal of a franchise, or the sale or transfer of a franchise, the franchising authority and the franchisee shall submit documentation to the commissioner of commerce certifying that the franchise and the process followed conform to this chapter, to the extent that these sections are not inconsistent with federal law.

Subd. 2. [ACTIONS BY COMMISSIONER.] (a) Within 30 days of receipt of the certificate, the commissioner of commerce shall:

(1) approve the certificate;

(2) disapprove the certificate, indicating in writing to the applicants why the franchise or the process does not conform to this chapter; or

(3) request that the applicants provide additional information within 30 days of the receipt of the request.

(b) If the commissioner of commerce fails to act within 30 days of receiving a certificate or the requested additional documentation, the certificate is approved. If the commissioner of commerce fails to issue a final approval or disapproval within 180 days of the initial receipt of a certificate, the certificate is approved.

Subd. 3. [WHEN CERTIFICATE DISAPPROVED.] If the certificate is disapproved, the applicants may either (1) take the steps as may be necessary to bring the franchise or the process into conformance and reapply to the commissioner of commerce, or (2) within 30 days of receiving the disapproval appeal the decision to the Minnesota court of appeals.

Subd. 4. [OPERATION CONTINUES DURING REVIEW OR APPEAL.] While the commissioner of commerce is reviewing a certificate concerning a franchise extension or renewal and during an appeal of the commissioner of commerce's decision, the franchisee must be allowed to continue the operation of the affected cable system.

Subd. 5. [RIGHTS UNDER OTHER LAW.] Nothing in this section prohibits a franchisee from exercising its legal rights under federal or state law upon the denial by a franchising authority of an extension, renewal, transfer, or sale of a franchise.

Sec. 25. Minnesota Statutes 1984, section 238.11, subdivision 2, is amended to read:

Subd. 2. No cable communications company may prohibit or limit a program or class or type of program presented over a leased channel or a channel made available for public access, governmental or educational purposes. *Neither the cable communications company nor the officers, directors, or employees of the cable communications system is (NOT) liable for any penalties or damages arising from programming content not originating from or produced by the cable communications company and shown on any public access channel, education access channel, government access channel, leased access channel, or regional channel.*

Sec. 26. Minnesota Statutes 1984, section 238.15, is amended to read:

238.15 [FINANCIAL INTEREST OF MEMBERS.]

(NO MEMBER OF THE BOARD OR PERSON APPOINTED PURSUANT TO SECTION 238.04, SUBDIVISION 7 SHALL BE EMPLOYED BY, OR SHALL KNOWINGLY HAVE ANY FINANCIAL INTEREST IN ANY CABLE COMMUNICATIONS COMPANY OR ITS SUBSIDIARIES, MAJOR EQUIPMENT OR PROGRAMMING SUPPLIERS, OR IN ANY BROADCASTING COMPANY HOLDING AN OPERATING LICENSE ISSUED BY THE FEDERAL COMMUNICATIONS COMMISSION OR ITS SUBSIDIARIES.) Members of any elected body granting franchises and employees of any franchising body who would be directly involved in the granting or administration of franchises for cable communications and who are employed by or who knowingly have any financial interest in any cable communications company, bidding on such franchise, or the cable communications company granted the franchise, or their subsidiaries, major equipment or program suppliers shall abstain from participation in the franchising of a cable communications company or the administration of such franchise.

Sec. 27. Minnesota Statutes 1984, section 238.16, subdivision 2, is amended to read:

Subd. 2. Any person violating the provisions of (SECTIONS 238.01 TO 238.17 OR ANY RULES OR REGULATIONS MADE PURSUANT THERETO,) *this chapter* is guilty of a gross misdemeanor. Any term of imprisonment imposed for any violation by a corporation shall be served by the senior resident officer of the corporation.

Sec. 28. Minnesota Statutes 1984, section 238.17, subdivision 1, is amended to read:

Subdivision 1. [CONDITIONS FOR EXTENSIONS.] Notwithstanding the provisions of (SECTION 238.09 OR) any other law to the contrary, a cable communications system may extend

or provide service outside the boundaries of a core service unit if (: (1) THE EXTENSION AREA IS NOT WITHIN THE SEVEN COUNTY METROPOLITAN AREA, AS DEFINED IN SECTION 473.121, SUBDIVISION 4; (2) THE BOARD FIRST APPROVES, IN ACCORDANCE WITH PROCEDURES SET FORTH IN THE BOARD'S RULES, THE INCLUSION OF THE EXTENSION AREA IN THE SAME CABLE SERVICE TERRITORY WHICH CONTAINS THE CORE SERVICE UNIT; AND (3)) the cable communications system obtains (AND FILES WITH THE BOARD) an extension permit issued by the municipality or municipalities which have jurisdiction over the extension area.

Sec. 29. Minnesota Statutes 1984, section 238.17, subdivision 5, is amended to read:

Subd. 5. [EXCESS EXTENSION PERMITS.] Nothing in this section shall be construed to prevent a municipality having jurisdiction over an extension area from prescribing extension permit requirements which are in excess of those required by this section, unless such requirements are inconsistent with this chapter (OR WITH ANY RULE OF THE BOARD).

Sec. 30. Minnesota Statutes 1984, section 238.22, is amended by adding a subdivision to read:

Subd. 7. [ALTERNATIVE PROVIDERS.] *"Alternative providers" means other providers of television programming or cable communications services.*

Sec. 31. Minnesota Statutes 1984, section 238.22, is amended by adding a subdivision to read:

Subd. 8. [ASSOCIATION MEMBER.] *"Association member" means an individual owner of a cooperatively owned multiple dwelling complex.*

Sec. 32. Minnesota Statutes 1984, section 238.22, is amended by adding a subdivision to read:

Subd. 9. [OTHER PROVIDERS OF TELEVISION PROGRAMMING OR CABLE COMMUNICATIONS SERVICES.] *"Other providers of television programming or cable communications services" means operators of master antenna television systems (MATV), satellite master antenna television systems (SMATV), multipoint distributions systems (MDS), and direct broadcast satellite systems (DBS).*

Sec. 33. Minnesota Statutes 1984, section 238.24, subdivision 10, is amended to read:

Subd. 10. [CHANNEL CAPACITY.] (a) A property owner must provide access by a franchised cable communications company, as required under section 238.23, only if that cable company installs equipment with channel capacity sufficient to provide access to other providers of television programming or cable communications services so that residents or association members have a choice of alternative providers of those services. If the equipment is installed, the cable communications company shall allow alternative providers to use the equipment. If some of the residents or association members choose to subscribe to the services of an alternative provider, the cable company that installed the equipment shall be reimbursed by the other providers for the cost of equipment and installation on the property on a pro rata basis which reflects the number of subscribers of each provider on that property to the total number of subscribers on that property. In determining the pro rata amount of reimbursement by any alternative provider, the cost of equipment and installation shall be reduced to the extent of cumulative depreciation of that equipment at the time the alternative provider begins providing service.

(b) If equipment is already installed as of June 15, 1983 with channel capacity sufficient to allow access to alternative providers, the access and pro rata reimbursement provisions of paragraph (a) apply.

((C) THE BOARD SHALL PROMULGATE RULES BY JANUARY 1, 1984 TO IMPLEMENT THE PROVISIONS OF THIS SUBDIVISION.)

((D) PARAGRAPHS (A) AND (B) COME INTO EFFECT AFTER RULES HAVE BEEN PROMULGATED AND ADOPTED IN ACCORDANCE WITH PARAGRAPH (C).)

Sec. 34. [238.241] [CONDITIONS FOR ACCESS BY ALTERNATIVE PROVIDERS.]

Subdivision 1. [CHANNEL CAPACITY.] Cable companies granted access to a multiple dwelling complex under section 238.25 shall provide equipment with sufficient channel capacity to be used by alternative providers of television programming or cable communications services.

Subd. 2. [TECHNICAL PLAN APPROVAL.] The cable communications company shall determine the technical plan best suited for providing the necessary channel capacity sufficient to allow access to other providers. The plan must be submitted to the property owner for approval. The owner's approval may not be unreasonably withheld. No additional compensation for evaluation of the plan may be paid or given to the property owner over and above that permitted under section 238.24, subdivision 8.

Subd. 3. [DUPLICATE CONNECTIONS.] The cable communications company is not required to provide equipment for connecting more than one television receiver in one dwelling unit within the multiple dwelling complex. However, the company may provide duplicate connections at its discretion.

Sec. 35. [238.242] [REIMBURSEMENT.]

Subdivision 1. [PROVIDING ALTERNATIVE SERVICE.] Other providers of television programming or cable communications services shall notify the cable communications company when a resident or association member occupying a dwelling unit in a multiple dwelling complex requests the services provided for by this section or section 34. After reaching agreement with the alternative service provider for reimbursement to be paid for use of the equipment, the cable communications company shall make available the equipment necessary to provide the alternative service without unreasonable delay.

Subd. 2. [REIMBURSEMENT DETERMINATION.] The amount to be reimbursed must be determined under section 238.24, subdivision 10. The reimbursed amount must be paid in one installment for each instance of requested use. The payment may not be refunded upon subscriber cancellation of the alternative service.

Subd. 3. [FINANCIAL RECORDS MADE AVAILABLE.] The cable communications company, upon written request, shall make available to the alternative provider financial records supporting the reimbursement cost requested.

Sec. 36. [238.36] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 36 to 42, the following terms have the meanings given them unless a different meaning clearly appears in the text.

Subd. 2. [CABLE COMMUNICATIONS COMPANY'S EQUIPMENT.] "Cable communications company's equipment" means aerial wires, cables, amplifiers, associated power supply equipment, and other transmission apparatus necessary for the proper operation of the cable communications system in a franchised area.

Subd. 3. [CONDUIT SYSTEM.] "Conduit system" means a reinforced passage or opening in, on, under, or through the ground capable of containing communications facilities and includes the following: main conduit; underground dips and short sections of conduit under roadways, driveways, parking lots, and similar conduit installations; laterals to poles and into buildings; ducts; and manholes.

Subd. 4. [PUBLIC UTILITY COMPANY POLES.] "Public utility company poles" means poles owned by the public utility and poles owned by others on which the public utility has the right to permit others to attach in the communications space on the pole.

Sec. 37. [238.37] [SCOPE.]

Sections 36 to 42 only apply to pole, duct, and conduit agreements entered into or renewed between public utilities and cable communications companies on or after January 1, 1976, and have no application to those agreements executed before January 1, 1976, until those agreements are either renewed or substantially renegotiated. If a public utility company and a cable communications company enter into an agreement regarding only pole attachments, sections 36 to 42 relating to conduit systems are applicable to that agreement and if a public utility company and a cable communications company enter into an agreement regarding only use of a conduit system, sections 36 to 42 relating to pole attachments are not applicable to that agreement.

Sec. 38. [238.38] [PERMITS.]

Every pole, duct, and conduit agreement must contain a provision that before attaching to the public utility company's poles or occupying any part of the public utility's conduit system, the cable communications company shall apply and receive a permit for that purpose on a form provided by the public utility company. If the cable communications company accepts the permit, it may attach its equipment to the poles covered by the permit or occupy the conduit system of the public utility to the extent authorized by the permit, subject to sections 36 to 42 and the terms of the agreement between the contracting parties. In granting or denying a permit, the public utility has the right to determine whether a grant of a permit would adversely affect its public services, duties, and obligations or have an adverse effect on the economy, safety, and future needs of the public utility.

Sec. 39. [238.39] [LEGAL AUTHORITY.]

Every pole, duct, and conduit agreement must contain a provision that the cable communications company shall submit to the public utility company evidence of the cable communications company's lawful authority to place, maintain, and operate its facilities within public streets, highways, and other thoroughfares and shall secure the legally necessary permits and consents from federal, state, county, and municipal authorities to construct, maintain, and operate facilities at the locations of poles or conduit systems of the public utility company which it uses. The parties to the agreement shall at all times observe and comply with, and the provisions of a pole, duct, and conduit agreement are subject to, the laws, ordinances, and rules which in any manner affect

the rights and obligations of the parties to the agreement, so long as the laws, ordinances, or rules remain in effect.

Sec. 40. [238.40] [LIABILITY.]

Every pole, duct, and conduit agreement must contain a provision that the cable communications company shall defend, indemnify, protect, and save harmless the public utility from and against any and all claims and demands for damages to property and injury or death to persons, including payments made under any worker's compensation law or under any plan for employees' disability and death benefits, which may arise out of or be caused by the erection, maintenance, presence, use, or removal of the cable communications company's cable, equipment, and facilities or by the proximity of the cables, equipment, and facilities of the parties to the agreement, or by any act of the cable communications company on or in the vicinity of the public utility company's poles and conduit system, in the performance of the agreement. Nothing contained in this section relieves the public utility company from liability for the negligence of the public utility company or anyone acting under its direction and control. The cable communications company shall also indemnify, protect, and save harmless the public utility from any and all claims and demands which arise directly or indirectly from the operation of the cable communications company's facilities including taxes, special charges by others, claims, and demands for damages or loss for infringement of copyright, for libel and slander, for unauthorized use of television broadcast programs, and for unauthorized use of other program material, and from and against all claims and demands for infringement of patents with respect to the manufacture, use, and operation of the cable communications equipment in combination with the public utility company's poles, conduit system, or otherwise. Nothing contained in this section relieves the public utility company from liability for the negligence of the public utility company or anyone acting under its direction and control.

Sec. 41. [238.41] [INSURANCE.]

The cable communications company shall carry insurance to protect the parties to the agreement from and against any and all claims, demands, actions, judgments, costs, expenses, and liabilities which may arise or result, directly or indirectly, from or by reason of the loss, injury, claim, or damage. The amount of the insurance must be agreed to by the parties to this agreement. The cable communications company shall also carry insurance to protect it from all claims under worker's compensation laws in effect that may be applicable to it. Insurance required must remain in effect for the entire term of the agreement.

Sec. 42. [238.42] [ADDITIONAL TERMS.]

Nothing contained in sections 36 to 42 in any way prohibits a public utility company from including in its pole, duct, and conduit agreements with cable communications companies additional terms which do not conflict with sections 36 to 42.

Sec. 43. [238.43] [REGIONAL CHANNEL.]

Subdivision 1. [DEFINITION.] For the purposes of this section "regional channel entity" means an independent, non-profit corporation to govern the operation of the regional channel.

Subd. 2. [LEGISLATIVE PURPOSE.] The purpose of this section is to facilitate the activation of a metropolitan area interconnected regional channel, to be uniformly carried on VHF channel 6 on cable communications systems operating in the metropolitan area in order to provide a broad range of informational, educational, and public service programs and materials to metropolitan area cable subscribers.

Subd. 3. [VHF CHANNEL 6.] Franchises for cable communications systems franchised in whole or in part within the metropolitan area shall contain a provision designating the standard VHF channel 6 for uniform regional channel usage; provided, however, that until the regional channel becomes operational, the designated VHF channel 6 may be utilized by the cable communications company as it deems appropriate. The designated regional channel may be combined with the government access channel until such time as the video programming usage of the government access channel expands to such point as it is in use during 80 percent of the time between 8:00 a.m. and 10:00 p.m. during any consecutive six-week period. Use of time on the regional channel must be made available without charge.

Subd. 4. [USE.] The regional channel will provide a broad range of informational, educational, and public service programs and materials to metropolitan area cable subscribers.

Subd. 5. [REGIONAL CHANNEL ENTITY.] The cable communications board may designate a regional channel entity prior to July 1, 1985. If the cable communications board does not designate an entity by June 30, 1985, the metropolitan council shall appoint the governing body of the regional channel entity which must consist of 15 members appointed to three-year terms. In making the initial appointments the metropolitan council shall designate one-third of the appointees to serve one-year terms, one-third to serve two-year terms, and one-third to serve three-year terms. In the case of a vacancy the council shall appoint a person to fill the vacancy for the remainder of the unexpired term. The metropolitan council shall name three appointees from the recommendations received from the association of metropoli-

tan municipalities and three from the recommendations received from the cable communications companies operating in the metropolitan area.

Subd. 6. [REGIONAL CHANNEL OPERATOR.] *The regional channel entity may operate the regional channel or designate the operator of the regional channel. In the event the regional channel entity designates the operator of the regional channel, the designation must be for an initial period not exceeding three years. Before the expiration of the three-year period, the regional channel entity shall review its designation and consider renewal for a term not exceeding three years. Nothing in this section creates any right to renewal for the operator designated by the regional channel entity.*

Sec. 44. Minnesota Statutes 1984, section 250.05, is amended to read:

Subdivision 1. There is hereby established as a public corporation in the executive branch of state government the Gillette children's hospital board. The purpose of the board shall be to govern the operation of Gillette children's hospital (IN CONJUNCTION WITH THE RAMSEY COUNTY HOSPITAL) in such manner as to obtain a maximum of efficiency and economy in the performance of and training in medical and surgical care of (CRIPPLED) children *with handicaps or disabilities.*

Subd. 2. The Gillette children's hospital shall be governed by a board of directors consisting of (NINE) *up to 19 members.* Not more than (FOUR) *nine* of those (APPOINTED BY THE GOVERNOR) shall be residents of Ramsey county. The commissioner of health and the commissioner of economic security shall each designate a senior employee of their respective departments to represent them as voting members of the board. The designee of the commissioner of economic security shall be the person having authority over the administration of federally recognized vocational rehabilitation programs. Notwithstanding the provisions of subdivision 2a, the term of office of a designee shall be coterminous with the term of office of the designating commissioner. Of the (SEVEN) remaining members, at least four shall be consumers as defined in section 145.833, and one member shall be a member of the medical staff, to be (RECOMMENDED) *elected* by the medical staff of the hospital. Members other than the designees shall be (APPOINTED) *elected* by the (GOVERNOR) *other members.* (NO MEMBER OF THE BOARD SHALL BE AN EMPLOYEE OF OR HAVE ANY DIRECT OR IMMEDIATE FAMILY FINANCIAL INTEREST IN A BUSINESS ENTITY THAT PROVIDES GOODS OR SERVICES TO THE HOSPITAL.) No member of the board may be an employee of (THE HOSPITAL) or (EMPLOYED BY) *have any direct or immediate family financial interest in a business entity that provides goods or services to the hospital* (WITHIN THE PAST FIVE YEARS).

Subd. 2a. The membership terms, compensation, *and* removal of members (, FILLING OF VACANCIES ON THE BOARD) shall be as provided in section 15.0575.

Subd. 3. The board shall organize by electing a (CHAIRMAN) *chairperson* and other officers as may be required. The Gillette *children's* hospital board shall employ an administrator and other professional, technical, and clerical personnel as may be required. The administrator shall serve at the pleasure of the board. The Gillette *children's* hospital board (MAY) *shall* employ a certified public accountant to annually audit and examine its financial records. The report of an examination or audit by a certified public accountant shall be submitted *on request* to the legislative auditor who shall review the audit report and accept it or make additional examinations as he deems to be in the public interest. The working papers of the certified public accountant relating to the Gillette *children's* hospital board shall be made available to the legislative auditor upon request.

The Gillette *children's* hospital board may contract for the services of individuals who perform medical, technical, or other services of a professional nature, and may contract for the purchase of necessary supplies, services, and equipment. Except as it determines, the Gillette *children's* hospital board shall not be subject to the provisions of chapter 16, concerning budgeting, payroll, and the purchase of goods or services. Any department of state government is authorized, within the limits of its functions and appropriations, to assist the Gillette *children's* hospital board upon request.

Subd. 3a. All employees of the Gillette *children's* hospital who are in the classified service of the state on March 28, 1974 shall be continued as employees of the Gillette *children's* hospital board without loss of status, seniority, or benefits. The departments of administration and personnel shall endeavor to assist in the transfer elsewhere within state service of any classified employee who desires such assistance. Classified personnel may, with their individual approval and the approval of the Gillette *children's* hospital board, enter the unclassified service. Employees who remain in the classified service of the state under the provisions of this section, may do so as long as they continue to occupy the position occupied on March 28, 1974. If such an employee at a subsequent date is appointed, transferred, promoted, or demoted to a different position under the Gillette *children's* hospital board, that position and employee shall be in the unclassified service. All other employees of the Gillette *children's* hospital board shall be in the unclassified service. The Gillette *children's* hospital board may prescribe all terms and conditions of employment of unclassified employees, including but not limited to the fixing of classification and compensation, without regard to the provisions of chapter 15A. Full time em-

ployees of the Gillette *children's* hospital board (SHALL) *may* be members of the Minnesota state retirement system for classified employees, to which the Gillette *children's* hospital board shall make employer's contributions.

Subd. 4. The Gillette *children's* hospital board, acting through its board of directors, may contract with the governing body and the owners of the *St. Paul Ramsey* (COUNTY HOSPITAL) *medical center* and of any other hospital or institution, for the joint maintenance and operation of the Gillette *children's* hospital (IN CONJUNCTION WITH EXISTING OR CONTEMPLATED FACILITIES AT THE RAMSEY COUNTY HOSPITAL). Contracts may include agreements for the joint employment and utilization of personnel, the joint purchase of supplies and equipment, and joint construction, acquisition, or leasing of space for offices, outpatient facilities, operating rooms, and other medical facilities for use in training in the care and treatment of (CRIPPLED) *disabled* and handicapped children, the operation of (A BRACE SHOP) *an orthotic/prosthetic laboratory*, and the conduct of patient education programs. No contract shall, however, provide for the expenditure of funds for additional patient bed capacity.

Subd. 5. The Gillette *children's* hospital board shall have the power to accept gifts and grants, to sue and be sued, and to establish a schedule of charges for (MEDICAL, HOSPITAL, AND REHABILITATIVE) *all* services furnished. All funds received by the Gillette *children's* hospital board from any source are hereby annually appropriated to the Gillette *children's* hospital board, which shall be responsible for their management and control. An annual report shall be submitted to the legislature by the Gillette *children's* hospital board not later than November 15 of each year. The report shall summarize the activities of the board and the hospital over the preceding fiscal year, shall evaluate whether the statutory structure for the board results in effective administration of the hospital and whether statutory changes are necessary. The report shall be submitted together with the audit report required by subdivision 3.

Subd. 6. The Gillette *children's* hospital shall seek reimbursement for costs of care and treatment provided, from parents to the extent of their ability to pay, from insurance policies covering care and treatment, and from other sources, including any federally financed medical aids for which the child is eligible. To the extent of appropriations available therefor, the department of human services shall continue to provide financial assistance to the Gillette *children's* hospital board to pay for costs of care otherwise unmet which are beyond the ability of parents to provide. Children from other states who can benefit from the services of the hospital may be accepted upon the referral of a medical doctor. Reimbursement for full costs for care provided non-resident patients shall be obtained from parents, from insurance policies covering

care and treatment, or from any sources other than the state of Minnesota which may be available to the child and his family.

Sec. 45. Minnesota Statutes 1984, section 254A.04, is amended to read:

254A.04 [CITIZENS ADVISORY COUNCIL.]

There is hereby created an alcohol and other drug abuse advisory council to advise the department of human services concerning the problems of alcohol and other drug dependency and abuse, composed of (11) *ten* members (APPOINTED BY THE GOVERNOR). (AT LEAST) Five members shall be individuals whose interests or training are in the field of alcohol dependency and abuse; and (AT LEAST) five members whose interests or training are in the field of dependency and abuse of drugs other than alcohol. The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059. *The commissioner of human services shall appoint members whose terms end in even-numbered years. The commissioner of health shall appoint members whose terms end in odd-numbered years.*

Sec. 46. Minnesota Statutes 1984, section 270.41, is amended to read:

270.41 [BOARD OF ASSESSORS.]

A board of assessors is hereby created. The board shall be for the purpose of establishing, conducting, reviewing, supervising, coordinating or approving courses in assessment practices, and establishing criteria for determining assessor's qualifications. The board shall also have authority and responsibility to consider other matters relating to assessment administration brought before it by the commissioner of revenue. The board shall consist of nine members, who shall be appointed by the (GOVERNOR) *commissioner of revenue*, in the manner provided herein.

1. Two from the department of revenue,
2. Two county assessors,
3. Two assessors who are not county assessors, one of whom shall be a township assessor, and
4. One from the private appraisal field holding a professional appraisal designation,
5. Two public members as defined by section 214.02.

The appointment provided in (1,) 2 and 3 (,) may be made from (A LIST) *two lists* of not less than three names *each, one* submitted to (THE GOVERNOR BY) the commissioner of revenue (CONTAINING RECOMMENDATIONS FOR APPOINTEES DESCRIBED IN 1,) *by* the Minnesota Association of Assessing Officers or its successor organization containing recommendations for the appointment of appointees described in 2, and *one by* the Minnesota Association of Assessors, Inc. or its successor organization containing recommendations for the appointees described in 3 (,). *The lists must be submitted 30 days* before the commencement of the term. In the case of a vacancy, a new list shall be furnished to the (GOVERNOR) *commissioner* by the respective organization immediately. In the event any member of the board shall no longer be engaged in the capacity listed above, he shall automatically be disqualified from membership in the board.

The board shall annually elect a chairman and a secretary of the board.

Sec. 47. Minnesota Statutes 1984, section 343.01, subdivision 3, is amended to read:

Subd. 3. The society must be governed by a board of directors consisting of seven persons appointed by the governor. The governor, the commissioner of education, and the attorney general, or their designees shall serve as ex officio, nonvoting members of the board. The membership terms, compensation, removal, and filling of vacancies of board members other than ex officio members shall be as provided in section 15.0575; provided that the terms of two initial members shall expire in each of 1979, 1980, and 1981, and the term of the seventh initial member shall expire in 1982. The members of the board shall annually elect a chairman and other officers as deemed necessary. Meetings must be called by the chairman or at least two other members. The (GOVERNOR) *board* shall appoint an executive director who shall serve in the unclassified civil service at the (GOVERNOR'S) *board's* pleasure (FOR A TERM COTERMINOUS WITH THAT OF THE GOVERNOR). The executive director may employ other staff who shall serve in the unclassified civil service. The commissioner of administration upon request of the executive director shall supply the board with necessary office space and administrative services, and the board shall reimburse the commissioner for the cost.

Sec. 48. Minnesota Statutes 1984, section 473.129, subdivision 6, is amended to read:

Subd. 6. [PARTICIPATION IN (SPECIAL DISTRICT ACTIVITY) *METROPOLITAN AREA COMMISSIONS AND BOARDS.*] (a) The metropolitan council shall appoint from its membership a member to serve with the metropolitan airports commission, a member to serve with the mosquito control

commission, a member to serve on the Minneapolis-St. Paul sanitary district or any successor thereof, and may appoint a member to serve on any metropolitan area commission or board authorized by law. Each member of the metropolitan council so appointed on each of such commissions shall serve without a vote.

(b) The metropolitan council shall also appoint individuals to the governing body of the cable communications metropolitan interconnected regional channel entity under section 43, subdivision 5.

Sec. 49. Minnesota Statutes 1984, section 611.215, subdivision 1, is amended to read:

Subdivision 1. [CREATION; MEMBERSHIP.] There is created a state board of public defense as a part of, but not subject to the administrative control of, the judicial branch of government. The state board of public defense shall consist of seven members appointed by the (GOVERNOR) *supreme court* including:

(a) A district, county or county municipal court trial judge;

(b) Four attorneys admitted to the practice of law, well acquainted with the defense of persons accused of crime, but not publicly employed as a prosecutor or defense counsel; and

(c) Two public members.

All members shall demonstrate an interest in maintaining a high quality, independent defense system for those who are unable to obtain adequate representation. In making the four appointments of attorneys at law, the (GOVERNOR) *supreme court* shall first consider a list of at least three nominees for each position submitted to the (GOVERNOR) *supreme court* by the state bar association. The terms, compensation and removal of members shall be as provided in section 15.0575. The chairman shall be elected by the members from among the membership for a term of two years.

Sec. 50. Laws 1984, chapter 654, article 2, section 151, subdivision 2, is amended to read:

Subd. 2. [CREATION OF COUNCIL.] There is created the Minnesota Manufacturing Growth Council whose purpose is to address manufacturing concerns in Minnesota. The council shall consist of 21 members (APPOINTED BY THE GOVERNOR). The (GOVERNOR) *commissioner of energy and economic development* shall serve as chairperson of the council (.

THE GOVERNOR) and shall appoint seven members who represent manufacturing labor; seven members who represent manufacturing management; (THE COMMISSIONERS OF ECONOMIC SECURITY, ENERGY AND ECONOMIC DEVELOPMENT, AND LABOR AND INDUSTRY;) one economist; and two members of the public-at-large. *The governor and the commissioners of economic security and labor and industry shall also be members of the council.* The (GOVERNOR) commissioner of energy and economic development shall seek to appoint at least one member representing manufacturing businesses owned or managed by women.

Sec. 51. [MOTION PICTURE AND TELEVISION ADVISORY COUNCIL; APPOINTING AUTHORITY TRANSFERRED.]

Notwithstanding Laws 1983, chapter 301, section 28, the commissioner of energy and economic development shall appoint the members of the motion picture and television advisory council and designate one appointee as chairperson and liaison to the commissioner.

Sec. 52. [TERMS OF TELECOMMUNICATIONS COUNCIL MEMBERS.]

Notwithstanding Minnesota Statutes, section 15.059 or 16C.01, the terms of all present members of the telecommunications council shall expire on July 31, 1985.

Sec. 53. [GILLETTE CHILDREN'S HOSPITAL BOARD TRANSITION.]

Members of the Gillette children's hospital board on July 31, 1985, carry over as members of the board as restructured by this act and shall elect additional members other than designees.

Sec. 54. [REPEALER.]

Minnesota Statutes 1984, sections 3.29, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11; 16C.01; 238.02, subdivision 4; 238.04; 238.05; 238.06; 238.09; 238.10; 238.11, subdivision 1; 238.12, subdivision 3; 238.13; 238.14; 238.16, subdivision 1; and 238.17, subdivisions 6, 7, and 8 are repealed.

Sec. 55. [EFFECTIVE DATE.]

Sections 3, 10 to 43, and 48 are effective July 1, 1985."

Delete the title and insert:

"A bill for an act relating to state departments and agencies; transferring authority to make certain appointments to various

commissioners; reducing size of alcohol and drug abuse advisory council; abolishing the cable communications board and transferring certain functions to the commissioner of commerce; abolishing the telecommunications council; amending Minnesota Statutes 1984, sections 4.31, subdivision 5; 14.02, subdivision 4; 15.0591, subdivision 2; 16B.20, subdivision 2; 16B.33, subdivision 2; 115.74, subdivision 1; 116C.41, subdivision 2; 121.83; 161.1419, subdivision 2; 238.01; 238.02, subdivision 14, and by adding subdivisions; 238.03; 238.08, subdivisions 2, 3, and 4; 238.11, subdivision 2; 238.15; 238.16, subdivision 2; 238.17, subdivisions 1 and 5; 238.22, by adding subdivisions; 238.24, subdivision 10; 250.05; 254A.04; 270.41; 343.01, subdivision 3; 473.129, subdivision 6; and 611.215, subdivision 1; amending Laws 1984, chapter 654, article 2, section 151, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 238; repealing Minnesota Statutes 1984, sections 3.29, subdivisions 1 to 11; 16C.01; 238.02, subdivision 4; 238.04 to 238.06; 238.09; 238.10; 238.11, subdivision 1; 238.12, subdivision 3; 238.13; 238.14; 238.16, subdivision 1; and 238.17, subdivisions 6, 7, and 8."

We request adoption of this report and repassage of the bill.

House Conferees: GIL GUTKNECHT, ELTON R. REDALEN and JOEL JACOBS.

Senate Conferees: LAWRENCE J. POGEMILLER, DONALD A. STORM and NEIL DIETERICH.

Gutknecht moved that the report of the Conference Committee on H. F. No. 786 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 786, A bill for an act relating to state departments and agencies; transferring authority to make certain appointments to various commissioners; reducing size of alcohol and drug abuse advisory council; abolishing the cable communications board and the telecommunications council; amending Minnesota Statutes 1984, sections 1.22; 4.31, subdivision 5; 14.02, subdivision 4; 16B.20, subdivision 2; 16B.33, subdivision 2; 35.02, subdivision 1; 40.03, subdivision 1; 84B.11, subdivision 1; 115.74, subdivision 1; 116C.41, subdivision 2; 116L.03; 121.82, subdivision 1; 121.83; 129B.01, subdivision 1; 144A.19, subdivision 1; 147.01, subdivisions 1 and 2; 148.03; 148.181; 148.52; 148.90, subdivision 2; 150A.02, subdivision 1; 151.03; 153.02; 154.22; 156.01, subdivisions 1 and 2; 161.1419, subdivision 2; 250.05, subdivision 2; 254A.04; 270.41; 326.04; 326.17; 326.241, subdivision 1; 343.01, subdivision 3; 386.63, subdivision 1; 611.215, subdivision 1; and 626.841; amending Laws 1984, chapter 654, article 2, section 151, subdivision 2; repealing Minnesota Statutes 1984, sections 3.29, subdivisions 1 to 11; 16C.01; 238.01; 238.02,

subdivision 4; 238.04 to 238.06; 238.08, subdivision 2; 238.09; 238.10; 238.11, subdivision 1; 238.12, subdivision 3; and 238.13 to 238.17.

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

The question was taken on the repassage of the bill and the roll was called. There were 113 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, G.	Kahn	Skoglund	Voss
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The bill was repassed, as amended by Conference, and its title agreed to.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 35:

Bennett, Ozment and Rodosovich.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 43:

Johnson; Carlson, D.; Bennett; Dempsey and Lieder.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 623:

Bishop, Halberg and Cohen.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Levi, from the Committee on Rules and Legislative Administration, pursuant to rule 1.9, designated the following bills as Special Orders to be acted upon immediately preceding General Orders pending for today, Friday, May 17, 1985:

S. F. Nos. 547, 566 and 1225; H. F. No. 828; S. F. Nos. 1320 and 1202; H. F. No. 1243; S. F. Nos. 455 and 276; H. F. No. 563; S. F. Nos. 319 and 919; H. F. Nos. 765, 1436 and 1018; S. F. Nos. 882, 675, 374 and 1219; H. F. No. 1083; S. F. Nos. 643, 401 and 821; H. F. No. 587; S. F. Nos. 615 and 147.

SPECIAL ORDERS

S. F. No. 547 was reported to the House.

There being no objection S. F. No. 547 was temporarily laid over on Special Orders.

S. F. No. 566, A bill for an act relating to civil procedure; providing for the treatment of certain foreign judgments; enacting the Uniform Foreign Country Money-Judgments Recognition Act; proposing coding for new law in Minnesota Statutes, chapter 548.

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.	Brown	Erickson	Haukoos	Knuth
Backlund	Burger	Fjoslien	Heap	Kostohryz
Battaglia	Carlson, D.	Forsythe	Himle	Krueger
Beard	Carlson, J.	Frederick	Jacobs	Levi
Becklin	Carlson, L.	Frederickson	Jaros	Lieder
Begich	Clark	Frerichs	Jennings, L.	Long
Bennett	Clausnitzer	Greenfield	Johnson	Marsh
Bishop	Cohen	Gruenes	Kahn	McDonald
Blatz	DenOuden	Gutknecht	Kalis	McEachern
Boo	Dimler	Halberg	Kelly	McLaughlin
Brandl	Dyke	Hartinger	Kiffmeyer	McPherson
Brinkman	Elioff	Hartle	Knickerbocker	Metzen

Miller	Osthoff	Rees	Skoglund	Valan
Minne	Otis	Rest	Solberg	Valento
Munger	Ozment	Richter	Sparby	Vanasek
Murphy	Pappas	Rivencss	Stanius	Vellenga
Nelson, D.	Pauly	Rodosovich	Staten	Voss
Nelson, K.	Peterson	Sarna	Swiggum	Waltman
Norton	Piepho	Schafer	Thiede	Welle
O'Connor	Piper	Scheid	Thorson	Wenzel
Ogren	Poppenhagen	Schoenfeld	Tjornhom	Wynia
Olsen, S.	Price	Segal	Tomlinson	Zafke
Olson, E.	Quinn	Shaver	Tompkins	Spk. Jennings, D.
Omann	Quist	Sherman	Tunheim	
Onnen	Redalen	Simoneau	Uphus	

The bill was passed and its title agreed to.

Frerichs was excused while in conference.

S. F. No. 1225 was reported to the House.

Omann moved to amend S. F. No. 1225, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE FINDINGS.]

The legislature recognizes a public benefit in establishing standards for food products marketed and labeled using the term "organic" or a derivative of the term "organic." These standards will also facilitate the development of out-of-state markets for Minnesota food grown by organic methods.

Sec. 2. [31.92] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 2 to 4, the terms defined in this section have the meanings given.

Subd. 2. [DEPARTMENT.] "Department" means the department of agriculture.

Subd. 3. [ORGANIC FOOD.] "Organic food" means any food product, including meat, dairy, and beverage, that is marketed using the term "organic" or any derivative of "organic" in its labeling or advertising.

Subd. 4. [PRODUCER.] "Producer" means a person who is responsible for growing or raising organic food.

Subd. 5. [VENDOR.] "Vendor" means anyone who sells organic food to the consumer or another vendor.

Sec. 3. [31.93] [REQUIREMENTS.]

Subdivision 1. [GROWTH; COMPOSITION.] Organic food must be grown, raised, or composed of ingredients that were grown or raised without the use of chemical fertilizers, chemical pesticides, hormones, antibiotics, growth stimulants, arsenicals, or other substances not essential to proper nutrition. Other natural substances, such as diatomaceous earth, soaps, elemental sulfur, lime sulfur, and copper sulfate may be used in the growing of organic food.

Subd. 2. [INFORMATION.] Growers, manufacturers, and sellers of products regulated by sections 2 to 4 shall provide the department, upon demand, with relevant information from records required under subdivision 2.

Sec. 4. [31.94] [DEPARTMENTAL DUTIES.]

The department shall enforce sections 2 to 4. The department shall withhold from sale or trade any product sold, labeled, or advertised in violation of sections 2 to 4.

The department shall investigate the offering for sale, labeling, or advertising of an article or substance as organically grown, organically processed, or produced in an organic environment if there is reason to believe that action is in violation of sections 2 to 4.

The department may adopt rules, including emergency rules, that further clarify organic food standards and marketing practices."

Delete the title and insert:

"A bill for an act relating to agriculture; regulating organic foods; proposing coding for new law in Minnesota Statutes, chapter 31."

The motion prevailed and the amendment was adopted.

Ogren and Omann moved to amend S. F. No. 1225, as amended, as follows:

Page 2, line 4, delete "*chemical*" in both places and before "*fertilizers*" insert "*synthetic*"

Page 2, line 6, before "*arsenicals*" insert "*and*" and delete everything after "*arsenicals*"

Page 2, line 7, delete "*nutrition*"

Page 2, line 8, after "and" insert "basic"

Page 2, after line 9, insert:

"Where untreated seed is unavailable, treated seed may be used."

Soil on which organic food is grown or raised must have been free of synthetic fertilizers, pesticides, hormones, antibiotics, growth stimulants, and arsenicals for at least one year. After March 31, 1987, the soil must have been free of those synthetics for at least two years. After March 31, 1988, the soil must have been free of those synthetics for at least three years."

Page 2, after line 13, insert:

"Subd. 3. [STORAGE.] Organic food may be stored in a regular, cold, or controlled atmosphere. If fumigation is needed, only diatomaceous earth or inert gas may be used."

Page 2, after line 25, insert:

"Sec. 5. [EFFECTIVE DATE.]

This act is effective April 1, 1986."

The motion prevailed and the amendment was adopted.

Ogren moved to amend S. F. No. 1225, as amended, as follows:

Page 1, before line 7, insert:

"Section 1. Minnesota Statutes 1984, section 28A.15, subdivision 5, is amended to read:

Subd. 5. Persons whose principal mode of business is licensed under section 157.03 or 327.15; provided that the holding of any license pursuant to section 157.03 or 327.15 shall not exempt any person from the applicable requirements of the laws and regulations administered by the commissioner, as they relate to composition, standards of identity, adulteration, labeling or misbranding of food."

Renumber the remaining sections

Correct the internal references

Amend the title as follows:

Page 1, line 2, after the first semicolon insert "exempting manufactured home parks and recreational camping areas from food handling licenses;"

Page 1, line 3, before "proposing" insert "amending Minnesota Statutes 1984, section 28A.15, subdivision 5;"

The motion prevailed and the amendment was adopted.

S. F. No. 1225, A bill for an act relating to agriculture; exempting manufactured home parks and recreational camping areas from food handling licenses; regulating organically grown foods; amending Minnesota Statutes 1984, section 28A.15, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 31.

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 120 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Schoenfeld

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

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, sections 268.52, subdivisions 1 and 2; and 268.53, 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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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

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

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

S. F. No. 1202, A bill for an act relating to environment; requiring the commissioner of health to monitor the quality of water in private water wells in the metropolitan area; amending Minnesota Statutes 1984, section 473.845, subdivision 2.

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

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

Those who voted in the affirmative were:

Anderson, G.	Dyke	Kelly	Neuenschwander	Rest
Backlund	Elioff	Kiffmeyer	Norton	Riveness
Battaglia	Ellingson	Knickerbocker	O'Connor	Rodosovich
Beard	Erickson	Knuth	Ogren	Rose
Becklin	Forsythe	Kostohryz	Olsen, S.	Sarna
Begich	Frederick	Krueger	Olson, E.	Schafer
Bennett	Frederickson	Kvam	Omann	Scheid
Blatz	Greenfield	Levi	Onnen	Schoenfeld
Boerboom	Gruenes	Lieder	Osthoff	Seaberg
Brandl	Gutknecht	Long	Otis	Segal
Brinkman	Halberg	Marsh	Ozment	Sherman
Brown	Hartinger	McDonald	Pappas	Simoneau
Burger	Hartle	McEachern	Pauly	Skoglund
Carlson, D.	Haukoos	McLaughlin	Peterson	Solberg
Carlson, J.	Heap	McPherson	Piper	Sparby
Carlson, L.	Himle	Metzen	Poppenhagen	Stanius
Clark	Jacobs	Minne	Price	Sviggum
Clausnitzer	Jaros	Munger	Quinn	Thorson
Cohen	Jennings, L.	Murphy	Quist	Tjornhom
DenOuden	Kahn	Nelson, D.	Redalen	Tomlinson
Dimler	Kalis	Nelson, K.	Rees	Tompkins

Tunheim
Uphus
Valento

Vanasek
Vellenga

Voss
Waltman

Welle
Wenzel

Wynia
Spk. Jennings, D.

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 1243 was reported to the House.

McEachern moved to amend H. F. No. 1243, the second engrossment, as follows:

Page 1, line 25, to page 2, line 7, delete section 3 from the bill

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

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

POINT OF ORDER

Olsen, S., raised a point of order pursuant to section 114, paragraph 5, of "Mason's Manual of Legislative Procedure" relating to asking questions of members. The Speaker ruled the point of order well taken.

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

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

There were 48 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jacobs	Metzen	Peterson	Sparby
Beard	Jaros	Minne	Piper	Staten
Brandl	Jennings, L.	Munger	Price	Tunheim
Brinkman	Kahn	Murphy	Quinn	Uphus
Brown	Kalis	Nelson, K.	Rest	Vanasek
Carlson, L.	Kostohryz	Norton	Sarna	Vellenga
Cohen	Krueger	O'Connor	Scheid	Voss
Elioff	Lieder	Ogren	Schoenfeld	Wynia
Ellingson	Long	Olson, E.	Segal	
Greenfield	McEachern	Osthoff	Skoglund	

Those who voted in the negative were:

Backlund	Erickson	Knickerbocker	Redalen	Thiede
Becklin	Fjoslien	Knuth	Rees	Thorson
Bennett	Forsythe	Kvam	Riveness	Tjornhom
Blatz	Frederick	Levi	Rodosovich	Tompkins
Boerboom	Frederickson	Marsh	Rose	Valan
Boo	Gruenes	McDonald	Schafer	Valento
Burger	Gutknecht	McKasy	Seaberg	Waltman
Carlson, J.	Hartinger	McPherson	Shaver	Welle
Clausnitzer	Hartle	Olsen, S.	Sherman	Wenzel
Dempsey	Haukoos	Onnen	Simoneau	Spk. Jennings, D.
DenOuden	Himle	Ozment	Solberg	
Dimler	Johnson	Pauly	Stanisus	
Dyke	Kiffmeyer	Poppenhagen	Sviggiun	

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

Munger moved to amend H. F. No. 1243, the second engrossment, as follows:

Page 2, line 2, delete "*director*" and insert "*Governor*"

Page 2, line 3, after "*history*" insert "*and government*"

A roll call was requested and properly seconded.

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

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

There were 50 yeas and 63 nays as follows :

Those who voted in the affirmative were :

Anderson, G.	Cohen	McEachern	Pappas	Skoglund
Battaglia	Elioff	McLaughlin	Peterson	Solberg
Beard	Greenfield	Minne	Piper	Sparby
Begich	Jaros	Munger	Price	Staten
Boo	Kahn	Murphy	Rest	Tunheim
Brandl	Kalis	Nelson, K.	Rice	Uphus
Brinkman	Kostohryz	Norton	Riveness	Vanasek
Brown	Krueger	O'Connor	Sarna	Vellenga
Carlson, L.	Lieder	Ogren	Scheid	Voss
Clark	Long	Olson, E.	Segal	Wynia

Those who voted in the negative were :

Backlund	Fjoslien	Knickerbocker	Poppenhagen	Thiede
Becklin	Forsythe	Knuth	Redalen	Thorson
Bennett	Frederick	Levi	Rees	Tjornhom
Blatz	Frederickson	Marsh	Richter	Tomlinson
Boerboom	Frerichs	McDonald	Schafer	Tompkins
Burger	Gruenes	McKasy	Schoenfeld	Valan
Carlson, D.	Gutknecht	McPherson	Schreiber	Valento
Carlson, J.	Hartinger	Olsen, S.	Seaberg	Waltman
Clausnitzer	Hartle	Omann	Shaver	Welle
Dempsey	Haukoos	Onnen	Sherman	Wenzel
Dimler	Himle	Osthoff	Simoneau	Spk. Jennings, D.
Dyke	Johnson	Ozment	Stanis	
Erickson	Kiffmeyer	Pauly	Sviggum	

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

H. F. No. 1243, A bill for an act relating to the Minnesota historical society; requiring it to develop instructional materials on Minnesota history and government; proposing coding for new law in Minnesota Statutes, chapter 126.

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.

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

There were 112 yeas and 6 nays as follows :

Those who voted in the affirmative were :

Anderson, G.	Begich	Brinkman	Carlson, L.	Dyke
Backlund	Bennett	Brown	Clark	Elioff
Battaglia	Blatz	Burger	Cohen	Ellingson
Beard	Boerboom	Carlson, D.	Dempsey	Erickson
Becklin	Boo	Carlson, J.	Dimler	Fjoslien

Forsythe	Knuth	Olsen, S.	Rice	Tjornhom
Frederick	Kostohryz	Olson, E.	Riveness	Tomlinson
Frederickson	Levi	Omann	Rodosovich	Tompkins
Frerichs	Lieder	Onnen	Schafer	Tunheim
Gruenes	Long	Osthoff	Scheid	Uphus
Cutknecht	Marsh	Otis	Schoenfeld	Valan
Hartinger	McDonald	Ozment	Seaberg	Valento
Hartle	McKasy	Pappas	Segal	Vanasek
Haukoos	McPherson	Pauly	Shaver	Vellenga
Himle	Metzen	Peterson	Sherman	Voss
Jacobs	Minne	Piper	Simoneau	Waltman
Jaros	Munger	Poppenhagen	Skoglund	Welle
Johnson	Murphy	Price	Solberg	Wenzel
Kahn	Nelson, D.	Quinn	Sparby	Wynia
Kalis	Nelson, K.	Quist	Stanius	Spk. Jennings, D.
Kelly	Neuenschwander	Redalen	Staten	
Kiffmeyer	Norton	Rees	Sviggum	
Knickerbocker	Ogren	Rest	Thorson	

Those who voted in the negative were:

Brandl	Krueger	McEachern	O'Connor	Sarna
Greenfield				

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.

S. F. No. 547 which was temporarily laid over earlier today was again reported to the House.

S. F. No. 547, A bill for an act relating to motor vehicles; exempting from certain franchising requirements those dealers who remodel or convert motor vehicles for medical purposes; prohibiting issuance of a motor vehicle dealer license to a person convicted of certain crimes; authorizing immediate revocation or suspension of motor vehicle dealer licenses upon conviction; removing an exception allowing a motor vehicle dealer to register a vehicle without a certificate of title; amending Minnesota Statutes 1984, sections 168.27, subdivisions 2, 11, 12, and 24; and 168A.02, 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 110 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bear	Bennett	Brinkman	Carlson, L.
Backlund	Becklin	Blatz	Brawn	Clark
Battaglia	Begich	Brandl	Carlson, D.	Clausnitzer

Cohen	Johnson	Munger	Quinn	Stanis
Dempsey	Kelly	Murphy	Quist	Sviggum
DenOuden	Kiffmeyer	Nelson, K.	Redalen	Thiede
Dimler	Knickerbocker	Neuenschwander	Rees	Thorson
Dyke	Knuth	Norton	Rest	Tjornhom
Elioff	Kostohryz	O'Connor	Rice	Tomlinson
Erickson	Krueger	Ogren	Richter	Tompkins
Fjoslien	Kvam	Olsen, S.	Rodosovich	Tunheim
Frederick	Levi	Olson, E.	Sarna	Uphus
Frerichs	Lieder	Omann	Schafer	Valento
Greenfield	Long	Onnen	Scheid	Vanasek
Gruenes	Marsh	Osthoff	Schoenfeld	Vellenga
Gutknecht	McDonald	Otis	Schreiber	Voss
Hartinger	McEachern	Ozment	Shaver	Waltman
Hartle	McKasy	Pappas	Sherman	Welle
Himle	McLaughlin	Pauly	Simoneau	Wenzel
Jacobs	McPherson	Peterson	Skoglund	Wynia
Jaros	Metzen	Piper	Solberg	Zaffke
Jennings, L.	Minne	Price	Sparby	Spk. Jennings, D.

The bill was passed and its title agreed to.

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.

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 108 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Lieder	Pappas	Stanis
Backlund	Frederick	Long	Pauly	Staten
Battaglia	Frederickson	Marsh	Peterson	Sviggum
Beard	Frerichs	McDonald	Piper	Thiede
Becklin	Gruenes	McEachern	Price	Thorson
Begich	Gutknecht	McKasy	Quinn	Tjornhom
Bennett	Hartinger	McLaughlin	Quist	Tomlinson
Blatz	Hartle	McPherson	Redalen	Tompkins
Brandl	Haukoos	Metzen	Rees	Tunheim
Brinkman	Himle	Minne	Rest	Uphus
Brown	Jacobs	Munger	Rice	Valento
Carlson, D.	Jaros	Murphy	Richter	Vanasek
Carlson, L.	Jennings, L.	Nelson, K.	Rodosovich	Vellenga
Clark	Johnson	Neuenschwander	Sarna	Voss
Clausnitzer	Kelly	Norton	Schafer	Waltman
Cohen	Kiffmeyer	O'Connor	Schoenfeld	Welle
DenOuden	Knickerbocker	Ogren	Segal	Wenzel
Dimler	Knuth	Olsen, S.	Shaver	Wynia
Dyke	Kostohryz	Olson, E.	Simoneau	Zaffke
Elioff	Krueger	Omann	Skoglund	Spk. Jennings, D.
Erickson	Kvam	Onnen	Solberg	
Fjoslien	Levi	Ozment	Sparby	

The bill was passed and its title agreed to.

S. F. No. 276 was reported to the House.

Onnen moved to amend S. F. No. 276, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 358.15, is amended to read:

358.15 [(BY WHOM TAKEN IN THIS STATE) *EX-OFFICIO NOTARY PUBLIC.*]

The following (NAMED) officers (SHALL) have (POWER TO TAKE AND CERTIFY ACKNOWLEDGMENTS) *the powers of a notary public* within the state:

(1) every member of the legislature, while still a resident in the district from which (HE WAS) elected; but (HE SHALL RECEIVE) no fee or compensation *may be received* for (SO DOING) *exercising these powers*. The form of (HIS) *the official signature* in (SUCH) *these cases* (SHALL BE) *is*: "A.B., Representative (or Senator), District, Minnesota, *ex officio notary public*. My term expires January 1, 19....;"

(2) (THE JUDGES AND CLERKS AND DEPUTY CLERKS OF ALL COURTS, RESIDING WITHIN THE STATE, INCLUDING THOSE OF THE CIRCUIT AND DISTRICT COURTS OF THE UNITED STATES, AND RESIDENT UNITED STATES COMMISSIONERS;)

((3) NOTARIES PUBLIC AND) the clerks or recorders of towns, and cities; and

((4)) (3) court commissioners, county recorders, and county auditors, and their several deputies, and county commissioners, all within their respective counties.

Sec. 2. [358.41] [DEFINITIONS.]

As used in sections 2 to 10:

(1) "Notarial act" means any act that a notary public of this state is authorized to perform, and includes taking an acknowledgment, administering an oath or affirmation, taking a verification upon oath or affirmation, witnessing or attesting a signature, certifying or attesting a copy, and noting a protest of a negotiable instrument.

(2) "Acknowledgment" means a declaration by a person that the person has executed an instrument for the purposes

stated therein and, if the instrument is executed in a representative capacity, that the person signed the instrument with proper authority and executed it as the act of the person or entity represented and identified therein.

(3) *"Verification upon oath or affirmation" means a declaration that a statement is true made by a person upon oath or affirmation.*

(4) *"In a representative capacity" means:*

(i) *for and on behalf of a corporation, partnership, trust, or other entity, as an authorized officer, agent, partner, trustee, or other representative;*

(ii) *as a public officer, personal representative, guardian, or other representative, in the capacity recited in the instrument;*

(iii) *as an attorney in fact for a principal; or*

(iv) *in any other capacity as an authorized representative of another.*

(5) *"Notarial officer" means a notary public or other officer authorized to perform notarial acts.*

Sec. 3. [358.42] [NOTARIAL ACTS.]

(a) *In taking an acknowledgment, the notarial officer must determine, either from personal knowledge or from satisfactory evidence, that the person appearing before the officer and making the acknowledgment is the person whose true signature is on the instrument.*

(b) *In taking a verification upon oath or affirmation, the notarial officer must determine, either from personal knowledge or from satisfactory evidence, that the person appearing before the officer and making the verification is the person whose true signature is on the statement verified.*

(c) *In witnessing or attesting a signature the notarial officer must determine, either from personal knowledge or from satisfactory evidence, that the signature is that of the person appearing before the officer and named therein.*

(d) *In certifying or attesting a copy of a document or other item, the notarial officer must determine that the proffered copy is a full, true, and accurate transcription or reproduction of that which was copied.*

(e) *In making or noting a protest of a negotiable instrument the notarial officer must determine the matters set forth in section 336.3-509.*

(f) *A notarial officer has satisfactory evidence that a person is the person whose true signature is on a document if that person (i) is personally known to the notarial officer, (ii) is identified upon the oath or affirmation of a credible witness personally known to the notarial officer, or (iii) is identified on the basis of identification documents.*

Sec. 4. [358.43] [NOTARIAL ACTS IN THIS STATE.]

(a) *A notarial act may be performed within this state by the following persons:*

- (1) *a notary public of this state,*
- (2) *a judge, clerk, or deputy clerk of any court of this state,*
- (3) *a person authorized by the law of this state to administer oaths, or*
- (4) *any other person authorized to perform the specific act by the law of this state.*

(b) *Notarial acts performed within this state under federal authority as provided in section 6 have the same effect as if performed by a notarial officer of this state.*

(c) *The signature and title of a person performing a notarial act are prima facie evidence that the signature is genuine and that the person holds the designated title.*

Sec. 5. [358.44] [NOTARIAL ACTS IN OTHER JURISDICTIONS OF THE UNITED STATES.]

(a) *A notarial act has the same effect under the law of this state as if performed by a notarial officer of this state, if performed in another state, commonwealth, territory, district, or possession of the United States by any of the following persons:*

- (1) *a notary public of that jurisdiction;*
- (2) *a judge, clerk, or deputy clerk of a court of that jurisdiction; or*
- (3) *any other person authorized by the law of that jurisdiction to perform notarial acts.*

(b) *Notarial acts performed in other jurisdictions of the United States under federal authority as provided in section 5 have the same effect as if performed by a notarial officer of this state.*

(c) *The signature and title of a person performing a notarial act are prima facie evidence that the signature is genuine and that the person holds the designated title.*

(d) *The signature and indicated title of an officer listed in subsection (a)(1) or (a)(2) conclusively establish the authority of a holder of that title to perform a notarial act.*

Sec. 6. [358.45] [NOTARIAL ACTS UNDER FEDERAL AUTHORITY.]

(a) *A notarial act has the same effect under the law of this state as if performed by a notarial officer of this state if performed anywhere by any of the following persons under authority granted by the law of the United States:*

(1) *a judge, clerk, or deputy clerk of a court;*

(2) *a commissioned officer on active duty in the military service of the United States;*

(3) *an officer of the foreign service or consular officer of the United States; or*

(4) *any other person authorized by federal law to perform notarial acts.*

(b) *The signature and title of a person performing a notarial act are prima facie evidence that the signature is genuine and that the person holds the designated title.*

(c) *The signature and indicated title of an officer listed in subsection (a)(1), (a)(2), or (a)(3) conclusively establish the authority of a holder of that title to perform a notarial act.*

Sec. 7. [358.46] [FOREIGN NOTARIAL ACTS.]

(a) *A notarial act has the same effect under the law of this state as if performed by a notarial officer of this state if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multi-national or international organization by any of the following persons:*

(1) *a notary public or notary;*

(2) *a judge, clerk, or deputy clerk of a court of record; or*

(3) *any other person authorized by the law of that jurisdiction to perform notarial acts.*

(b) *An "Apostille" in the form prescribed by the Hague Convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office.*

(c) *A certificate by a foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by a foreign service or consular officer of that nation stationed in the United States, conclusively establishes any matter relating to the authenticity or validity of the notarial act set forth in the certificate.*

(d) *An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.*

(e) *An official stamp or seal of an officer listed in subsection (a)(1) or (a)(2) is prima facie evidence that a person with the indicated title has authority to perform notarial acts.*

(f) *If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.*

Sec. 8. [358.47] [CERTIFICATE OF NOTARIAL ACTS.]

(a) *A notarial act must be evidenced by a certificate signed and dated by a notarial officer. The certificate must include identification of the jurisdiction in which the notarial act is performed and the title of the office of the notarial officer and may include the official stamp or seal of office. If the officer is a notary public, the certificate must also indicate the date of expiration, if any, of the commission of office, but omission of that information may subsequently be corrected. If the officer is a commissioned officer on active duty in the military service of the United States, it must also include the officer's rank.*

(b) *A certificate of a notarial act is sufficient if it meets the requirements of subsection (a) and it:*

(1) *is in the short form set forth in section 9;*

(2) *is in a form otherwise prescribed by the law of this state;*

(3) *is in a form prescribed by the laws or regulations applicable in the place in which the notarial act was performed; or*

(4) sets forth the actions of the notarial officer and those are sufficient to meet the requirements of the designated notarial act.

(c) By executing a certificate of a notarial act, the notarial officer certifies that the officer has made the determinations required by section 3.

Sec. 9. [358.48] [SHORT FORMS.]

The following short form certificates of notarial acts are sufficient for the purposes indicated, if completed with the information required by section 8, subsection (a):

(1) For an acknowledgment in an individual capacity;

State of

County of

This instrument was acknowledged before me on
(date) by (name(s) of person(s)).

.....
(Signature of notarial officer)

(Seal, if any)

.....
Title (and Rank)

My commission expires:

(2) For an acknowledgment in a representative capacity:

State of

County of

This instrument was acknowledged before me on
(date) by (name(s) of person(s))
as (type of authority,
e.g., officer, trustee, etc.) of
..... (name of party on behalf of whom the
instrument was executed).

.....
(Signature of notarial officer)

(Seal, if any)

.....
Title (and Rank)

My commission expires:

(3) For a verification upon oath or affirmation:

State of

County of

Signed and sworn to (or affirmed) before me on
(date) by (name(s) of person(s)
making statement).

.....
(Signature of notarial officer)

(Seal, if any)

.....
Title (and Rank)

My commission expires:

(4) For witnessing or attesting a signature:

State of

County of

Signed or attested before me on (date) by
..... (name(s) of person(s)).

.....
(Signature of notarial officer)

(Seal, if any)

.....
Title (and Rank)

My commission expires:

(5) *For attestation of a copy of a document:*

State of

County of

I certify that this is a true and correct copy of a document in the possession of

Dated:

.....
(Signature of notarial officer)

(Seal, if any)

.....
Title (and Rank)

My commission expires:

Sec. 10. [358.49] [SHORT TITLE.]

Sections 2 to 10 may be cited as the uniform law on notarial acts.

Sec. 11. [NOTARIAL ACTS AFFECTED BY THIS ACT.]

Sections 2 to 10 apply to notarial acts performed after July 31, 1985.

Sec. 12. [REPEALER.]

Minnesota Statutes 1984, sections 358.32, 358.33, 358.34, 358.35, 358.36, 358.37, 358.38, 358.39, and 358.40 are repealed.

Sec. 13. [TIME OF TAKING EFFECT.]

This act takes effect August 1, 1985."

Delete the title and insert:

"A bill for an act relating to notaries; providing procedures for various notarial acts; enacting the uniform law on notarial acts; amending Minnesota Statutes 1984, section 358.15; proposing coding for new law in Minnesota Statutes, chapter 358; repealing Minnesota Statutes 1984, sections 358.32 to 358.40."

The motion prevailed and the amendment was adopted.

S. F. No. 276, A bill for an act relating to notaries; providing procedures for various notarial acts; enacting the uniform law on notarial acts; providing that matters to be verified by oath or affirmation may be declared under penalty of perjury; imposing a penalty; amending Minnesota Statutes 1984, sections 358.15; and 609.48, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 358; repealing Minnesota Statutes 1984, sections 358.32 to 358.40.

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 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 563 was reported to the House.

Nelson, D., moved that H. F. No. 563 be returned to General Orders. The motion prevailed.

S. F. No. 319, A bill for an act relating to the state board of investment; clarifying powers and duties; amending Minnesota Statutes 1984, sections 11A.14, subdivision 5; 11A.17, subdivision 13; and 11A.24, subdivisions 2, 3, and 4.

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

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 919 was reported to the House.

Dimler moved to amend S. F. No. 919, the unofficial engrossment, as follows:

Page 3, line 25, delete "4" and insert "3"

Page 3, line 30, after the period, insert:

"A buyer who purchases farm products subject to a security interest under this section shall include the name of the secured party as joint payee on any check or other instrument issued in payment for the farm products, unless the secured party gives the buyer written notice of waiver of this requirement. Issuance of joint payment as herein required relieves the buyer of any further liability to the secured party."

Page 3, line 31, delete everything after "Subd. 3."

Page 3, delete lines 32 to 36

Page 4, delete lines 1 to 4

Page 4, line 5, delete "Subd. 4."

Page 4, line 8, after the period, insert:

"The notification is effective upon receipt until September 1 after the notification is made; or for a notification made after August 20 but before September 1, the notification is effective for one year beginning September 1. A buyer who receives notification from a secured party under this subdivision shall not publicly post or disseminate to any person, other than its agents and employees who reasonably require the information for purposes related to this act, any information contained in the notification."

A secured party that furnishes to a buyer a list of debtors who have farm products subject to a security interest is not liable to a debtor whose name is on the list for furnishing the list."

Page 5, line 12, before the period insert *"and the crop years which are covered by the financing statement"*

Page 5, line 12, delete *"The"*

Page 5, delete lines 13 and 14

Pages 12 to 14, delete section 10

Page 15, line 8, delete *"11"* and insert *"10"*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, delete lines 8 and 9

Page 1, line 10, delete everything before the first semicolon and insert *"requiring financing statements covering crops to designate crop years; providing that secured parties are not liable to debtors for giving notice of liens; providing that buyers shall limit use of lien notices received from secured parties; providing that buyers shall issue joint payments to debtors and secured parties under certain circumstances"*

The motion prevailed and the amendment was adopted.

The Speaker called Halberg to the Chair.

S. F. No. 919, A bill for an act relating to agriculture; limiting security interests in farm product proceeds; protecting buyers

when subject to a security interest; amending Minnesota Statutes 1984, sections 336.9-306; and 336.9-307.

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 112 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Boerboom	Dempsey	Gruenes	Kvam	Ogren
Brinkman				

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

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

There being no objection H. F. No. 765 was temporarily laid over on Special Orders.

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.

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 111 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 882 was reported to the House.

Marsh moved to amend S. F. No. 882, the unofficial engrossment, as follows:

Page 4, line 15, delete Section 4.

Page 5, line 14, delete Section 5.

Amend the title as follows:

Page 1, lines 7 and 8, delete "repealing the securities transaction for preorganization offerings;"

Page 1, lines 23 and 24, delete "80A.14, subdivisions 4 and 9;"

The motion prevailed and the amendment was adopted.

S. F. No. 882, A bill for an act relating to commerce; clarifying submission of applications for directors and officers liability insurance; providing for the withdrawal of certain registration statements; broadening the securities transaction exemptions for isolated sales and limited offerings; repealing the securities transaction for preorganization offerings; simplifying an ex-

emption from franchise registration; providing for disclosure of representation by real estate brokers and salespersons; expanding those officers who may verify corporate broker licenses; altering re-examination requirements for brokers and salespersons who fail to renew their licenses; altering the unclaimed property reporting deadline for life insurance companies; raising the aggregation amount for holders reporting unclaimed property; specifying dates for notifying and advertising owners of abandoned property; and providing for the notification of all lienholders by a unit owners association in an assessment lien foreclosure; amending Minnesota Statutes 1984, sections 60A.08, by adding a subdivision; 80A.10, by adding a subdivision; 80A.13, subdivision 1; 80A.15, subdivision 2; 80C.03; 82.19, subdivision 3, and by adding a subdivision; 82.20, subdivision 4; 82.21, subdivision 1; 82.22, subdivision 10; 82.24, subdivision 4; 345.41; 345.42, subdivisions 1 and 3; and 515A.3-115; proposing coding for new law in Minnesota Statutes, chapter 82.

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 111 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Lieder	Pauly	Solberg
Backlund	Fjoslien	Long	Peterson	Sparby
Beard	Forsythe	Marsh	Piper	Stanius
Becklin	Frederick	McDonald	Price	Staten
Begich	Frederickson	McEachern	Quinn	Sviggum
Bennett	Frerichs	McLaughlin	Quist	Thiede
Blatz	Greenfield	McPherson	Redalen	Tjornhom
Boo	Gruenes	Metzen	Rees	Tompkins
Brandl	Gutknecht	Minne	Rest	Tunheim
Brinkman	Halberg	Munger	Rice	Uphus
Brown	Hartinger	Murphy	Richter	Valento
Burger	Hartle	Nelson, D.	Riveness	Vanasek
Carlson, D.	Haukoos	Nelson, K.	Rodosovich	Vellenga
Carlson, L.	Heap	Norton	Rose	Voss
Clark	Jacobs	O'Connor	Sarna	Waltman
Clausnitzer	Jaros	Ogren	Schafer	Wenzel
Cohen	Jennings, L.	Olsen, S.	Scheid	Wynia
Dempsey	Kahn	Olson, E.	Schoenfeld	Zaffke
DenOuden	Knuth	Omann	Schreiber	Spk. Jennings, D.
Dimler	Kostohryz	Onnen	Segal	
Dyke	Krueger	Osthoft	Shaver	
Elioff	Kvam	Otis	Sherman	
Ellingson	Levi	Ozment	Skoglund	

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

S. F. No. 675 was reported to the House.

There being no objection S. F. No. 675 was temporarily laid over on Special Orders.

S. F. No. 374, A bill for an act relating to property transfers; regulating transfers to persons under a certain age; enacting the uniform transfers to minors act; proposing coding for new law in Minnesota Statutes, chapter 527; repealing Minnesota Statutes 1984, sections 527.01 to 527.11.

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

The question was taken on the passage of the bill and the roll was called. There were 103 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Backlund	Fjoslien	McDonald	Peterson	Sparby
Battaglia	Forsythe	McEachern	Piper	Stanius
Beard	Frederick	McKasy	Price	Sviggunm
Becklin	Greenfield	McLaughlin	Quinn	Thiede
Begich	Gutknecht	McPherson	Quist	Thorson
Bennett	Halberg	Metzen	Rees	Tjornhom
Blatz	Hartinger	Minne	Rest	Tomlinson
Boo	Hartle	Murphy	Richter	Tompkins
Brinkman	Heap	Nelson, D.	Riveness	Tunheim
Brown	Jacobs	Nelson, K.	Rodosovich	Uphus
Burger	Jaros	O'Connor	Rose	Valento
Carlson, D.	Jennings, L.	Ogren	Sarna	Vellenga
Carlson, L.	Kelly	Olsen, S.	Schafer	Voss
Clark	Kiffmeyer	Olson, E.	Scheid	Waltman
Clausnitzer	Knickerbocker	Omann	Schreiber	Welle
Cohen	Knuth	Onnen	Segal	Wenzel
Dempsey	Krueger	Osthoff	Shaver	Wynia
Dimler	Kvam	Otis	Sherman	Zaffke
Elioff	Levi	Ozment	Simoneau	Spk. Jennings, D.
Ellingson	Lieder	Pappas	Skoglund	
Erickson	Long	Pauly	Solberg	

Those who voted in the negative were:

Anderson, G.	Dyke	Kostohryz	Rice	Staten
Brandl	Gruenes	Norton	Schoenfeld	Vanasek

The bill was passed and its title agreed to.

S. F. No. 1219 was reported to the House.

Rees moved to amend S. F. No. 1219, as follows:

Page 4, after line 35, insert:

"Sec. 5. Minnesota Statutes 1984, section 471.98, subdivision 2, is amended to read:

Subd. 2. "Political subdivision" includes a statutory or home rule charter city, a county (OR), a town, a watershed management organization as defined in section 473.876, subdivision 9, or an instrumentality thereof having independent policy making and appropriating authority. For the purposes of sections 471.98 and 471.981, the governing body of a town is the town board."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after "appeals;" insert "permitting certain insurance;"

Page 1, line 9, after "112.401;" insert "471.98, subdivision 2;"

The motion prevailed and the amendment was adopted.

Ogren, McDonald, Rees, Begich, Battaglia, Brinkman, Anderson, R., Quinn, Olson, E., Vanasek, Otis, Krueger, McEachern, DenOuden, Wenzel, Sparby, Voss, Elioff, Neuenschwander, Fjoslien, Schafer, Rodosovich, Tunheim, Marsh, Munger, Lieder, Solberg, Uphus, Omann, Brown, Anderson, G., Clark, Minne, Piepho, Peterson and Dempsey offered an amendment to S. F. No. 1219, as amended.

POINT OF ORDER

Long raised a point of order pursuant to rule 3.9 that the Ogren et al. amendment was not in order. The Speaker pro tempore Halberg ruled the Long point of order well taken and the Ogren et al. amendment out of order.

S. F. No. 1219, A bill for an act relating to natural resources; making groundwater protection a watershed district purpose; establishing a procedure for increasing the number of watershed district managers; defining certain proceedings as contested cases; providing a procedure for noncontroversial proceedings; providing for appeals; amending Minnesota Statutes 1984, sections 112.36, subdivision 2; 112.37, subdivision 1a; 112.401; and 473.882, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 112; repealing Minnesota Statutes 1984, section 112.37, subdivision 6.

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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bennett	Burger	Cohen	Erickson
Backlund	Bjatz	Carlson, D.	Dempsey	Fjoslien
Battaglia	Boo	Carlson, J.	DenOuden	Forsythe
Beard	Brandl	Carlson, L.	Dyke	Frederick
Becklin	Brinkman	Clark	Elioff	Frederickson
Begich	Brown	Clausnitzer	Ellingson	Greenfield

Gruenes	Krueger	Ogren	Richter	Sviggum
Cutknecht	Levi	Olson, E.	Riveness	Thiede
Halberg	Lieder	Omann	Rodosovich	Tjornhom
Hartinger	Long	Onnen	Rose	Tomlinson
Hartle	Marsh	Osthoff	Sarna	Tompkins
Haukoos	McDonald	Otis	Schafer	Tunheim
Heap	McEachern	Ozment	Scheid	Uphus
Himle	McKasy	Pappas	Schoenfeld	Valento
Jacobs	McPherson	Pauly	Schreiber	Vanasek
Jaros	Metzen	Peterson	Segal	Vellenga
Jennings, L.	Minne	Piper	Shaver	Voss
Johnson	Munger	Price	Sherman	Waltman
Kahn	Murphy	Quinn	Simoneau	Welle
Kelly	Nelson, D.	Quist	Skoglund	Wenzel
Kiffmeyer	Nelson, K.	Redalen	Solberg	Wynia
Knickerbocker	Neuenschwander	Rees	Sparby	Zaffke
Knuth	Norton	Rest	Stanisus	Spk. Jennings, D.
Kostohryz	O'Connor	Rice	Staten	

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

H. F. No. 765 which was temporarily laid over earlier today was again reported to the House.

Clausnitzer and Skoglund moved to amend H. F. No. 765, the first engrossment, as follows:

Page 4, after line 7, insert:

"Subd. 8a. [RELATIVE.] "Relative" means a person who is related to the child by birth, marriage, or adoption as a parent, stepparent, brother, sister, grandparent, great grandparent, aunt, uncle, niece, or nephew."

The motion prevailed and the amendment was adopted.

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.

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 109 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Bennett	Brandl	Burger
Backlund	Becklin	Blatz	Brinkman	Carlson, D.
Battaglia	Beigich	Boerboom	Brown	Carlson, L.

Clausnitzer	Jacobs	Murphy	Rees	Staten
Cohen	Jaros	Nelson, D.	Rest	Sviggum
DenOuden	Jennings, L.	Nelson, K.	Rice	Thiede
Dimler	Johnson	Neuenschwander	Richter	Thorson
Dyke	Kahn	Norton	Riveness	Tjornhom
Elioff	Kiffmeyer	O'Connor	Rodosovich	Tompkins
Ellingson	Knuth	Ogren	Rose	Tunheim
Erickson	Kostohryz	Olson, E.	Sarna	Uphus
Fjoslien	Krueger	Omamn	Schafer	Valento
Forsythe	Levi	Osthoff	Scheid	Vanasek
Frederick	Lieder	Otis	Schoenfeld	Vellenga
Frederickson	Long	Ozment	Segal	Voss
Frerichs	McDonald	Pappas	Shaver	Waltman
Greenfield	McEachern	Peterson	Sherman	Welle
Gruenes	McLaughlin	Piper	Simoneau	Wenzel
Gutknecht	McPherson	Price	Skoglund	Wynia
Halberg	Metzen	Quinn	Solberg	Zaffke
Hartle	Minne	Quist	Sparby	Spk. Jennings, D.
Heap	Munger	Redalen	Stanis	

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

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

S. F. No. 675 which was temporarily laid over earlier today was again reported to the House.

S. F. No. 675, A bill for an act relating to highways; allowing road authorities to designate minimum-maintenance roads; exempting road authorities from liability for damages arising from travel on minimum-maintenance roads; amending Minnesota Statutes 1984, sections 160.02, subdivision 7; and 169.06, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 160.

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 115 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Carlson, L.	Gruenes	Lieder	Olsen, S.
Backlund	Clark	Gutknecht	Long	Olson, E.
Battaglia	Clausnitzer	Hartinger	Marsh	Omamn
Beard	Cohen	Hartle	McDonald	Onnen
Becklin	Dempsey	Haukoos	McEachern	Otis
Begich	Dimler	Jacobs	McLaughlin	Ozment
Bennett	Dyke	Jaros	McPherson	Pappas
Blatz	Elioff	Jennings, L.	Metzen	Pauly
Boerboom	Ellingson	Johnson	Minne	Peterson
Boo	Erickson	Kahn	Murphy	Piper
Brandl	Fjoslien	Kelly	Nelson, D.	Price
Brinkman	Forsythe	Kiffmeyer	Nelson, K.	Quinn
Brown	Frederick	Knickerbocker	Neuenschwander	Quist
Burger	Frederickson	Knuth	Norton	Redalen
Carlson, D.	Frerichs	Kostohryz	O'Connor	Rees
Carlson, J.	Greenfield	Krueger	Ogren	Rest

Rice	Scheid	Solberg	Tjornhom	Vellenga
Richter	Schoenfeld	Sparby	Tomlinson	Voss
Riveness	Segal	Stanius	Tompkins	Welle
Rodosovich	Shaver	Staten	Tunheim	Wenzel
Rose	Sherman	Svigum	Uphus	Wynia
Sarna	Simoneau	Thiede	Valento	Zaffke
Schafer	Skoglund	Thorson	Vanasek	Spk. Jennings, D.

Those who voted in the negative were :

Osthoff

The bill was passed and its title agreed to.

H. F. No. 1083 was reported to the House.

Carlson, J., moved to amend H. F. No. 1083, the second engrossment, as follows :

Page 5, line 18, after "section." insert "*The combination of vehicles must not travel within the corporate limits of a home rule or charter city unless the governing body of the city approves the travel by resolution.*"

The motion prevailed and the amendment was adopted.

Bennett moved to amend H. F. No. 1083, the second engrossment, as amended, as follows :

Page 5, line 12, after "vehicles" insert "*is limited to four-lane highways and local two-lane roads leading to a terminal within one mile of a four-lane highway and*"

A roll call was requested and properly seconded.

Carlson, D., moved that H. F. No. 1083, the second engrossment, as amended, be re-referred to the Committee on Transportation.

A roll call was requested and properly seconded.

The question was taken on the Carlson, D., motion and the roll was called. There were 61 yeas and 52 nays as follows :

Those who voted in the affirmative were :

Backlund	Burger	Gruenes	Krueger	O'Connor
Battaglia	Carlson, D.	Hartinger	Long	Ogren
Beard	Carlson, L.	Jacobs	McEachern	Omann
Begich	Clark	Jaros	Minne	Osthoff
Bishop	Cohen	Kahn	Murphy	Otis
Boo	Elioff	Kelly	Nelson, D.	Pappas
Brandl	Ellingson	Knuth	Nelson, K.	Pauly
Brinkman	Greenfield	Kostohryz	Norton	Peterson

Piper	Rice	Segal	Solberg	Vellenga
Price	Riveness	Sherman	Staten	Voss
Quinn	Sarna	Simoneau	Tomlinson	Welle
Redalen	Scheid	Skoglund	Vanasek	Wynia
Rest				

Those who voted in the negative were:

Anderson, G.	Fjoslien	Kiffmeyer	Quist	Tjornhom
Becklin	Forsythe	Knickerbocker	Rees	Tompkins
Bennett	Frederick	Kvam	Richter	Tunheim
Boerboom	Frederickson	Lieder	Schafer	Valento
Brown	Frerichs	Marsh	Schoenfeld	Waltman
Carlson, J.	Gutknecht	McDonald	Shaver	Wenzel
Clausnitzer	Halberg	McKasy	Sparby	Zaffke
Dempsey	Hartle	McPherson	Stanis	Spk. Jennings, D.
Dimler	Haukoos	Metzen	Sviggum	
Dyke	Heap	Neuenschwander	Thiede	
Erickson	Jennings, L.	Olson, E.	Thorson	

The motion did not prevail.

The question recurred on the Bennett amendment and the roll was called. There were 71 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Backlund	Gruenes	McKasy	Price	Staten
Beard	Gutknecht	McLaughlin	Quinn	Tjornhom
Bennett	Hartinger	Nelson, D.	Redalen	Tomlinson
Bishop	Heap	Nelson, K.	Rest	Uphus
Blatz	Jacobs	Norton	Rice	Valento
Boo	Jaros	O'Connor	Riveness	Vanasek
Brandl	Kahn	Ogren	Rodosovich	Vellenga
Brinkman	Kelly	Omann	Rosc	Voss
Carlson, D.	Knickerbocker	Osthoft	Sarna	Waltman
Carlson, L.	Knuth	Otis	Scheid	Welle
Clark	Kostohryz	Ozment	Segal	Wynia
Cohen	Krueger	Pappas	Simoneau	
Ellingson	Kvam	Pauly	Skoglund	
Forsythe	Long	Peterson	Solberg	
Greenfield	McEachern	Piper	Stanis	

Those who voted in the negative were:

Anderson, G.	Dyke	Haukoos	Olson, E.	Thorson
Battaglia	Elioff	Jennings, L.	Quist	Tompkins
Begich	Erickson	Lieder	Richter	Tunheim
Boerboom	Fjoslien	Marsh	Schafer	Wenzel
Brown	Frederick	McDonald	Schoenfeld	Zaffke
Burger	Frederickson	Metzen	Shaver	Spk. Jennings, D.
Carlson, J.	Frerichs	Minne	Sparby	
Dempsey	Halberg	Murphy	Sviggum	
Dimler	Hartle	Neuenschwander	Thiede	

The motion prevailed and the amendment was adopted.

Backlund was excused while in conference.

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

Welle moved to amend H. F. No. 1083, the second engrossment, as amended, as follows:

Page 5, after line 23, add a section to read:

"Sec. 4. No person shall operate a 110' truck on a Minnesota road unless there is an occupied caboose attached."

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

H. F. No. 1083, A bill for an act relating to traffic regulations; authorizing commissioner of transportation to issue special permit for three-vehicle combination exceeding length and weight restrictions if used for transporting motor vehicles and operating only within 25 miles of the western border of Minnesota; amending Minnesota Statutes 1984, sections 169.81, subdivision 2; and 168.86, subdivision 5, 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 46 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dimler	Haukoos	Murphy	Tompkins
Becklin	Dyke	Jennings, L.	Neuenschwander	Tunheim
Bennett	Erickson	Knickerbocker	Olson, E.	Uphus
Blatz	Fjoslien	Levi	Ozment	Wenzel
Boerboom	Forsythe	Lieder	Quist	Zaffke
Brown	Frederick	Marsh	Rose	Spk. Jennings, D.
Burger	Frederickson	McDonald	Shaver	
Carlson, J.	Frerichs	McKasy	Sparby	
Clausnitzer	Halberg	McPherson	Sviggum	
Dempsey	Hartle	Metzen	Thorson	

Those who voted in the negative were:

Battaglia	Jacobs	O'Connor	Rees	Solberg
Beard	Kahn	Ogren	Rest	Stanius
Begich	Kelly	Olsen, S.	Rice	Staten
Brandl	Knuth	Omann	Riveness	Tomlinson
Brinkman	Kostohryz	Osthoff	Rodosovich	Valento
Carlson, D.	Krueger	Otis	Sarna	Vanasek
Carlson, L.	Long	Pappas	Schafer	Vellenga
Clark	McEachern	Pauly	Scheid	Voss
Cohen	McLaughlin	Peterson	Schoenfeld	Welle
Elioff	Minne	Piper	Segal	Wynia
Greenfield	Nelson, D.	Price	Sherman	
Gruenes	Nelson, K.	Quinn	Simoneau	
Hartinger	Norton	Redalen	Skoglund	

The bill was not passed, as amended.

Thiede was excused while in conference.

S. F. No. 643, A bill for an act relating to fish and game; changing designation of muskellunge lakes; providing for certain restrictions on designated muskellunge lakes; providing a penalty for a person that illegally takes or possesses a muskellunge; amending Minnesota Statutes 1984, sections 97.55, by adding a subdivision; and 101.475, subdivision 1; repealing Minnesota Statutes 1984, section 101.475, 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 80 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Battaglia	Elioff	Marsh	Pappas	Segal
Beard	Ellingson	McEachern	Pauly	Sherman
Becklin	Forsythe	McLaughlin	Piper	Simoneau
Begich	Frederickson	Metzen	Price	Skoglund
Bennett	Gruenes	Minne	Quinn	Solberg
Blatz	Halberg	Murphy	Rees	Sparby
Brandl	Hartinger	Nelson, D.	Rest	Stanius
Brown	Haukoos	Nelson, K.	Rice	Sviggum
Burger	Jacobs	Neuenschwander	Richter	Tjornhom
Carlson, J.	Kahn	Norton	Riveness	Tomlinson
Carlson, L.	Kelly	O'Connor	Rodosovich	Tunheim
Clark	Knickerbocker	Ogren	Rose	Valento
Clausnitzer	Kostohryz	Olsen, S.	Sarna	Vellenga
Cohen	Krueger	Osthoff	Schafer	Voss
Dempsey	Lieder	Otis	Scheid	Welle
Dyke	Long	Ozment	Schoenfeld	Spk. Jennings, D.

Those who voted in the negative were:

Anderson, G.	Olson, E.	Uphus	Waltman	Wenzel
Jennings, L.	Omann			

The bill was passed and its title agreed to.

S. F. No. 401 was reported to the House.

Dempsey moved to amend S. F. No. 401, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 550.37, subdivision 5, is amended to read:

Subd. 5. Farm machines and implements used in farming operations by a debtor engaged principally in farming, livestock, farm produce, and standing crops, not exceeding (\$5,000) \$10,000 in value.

Sec. 2. Minnesota Statutes 1984, section 550.37, subdivision 7, is amended to read:

Subd. 7. The total value of property selected by a debtor pursuant to subdivisions 5 and 6 shall not exceed (\$5,000) \$10,000.

Sec. 3. Minnesota Statutes 1984, section 550.37, subdivision 13, is amended to read:

Subd. 13. [(WAGES) *EARNINGS*.] All (WAGES) *earnings* not subject to garnishment by the provisions of section 571.55. A subsequent attachment, garnishment or levy of execution shall impound only that pay period's nonexempt disposable earnings not subject to a prior attachment, garnishment or levy of execution, but in no instance shall more than an individual's total nonexempt disposable earnings in that pay period be subject to attachment, garnishment or levy of execution. Garnishments shall impound the nonexempt disposable earnings in the order of their service upon the employer. The disposable earnings exempt from garnishment are exempt as a matter of right, whether claimed or not by the person to whom due. The exemptions may not be waived. The exempt disposable earnings are payable by the employer when due. The exempt disposable earnings shall also be exempt for 20 days after deposit in any financial institution, whether in a single or joint account. This 20-day exemption also applies to any contractual set-off or security interest asserted by a financial institution in which the earnings are deposited by the individual. In tracing the funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. As used in this section, the term "financial institution" includes credit unions. Nothing in this paragraph shall void or supersede any valid assignment of (WAGES) *earnings* or transfer of funds held on account made prior to the attachment, garnishment, or levy of execution.

Sec. 4. Minnesota Statutes 1984, section 550.37, subdivision 14, is amended to read:

Subd. 14. [PUBLIC ASSISTANCE.] All relief based on need, and the (WAGES) *earnings* or salary of a person who is a recipient of relief based on need, shall be exempt from all claims of creditors including any contractual set-off or security interest asserted by a financial institution. For the purposes of this chapter, relief based on need includes AFDC, general assistance medical care, supplemental security income, medical assistance, Minnesota supplemental assistance, and general assistance. The salary or (WAGES) *earnings* of any debtor who is or has been a recipient of relief based on need, or an inmate of a correctional institution shall, upon his return to private employment after having been a recipient of relief based on need, or an inmate of a correctional institution, be exempt

from attachment, garnishment, or levy of execution for a period of six months after his return to employment or farming and after all public assistance has been terminated. The exemption provisions contained in this subdivision also apply for 60 days after deposit in any financial institution, whether in a single or joint account. In tracing the funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. Agencies distributing relief and the correctional institutions shall, at the request of creditors, inform them whether or not any debtor has been a recipient of relief based on need, or an inmate of a correctional institution, within the preceding six months.

Sec. 5. Minnesota Statutes 1984, section 571.41, subdivision 6, is amended to read:

Subd. 6. [FORM OF NOTICE.] The ten day notice informing a judgment debtor that a garnishee summons may be used to garnish the (WAGES) *earnings* of an individual to enforce a judgment, shall be substantially in the following form:

STATE OF MINNESOTA)

County of _____) ss

_____ Court

(Judgment Creditor)

(Judgment Debtor)

Garnishment Exemption Notice

The State of Minnesota

To the above named Judgment Debtor:

Please take notice that a Garnishment Summons may be served upon your employer or other third parties, without any further court proceedings or notice to you, ten days or more from the date hereof. Your (WAGES) earnings are completely exempt from garnishment if you are now a recipient of relief based on need, if you have been a recipient of relief within the last six months, or if you have been an inmate of a correctional institution in the last six months. Relief based on need includes, only AFDC, general assistance medical care, supplemental security income, medical assistance, Minnesota supplemental assistance, and general assistance.

If you wish to claim an exemption, you should fill out the appropriate form below, sign it, and send it to the judgment creditor's attorney and the garnishee.

You may wish to contact the attorney for the Judgment Creditor in order to arrange for a settlement of the debt.

PENALTIES

1. Be advised that even if you claim an exemption, a Garnishment Summons may still be served on your employer. If your (WAGES) *earnings* are garnished after you claim an exemption, you may petition the court for a determination of your exemption. If the court finds that the creditor disregarded your claim of exemption in bad faith, you will be entitled to costs, reasonable attorney fees, actual damages, and an amount not to exceed \$100.

2. HOWEVER, BE WARNED if you claim an exemption, the creditor can also petition the court for a determination of your exemption, and if the court finds that you claimed an exemption in bad faith, you will be assessed costs and reasonable attorney's fees plus an amount not to exceed \$100.

3. If after receipt of this notice, you in bad faith take action to frustrate the garnishment, thus requiring the creditor to petition the court to resolve the problem, you will be liable to the creditor for costs and reasonable attorney fees plus an amount not to exceed \$100.

Dated:

(Attorney for) Judgment Creditor

Address

Telephone

I hereby claim under penalty of perjury that my (WAGES) *earnings* are exempt from garnishment because:

(1) I am presently a recipient of relief based on need. (Specify the program, case number, and the county from which relief is being received.)

.....
Program

.....
Case Number (if known)

.....
County

(2) I am not now receiving relief based on need, but I have received relief based on need within the last six months. (Specify the program, case number, and the county from which relief has been received.)

.....
Program

.....
Case Number (if known)

.....
County

(3) I have been an inmate of a correctional institution within the last six months. (Specify the correctional institution and location.)

.....
Correctional Institution

.....
Location

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above-named creditor or his attorney whether or not I was a recipient of relief based on need or an inmate of a correctional institution within the last six months.

.....
Judgment Debtor

.....
Address

Sec. 6. Minnesota Statutes 1984, section 571.41, subdivision 7, is amended to read:

Subd. 7. [FORM OF EXEMPTION NOTICE.] The notice informing a judgment debtor that a writ of attachment, garnishee summons, or levy of execution has been used to attach and bind funds of the judgment debtor to satisfy a claim shall be substantially in the following form:

EXEMPTION NOTICE

STATE OF MINNESOTA

COUNTY OF

Court

..... (Judgment Creditor)

..... (Judgment Debtor)

To (Judgment Debtor):

A writ of attachment, garnishee summons, or levy of execution (strike inapplicable language) has been served on
..... (Bank or other Financial Institution)
where you have an account.

Your account balance is \$.....

The amount being held is \$.....

However, the funds in your account will normally be exempt from creditors' claims if they are in one of the following categories:

(1) Relief based on need. This includes AFDC, Medical Assistance, Supplemental Security Income (SSI), Minnesota Supplemental Assistance, General Assistance, and General Assistance Medical Care.

(2) Social Security benefits (Old Age, Survivors, or Disability Insurance).

(3) Unemployment compensation, workers' compensation, or veteran's benefits.

(4) An accident, disability, or retirement pension or annuity.

(5) Life insurance proceeds, or the earnings of your minor child.

(6) Money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a mobile home, or a car).

The following funds are also exempt:

(7) All (WAGES) *earnings* of a person in category (1).

(8) All (WAGES) *earnings* of a person who has received relief based on need, or who has been an inmate of a correctional institution, within the last six months.

(9) Seventy-five percent of every (WAGE EARNER'S) *debtor's* after tax earnings.

(10) All of a (WAGE EARNER'S) *debtor's* after tax earnings below 40 times the federal minimum wage (this equals \$134 for a 40-hour week).

TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:

Categories (9) and (10): 20 days.

Categories (7) and (8): 60 days.

All others: no time limit, as long as funds are traceable to the exempt source. (In tracing funds, the first-in, first-out method is used. This means money deposited first is spent first.) The money being sought by the creditor is being held in your account to give you a chance to claim an exemption.

TO CLAIM AN EXEMPTION:

Fill out, sign, and mail or deliver one copy of this exemption claim form to the institution which sent you this notice, and one copy to the judgment creditor. Both copies must be mailed or delivered on the same day.

If they don't get the exemption claim back from you within 14 days of the date they mailed or gave it to you, they will be free to turn the money over to the sheriff or the creditor. If you are going to claim an exemption, do so as soon as possible, because your money may be frozen until it is decided.

IF YOU CLAIM AN EXEMPTION:

(1) Nonexempt money can be turned over to the creditor or sheriff;

(2) The financial institution will keep holding the money claimed to be exempt; and

(3) Seven days after receiving your exemption claim, the financial institution will release the money to you unless before then it receives an objection to your exemption claim.

IF THE CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:

(1) The institution will hold the money until a court decides if your exemption claim is valid, **BUT ONLY IF** the institution gets a copy of your court motion papers asserting the exemption **WITHIN 10 DAYS** after the objection is mailed or given to you. You may wish to consult an attorney at once if the creditor objects to your exemption claim.

MOTION TO DETERMINE EXEMPTION:

At any time after your funds have been frozen, you may ask for a court decision on the validity of your exemption claim by filing a request for hearing which may be obtained at the office of the clerk of the above court.

PENALTIES:

If you claim an exemption in bad faith, or if the creditor wrongly objects to an exemption in bad faith, the court may order the person who acted in bad faith to pay costs, actual damages, attorney fees, and an additional amount of up to \$100.

.....
Date

.....
(Attorney for) Judgment Creditor

.....
Address

EXEMPTION:

(a) Amount of exemption claim.

/ / I claim ALL the funds being held are exempt.

/ / I claim SOME of the funds being held are exempt. The
exempt amount is \$

(b) Basis for exemption.

Of the ten categories listed above, I am in category number
..... (If more than one category applies, you may fill in as
many as apply.) The source of the exempt funds is the following:

.....
.....

(If the source is a type of relief based on need, list the case
number and county:

case number:

county:)

Dated:
Judgment Debtor

Address

Sec. 7. Minnesota Statutes 1984, section 571.495, subdivision
3, is amended to read:

Subd. 3. [FORM OF DISCLOSURE.] A garnishment dis-
closure form must be served upon the garnishee. The disclosure
shall be substantially in the following form:

STATE OF MINNESOTA)

) ss

County of Court

.....
Judgment Creditor

vs.

.....
Judgment Debtor

and

.....
Garnishee

I am the of the garnishee
herein, and duly authorized to disclose for said garnishee.

On the day of, 19..., the time of
service of garnishee summons herein on said garnishee, there
was due and owing the judgment debtor above named from said
garnishee the following:

(1) **Earnings.** For the purposes of garnishment, "earnings"
means compensation paid or payable for personal service or com-
pensation paid or payable to the producer for the sale of agri-
cultural products; livestock or livestock products; milk or milk
products; or fruit or other horticultural products produced
when the producer is a family farm, a family farm corporation,
or an authorized farm corporation, as defined in section 500.24,
subdivision 2, whether denominated as wages, salary, commis-
sion, bonus or otherwise, and includes periodic payments pursu-
ant to a pension or retirement program. "Disposable earnings"
means that part of the earnings of an individual remaining after
the deduction from those earnings of amounts required by law
to be withheld. If the garnishee summons was served upon you
at a time when earnings from a prior completed pay period were
owing but not paid, complete the following disclosure for earn-
ings from both that past pay period and the current pay period.

(a) Enter on the line below the amount of disposable earn-
ings earned or to be earned by the judgment debtor within the
judgment debtor's pay periods which may be subject to gar-
nishment.

.....

(b) Enter on the line below 40 times the hourly federal
minimum wage times the number of work weeks within the
judgment debtor's pay periods which may be subject to garnish-
ment. When such pay periods consists of other than a whole num-
ber of work weeks, each day of a pay period in excess of the
number of completed work weeks shall be counted as a fraction
of a work week equal to the number of work days divided by
the number of work days in the normal work week.

.....

(c) Enter on the line below the difference obtained (never
less than zero) when line (b) is subtracted from line (a).

.....

(d) Enter on the line below 25 percent of line (a).

.....

(e) Enter on the line below the lesser of line (c) and line (d).

.....

(2) Money. Enter on the line below any amounts due and owing the judgment debtor, except earnings, from the garnishee.

.....

(3) Property. Describe on the line below any personal property, instruments or papers belonging to the judgment debtor and in the possession of the garnishee.

.....

(4) Set-off. Enter on the line below the amount of any set-off, defense, lien or claim which the garnishee claims against the amount set forth on lines (1)(e), (2) and (3) above. Allege the facts by which such set-off, defense, lien or claim is claimed. (Any indebtedness to a (GARNISHEE EMPLOYER) *garnishee* incurred by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt is void and should be disregarded.)

.....

(5) Exemption. Enter on the line below any amounts or property claimed by the judgment debtor to be exempt from execution.

.....

(6) Adverse Interest. Enter on the line below any amounts claimed by other persons by reason of ownership or interest in the judgment debtor's property. (Any assignment of wages made by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt is void and should be disregarded. State the names and addresses of such persons and the nature of their claim, if known.)

.....

(7) Enter on the line below the total of lines (4), (5) and (6).

.....

(8) Enter on the line below the difference obtained (never less than zero) when line (7) is subtracted from the sum of lines (1) (e), (2) and (3).

.....

(9) Enter on the line below 110 percent of the amount of the judgment creditor's judgment which remains unpaid.

.....

(10) Enter on the line below the lesser of line (8) and line (9). As garnishee, you are hereby instructed to retain this amount only if it is \$10 or more.

.....

.....
Authorized Representative of Garnishee

.....
Title

Subscribed and sworn to before me

This day of, 19...

.....
Notary Public

..... County, Minnesota.

Sec. 8. Minnesota Statutes 1984, section 571.55, subdivision 1, is amended to read:

Subdivision 1. For the purposes of this section, "earnings" means compensation paid or payable for personal service or *compensation paid or payable to the producer for the sale of agricultural products; livestock or livestock products; milk or milk products; or fruit or other horticultural products produced when the producer is a family farm, a family farm corporation, or an authorized farm corporation, as defined in section 500.24, subdivision 2,* whether denominated as wages, salary, commissions, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program. "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 8 are effective June 1, 1985."

Delete the title and insert:

"A bill for an act relating to creditor's remedies; providing for an increase in the amount of farm machines and implements exemption; clarifying the garnishment limitation for the sale of farm products; amending Minnesota Statutes 1984, sections 550.37, subdivisions 5, 7, 13, and 14; 571.41, subdivisions 6 and 7; 571.495, subdivision 3; and 571.55, subdivision 1."

The motion prevailed and the amendment was adopted.

Dempsey moved to amend S. F. No. 401, as amended, as follows:

Page 3, after line 12, insert:

"Sec. 5. Minnesota Statutes 1984, section 550.37, subdivision 24, is amended to read:

Subd. 24. [EMPLOYEE BENEFITS.] The debtor's right to receive (A PAYMENT) *present or future payments*, or payments received by the debtor, under a stock bonus, pension, profit sharing, annuity, *individual retirement account, individual retirement annuity, simplified employee pension*, or similar plan or contract on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor."

Page 12, line 8, delete "8" and insert "9"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "and" and after "14" insert ", and 24"

The motion prevailed and the amendment was adopted.

Dempsey moved to amend S. F. No. 401, as amended, as follows:

Page 8, after line 22, insert:

"Sec. 7. Minnesota Statutes 1984, section 571.42, is amended to read:

571.42 [EFFECT OF SERVICE OF SUMMONS.]

Subdivision 1. [ATTACH FOR JUDGMENT.] Except as provided in sections 571.43 and 571.50, service of the garnishee

summons upon the garnishee shall attach and bind, to respond to final judgment in the action, all personal property of the judgment debtor in his possession or under his control and all indebtedness owing by him to the judgment debtor at the time of service and all nonexempt disposable earnings earned or to be earned within that pay period and within (30) 90 days thereafter.

Subd. 2. [PROPERTY ATTACHED.] Subject to the provisions of sections 550.37 and 571.55 all moneys, all nonexempt disposable earnings earned or to be earned within that pay period and within (30) 90 days thereafter and other personal property including property of any kind due from or in the hands of an executor, administrator, receiver or trustee and all written evidences of indebtedness whether negotiable or not or under or overdue may be attached by garnishment, and money or any other thing due or belonging to the judgment debtor may be attached by this process before it has become payable if its payment or delivery does not depend upon any contingency, but the garnishee shall not be compelled to pay or deliver it before the time appointed by the contract."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "extending the effective period of a garnishee summons;"

Page 1, line 7, after the first semicolon insert "571.42;"

The motion prevailed and the amendment was adopted.

McDonald, Schafer, Dyke, Minne and Frederickson moved to amend S. F. No. 401, as amended, as follows:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1984, section 47.20, subdivision 15, is amended to read:

Subd. 15. Notwithstanding the provisions of any other law to the contrary, any notice of default on homestead property as defined in section 583.02, mailed after May 24, 1983 and prior to May 1, 1985 *or after the effective date of this section and prior to May 1, 1987*, shall indicate that the borrower has 60 days

from the date the notice is mailed in which to cure the default. The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale under sections 583.01 to 583.12."

Page 3, after line 12, insert:

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

Subd. 6. [TEMPORARY MINIMUM NOTICE.] (a) Notwithstanding the provisions of any other law to the contrary, no contract for conveyance of homestead property, as defined in section 583.02, shall terminate until 60 days after service of notice if the notice is served after May 24, 1983, and prior to May 1, 1985 or after the effective date of this section and prior to May 1, 1987, or 90 days after service of notice if the contract was entered into after May 1, 1980 and the contract vendee has paid 25 percent or more of the purchase price. The notice shall specify this 60- or 90-day period. The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale under sections 583.01 to 583.12.

(b) *The notice must be in bold type, capitalized letters, or other form sufficient for the reader to quickly and easily distinguish the notice from the rest of the writing; violation of this requirement is a petty misdemeanor.*

(c) This section does not apply to earnest money contracts, purchase agreements or exercised options."

Page 12, after line 6, insert:

"Sec. 11. Minnesota Statutes 1984, section 580.031, is amended to read:

580.031 [(TEMPORARY) MINIMUM NOTICE.]

(a) Notwithstanding the provisions of any other law to the contrary, eight weeks' published notice must be given prior to the foreclosure sale of a homestead, as defined in section 583.02, if the notice is published for the first time after May 24, 1983 and prior to May 1, 1985 or after the effective date of this section and prior to May 1, 1987. The notice must contain the information specified in section 580.04.

(b) *The notice must be in bold type, capitalized letters, or other form sufficient for the reader to quickly and easily distinguish the notice from the rest of the writing; violation of this requirement is a petty misdemeanor.*

(c) At least eight weeks before the appointed time of sale, a copy of the notice must be served upon the person in possession of the mortgaged premises, if the premises are actually occupied.

Sec. 12. Minnesota Statutes 1984, section 583.02, is amended to read:

583.02 [DEFINITIONS.]

As used in (SECTIONS 583.01 TO 583.12) *this chapter*, the term "homestead" means residential or agricultural real estate, a portion or all of which, *at the time of the filing of the petition under section 583.04, is occupied by the owner and is entitled to receive homestead credit under section 273.13, (SUBDIVISION 15A) or would be entitled to receive the credit if it remained the residence of the owner on June 1 of the current year or January 2 of the next year.*

Sec. 13. Minnesota Statutes 1984, section 583.03, subdivision 2, is amended to read:

Subd. 2. [GENERAL EXCLUSION.] The provisions of sections 47.20, subdivision 15, 559.21, subdivision 6, 580.031, and 583.01 to 583.12 do not apply to mortgages or contracts for deed made after (MAY 24, 1983) *the effective date of this act*, nor to mortgages or contracts for deed made before (MAY 24, 1983,) *the effective date of this act* which are renewed or extended after (MAY 24, 1983) *the effective date of this act*, for a period longer than one year, nor to mortgages, judgments, or contracts for deed, regardless of when made, if a second or subsequent mortgage is made against the property after (MAY 24, 1983) *the effective date of this act*.

No court shall allow a stay (,) or postponement, or extension of time that would cause any right to be lost or adversely affected by any statute of limitation.

Sec. 14. Minnesota Statutes 1984, section 583.04, is amended to read:

583.04 [MORTGAGOR MAY APPLY TO DISTRICT COURT FOR RELIEF.]

Any mortgagor, or owner in possession of the mortgaged premises, or anyone claiming under the mortgage, or anyone liable for the mortgage debt, may at any time after the issuance of the notice of the foreclosure proceedings and prior to the sale, petition the district court of the county where the foreclosure proceedings are pending, serving a summons and verified complaint requesting that the sale in foreclosure be postponed for up to six months or, in the case of a farm homestead located on more than ten acres, for up to 12 months. A contract for deed vendee or anyone claiming under the contract or liable for the contract payment, in any case where the contract has not yet been terminated as of May 24, 1983, may petition the district court in the same manner, requesting that the contract termination be delayed for up to 90 days.

Upon receiving the petition *and verified complaint*, the court shall order a stay in the foreclosure proceedings until after the hearing on the petition. (AS A CONDITION PRECEDENT TO THE POSTPONEMENT OF THE FORECLOSURE SALE, THE PARTY SERVING THE VERIFIED COMPLAINT SHALL FILE IT AND PAY TO THE CLERK FOR THE PERSON FORECLOSING THE MORTGAGE THE ACTUAL COSTS INCURRED, INCLUDING ATTORNEY'S FEES, IN THE FORECLOSURE PROCEEDING BEFORE POSTPONEMENT. AS A CONDITION PRECEDENT TO DELAY OF THE CONTRACT TERMINATION, THE PARTY SEEKING RELIEF SHALL FILE THE VERIFIED COMPLAINT AND PAY TO THE CLERK FOR THE PERSON CANCELING THE CONTRACT, THE ACTUAL COSTS, INCLUDING ATTORNEY'S FEES INCURRED IN THE CANCELLATION) *After the hearing and as a condition precedent to the postponement of the foreclosure sale or delay of the contract termination, the party seeking postponement or delay shall pay to the clerk the actual costs, including attorney fees, of the party foreclosing or canceling that were incurred before postponement or delay.* If payment is made by other than cash or certified check, the order postponing the sale or termination is not final until after the check or other negotiable instrument has been paid.

Sec. 15. Laws 1983, chapter 215, section 16, as amended by Laws 1984, chapter 474, section 7, is amended to read:

Sec. 16. [REPEALER.]

Sections 1 to 15 are repealed effective July 1, (1985) 1987, but any postponement or other relief ordered by a court continues to be valid for the period ordered by the court.

Sec. 17. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Page 12, delete section 9

Renumber the sections in sequence

Amend the title accordingly

Voss moved to amend the McDonald et al. amendment to S. F. No. 401, as amended, as follows:

Page 3, line 6, after the period insert "*After June 30, 1985, the term "homestead" does not include residential real estate located within the metropolitan area as designated in section 473.121, subdivision 2.*"

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

The question recurred on the McDonald et al. amendment, as amended, to S. F. No. 401. The motion prevailed and the amendment was adopted.

S. F. No. 401, A bill for an act relating to creditor's remedies; providing for an increase in the amount of farm machines and implements exemption; clarifying the garnishment limitation for the sale of farm products; authorizing the court to allow the respondent in a replevin action to retain or regain possession without posting a bond; authorizing the court to stay an action to recover possession for up to six months; extending the effective period of a garnishee summons; amending Minnesota Statutes 1984, sections 550.37, subdivisions 5, 7, 13, 14, and 24; 565.25, subdivision 2; 571.41, subdivisions 6 and 7; 571.42; 571.495, subdivision 3; and 571.55, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 565.

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 106 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Kelly	Neuenschwander	Quinn
Battaglia	Dimler	Knickerbocker	Norton	Redalen
Beard	Dyke	Knuth	O'Connor	Rees
Becklin	Elioff	Kostohryz	Ogren	Rest
Begich	Ellingson	Krueger	Olsen, S.	Richter
Bennett	Fjoslien	Lieder	Olson, E.	Riveness
Blatz	Forsythe	Long	Omann	Rodosovich
Boerboom	Frederick	Marsh	Onnen	Rose
Boo	Frederickson	McDonald	Osthoff	Sarna
Brandl	Frerichs	McEachern	Otis	Schafer
Brinkman	Greenfield	McLaughlin	Ozment	Scheid
Brown	Halberg	McPherson	Pappas	Schoenfeld
Burger	Hartering	Metzen	Pauly	Schreiber
Carlson, D.	Haukoos	Minne	Peterson	Segal
Carlson, L.	Jacobs	Murphy	Piper	Shaver
Clark	Jennings, L.	Nelson, D.	Poppenhagen	Sherman
Cohen	Kahn	Nelson, K.	Price	Simoneau

Skoglund	Sviggunn	Tompkins	Vanasek	Welle
Solberg	Thorson	Tunheim	Vellenga	Wenzel
Sparby	Tjornhom	Uphus	Voss	Wynia
Stanius	Tomlinson	Valento	Waltman	Spk. Jennings, D.
Staten				

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

S. F. No. 821, A bill for an act relating to unclaimed property; extending coverage to corporate stock and other ownership interests; amending Minnesota Statutes 1984, sections 345.35; 345.43; and 345.47.

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 110 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Fjoslien	McDonald	Pauly	Skoglund
Battaglia	Forsythe	McEachern	Peterson	Solberg
Beard	Frederick	McKasy	Piper	Sparby
Becklin	Frederickson	McLaughlin	Price	Stanius
Begich	Frerichs	McPherson	Quinn	Staten
Bennett	Greenfield	Metzen	Quist	Sviggunn
Boerboom	Gruenes	Minne	Redalen	Thorson
Boo	Halberg	Murphy	Rees	Tjornhom
Brandl	Hartinger	Nelson, D.	Rest	Tomlinson
Brinkman	Haukoos	Nelson, K.	Rice	Tompkins
Brown	Jacobs	Neuenschwander	Richter	Tunheim
Burger	Jennings, L.	Norton	Riveness	Uphus
Carlson, D.	Kahn	O'Connor	Rodosovich	Valento
Carlson, J.	Kelly	Ogren	Rose	Vanasek
Carlson, L.	Knickerbocker	Olsen, S.	Sarna	Vellenga
Clark	Knuth	Olson, E.	Schafer	Voss
Clausnitzer	Kostohryz	Omann	Scheid	Waltman
Cohen	Krueger	Onnen	Schoenfeld	Welle
Dimler	Kvam	Osthoff	Segal	Wenzel
Dyke	Lieder	Otis	Shaver	Wynia
Eloff	Long	Ozment	Sherman	Zaffke
Ellingson	Marsh	Pappas	Simoneau	Spk. Jennings, D.

The bill was passed and its title agreed to.

H. F. No. 587 was reported to the House.

Waltman moved to amend H. F. No. 587, the second engrossment, as follows:

Page 12, after line 32, insert:

"Sec. 4. [SOURCE OF FUNDING.]

The reduction in appropriations in section 5 is to offset revenue losses caused by income exclusions provided by sections 1 to 3.

Sec. 5. Laws 1985, Chapter 4, section 10, is amended to read:

Sec. 10. [APPROPRIATION.]

(\$25,050,000) ~~\$24,550,000~~ is appropriated from the general fund to the commissioner of commerce for the following purposes:

(a) For payment of interest on existing farm loans under section 5, to be available until June 30, 1986 (\$9,200,000) ~~\$8,950,000~~

(b) For payment of interest on new farm operating loans under section 6, to be available until June 30, 1986 (15,800,000) ~~15,550,000~~

(c) For administration of sections 4 to 6, to be available until June 30, 1986 50,000

(d) If the appropriation for paragraph (b) is insufficient the appropriation for paragraph (a) is available for it."

Page 12, line 33, delete "4" and insert "6"

Amend the title as follows:

Page 1, line 4, after the semicolon insert "appropriating money;"

Page 1, line 6, after "20b;" insert "Laws 1985, chapter 4, section 10;"

A roll call was requested and properly seconded.

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

The Speaker resumed the Chair.

POINT OF ORDER

Riveness raised a point of order pursuant to rule 5.10 that the Waltman amendment was out of order. The Speaker ruled

the Riveness point of order not well taken and the Waltman amendment in order.

The question recurred on the Waltman amendment and the roll was called. There were 62 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dyke	Kiffmeyer	Ozment	Thiede
Backlund	Erickson	Knickerbocker	Pauly	Thorson
Becklin	Fjoslien	Kvam	Piepho	Tompkins
Bennett	Frederick	Levi	Quist	Tunheim
Bishop	Frederickson	Lieder	Redalen	Uphus
Blatz	Frerichs	Marsh	Rees	Valento
Boerboom	Gruenes	McDonald	Richter	Waltman
Boo	Halberg	McKasy	Schafer	Wenzel
Brinkman	Hartle	McPherson	Shaver	Zaffke
Clausnitzer	Haukoos	Miller	Sherman	Spk. Jennings, D.
Dempsey	Heap	Olson, E.	Sparby	
DenOuden	Himle	Omann	Stanius	
Dimler	Kalis	Onnen	Sviggum	

Those who voted in the negative were:

Anderson, G.	Hartinger	Murphy	Piper	Skoglund
Battaglia	Jacobs	Nelson, D.	Price	Solberg
Beard	Jennings, L.	Nelson, K.	Rest	Staten
Begich	Kahn	Neuenschwander	Rice	Tomlinson
Brandl	Kelly	Norton	Riveness	Vanasek
Brown	Knuth	O'Connor	Rodosovich	Vellenga
Carlson, L.	Kostohryz	Ogren	Rose	Voss
Clark	Krueger	Osthoff	Sarna	Welle
Cohen	Long	Otis	Scheid	Wynia
Elioff	McEachern	Pappas	Schoenfeld	
Greenfield	Minne	Peterson	Segal	

The motion prevailed and the amendment was adopted.

POINT OF ORDER

Brandl raised a point of order pursuant to rule 3.11 that the Waltman amendment to H. F. No. 587 required a majority vote of the whole House to be adopted. The Speaker ruled the Brandl point of order not well taken and the Waltman amendment adopted.

POINT OF ORDER

Norton raised a point of order pursuant to rule 3.12 that the Waltman amendment to H. F. No. 587 required a majority vote of the whole House to be adopted. The Speaker ruled the Norton point of order not well taken and the Waltman amendment adopted.

Krueger moved to amend H. F. No. 587, the second engrossment, as amended, as follows:

Page 11, line 30, after the period insert *"At the time any foreclosure proceedings are begun on agricultural land, there is excluded from the gross income of a landowner or net income of a corporate landowner, 50 percent of the capital gains or income recognized or otherwise taxable on the sale of that agricultural land."*

A roll call was requested and properly seconded.

The question was taken on the Krueger amendment and the roll was called. There were 111 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed and the amendment was adopted.

H. F. No. 587, A bill for an act relating to agriculture; providing income tax incentives to landowners who sell or lease agricultural land to beginning farmers; amending Minnesota Statutes 1984, section 290.01, subdivisions 20a and 20b; proposing coding for new law in Minnesota Statutes, chapter 290.

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 83 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Bishop	Brinkman	Carlson, D.
Anderson, R.	Becklin	Blatz	Brown	Clausnitzer
Backlund	Bennett	Boerboom	Burger	DenOuden

Dyke	Kalis	Neuenschwander	Redalen	Thorson
Ellingson	Kiffmeyer	Norton	Rees	Tjornhom
Erickson	Knickerbocker	Ogren	Richter	Tompkins
Fjoslien	Knuth	Olsen, S.	Rodosovich	Tunheim
Frederick	Kostohryz	Olson, E.	Schafer	Uphus
Frederickson	Krueger	Omann	Schoenfeld	Valan
Gruenes	Kvam	Onnen	Seaberg	Valento
Halberg	Levi	Ozment	Shaver	Vanasek
Hartinger	Lieder	Pauly	Sherman	Waltman
Hartle	Marsh	Peterson	Sparby	Wenzel
Haukoos	McDonald	Piper	Stanius	Zaffke
Himle	McEachern	Poppenhagen	Staten	Spk. Jennings, D.
Jennings, L.	McPherson	Quinn	Sviggum	
Johnson	Miller	Quist	Thiede	

Those who voted in the negative were:

Battaglia	Kahn	Nelson, D.	Rice	Solberg
Brandl	Kelly	Nelson, K.	Riveness	Tomlinson
Carlson, L.	Long	O'Connor	Rose	Vellenga
Clark	McLaughlin	Osthoff	Sarna	Voss
Elioff	Metzen	Otis	Scheid	Wynia
Greenfield	Minne	Price	Segal	
Gutknecht	Murphy	Rest	Skoglund	

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

S. F. No. 615 was reported to the House.

Clausnitzer, McPherson, Boo and Munger moved to amend S. F. No. 615, as follows:

Page 2, after line 18, insert:

"Sec. 4. Laws 1979, chapter 300, section 4, subdivision 3, is amended to read:

Subd. 3. [LOCAL DAM GRANTS.] The sum of (\$1,551,500) *\$1,828,000* is appropriated from the state building fund to the commissioner of natural resources for grants-in-aid for dam repair and reconstruction on the dams and in the amounts indicated in this subdivision, to be available until expended.

- | | |
|---|--------------------------|
| (a) King's Mill Dam, Rice County | \$475,000 |
| (b) Orono Dam, City of Elk River | 344,000 |
| (c) Byllesby Dam, Dakota and Goodhue Counties | 433,000 |
| (d) Fish Hook River Dam, City of Park Rapids | (299,500) <i>374,000</i> |
| (e) <i>Hartley Dam located on Tischer Creek, city of Duluth</i> | 50,000 |

(f) *Eagle Point Lake Dam,
Washington County*

47,000

(g) *Hanover Dam,
Wright and Hennepin Counties*

85,000

The appropriation in clause (g) includes the cost of repair of erosion damage to river banks, and the cost of restoring wetlands drained as a result of failure of the dam. The state's contribution in clause (g) is available only if the counties, cities, and other local governmental units in which the dam is located contribute an equal amount of money for these same purposes. The dam removal, bank repair, and wetland restoration work in clause (g) must be done pursuant to joint power or similar agreement entered into by the local units of government and approved by the commissioner. For clause (g) the state and local units of government are authorized to seek recovery of their costs, including costs related to initial breaking of the dam, from any private person who has any ownership interest in the dam, damsite, or abutments. After all civil remedies for recovery have been exhausted, the state and local units of government authorized for clause (g) may levy special assessments against all property in the counties that benefited by the removal and improvements in amounts sufficient to pay all costs and expenses. If special assessments are levied, the determination of property benefited must be made using the procedure set forth in section 3.

Sec. 5. Laws 1979, chapter 300, section 4, subdivision 4, is amended to read:

Subd. 4. [LOCAL DAM LOANS.] The sum of (\$1,396,350) \$1,119,850 is appropriated from the state building fund to the commissioner of finance for loans to local government units approved and made pursuant to section 105.482, subdivision 5a, for the dam repair and reconstruction projects designated in subdivision 3 of this section and for repair and reconstruction of the Pelican River Dam, city of Pelican Rapids. \$112,500 of the amount appropriated for repair and reconstruction of the Pelican River Dam shall not be canceled and shall remain available until expended."

Page 2, line 20, delete "This act takes" and insert "Sections 1 to 3 take"

Page 2, line 23, after the period insert "Sections 4 and 5 are effective the day following final enactment."

Re number the remaining section

Amend the title as follows:

Page 1, line 2, delete "Lake of the Woods county" and insert "local government"

Page 1, line 5, before the period insert "; appropriating money for repair or removal of certain dams"

A roll call was requested and properly seconded.

POINT OF ORDER

Voss raised a point of order pursuant to rule 3.9 that the Clausnitzer et al. amendment was not in order. The Speaker ruled the Voss point of order not well taken and the Clausnitzer et al. amendment in order.

The question recurred on the Clausnitzer et al. amendment and the roll was called. There were 93 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	DenOuden	Kalis	Onnen	Skoglund
Anderson, R.	Dimler	Kelly	Otis	Solberg
Backlund	Dyke	Kiffmeyer	Ozment	Sparby
Battaglia	Elioff	Knuth	Piepho	Stanius
Beard	Ellingson	Kvam	Poppenhagen	Sviggum
Becklin	Fjoslien	Levi	Quist	Thiede
Begich	Forsythe	Lieder	Redalen	Thorson
Bennett	Frederick	Long	Rees	Tjornhom
Blatz	Frederickson	Marsh	Richter	Tompkins
Boerboom	Frerichs	McDonald	Riveness	Tunheim
Boo	Gruenes	McEachern	Rodosovich	Uphus
Brown	Gutknecht	McPherson	Rose	Valan
Burger	Halberg	Miller	Schafer	Valento
Carlson, D.	Hartinger	Minne	Scheid	Waltman
Carlson, J.	Hartle	Murphy	Schreiber	Wenzel
Carlson, L.	Haukoos	Neuenschwander	Seaberg	Zaffke
Clausnitzer	Himle	Ogren	Segal	Spk. Jennings, D.
Cohen	Jacobs	Olson, E.	Shaver	
Dempsey	Johnson	Omann	Sherman	

Those who voted in the negative were:

Brandl	Metzen	Pappas	Price	Staten
Clark	Norton	Peterson	Quinn	Voss
Greenfield	Osthoff	Piper	Rest	Wynia
Kahn				

The motion prevailed and the amendment was adopted.

Anderson, R., moved to amend S. F. No. 615, as amended by the Clausnitzer et al. amendment, as follows:

In the Clausnitzer et al. amendment:

Page 1, line 6, delete "\$1,828,000" and insert "\$1,918,000"

Page 1, after line 9, insert "(a) Spruce Center Dam, Douglas County \$90,000"

Reletter the following clauses

The motion prevailed and the amendment was adopted.

S. F. No. 615, 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.

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 114 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Quinn

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

POINT OF ORDER

Levi raised a point of order pursuant to section 223 of "Mason's Manual of Legislative Procedure" relating to questions not constituting personal privilege. The Speaker ruled the point of order not well taken.

S. F. No. 147, A bill for an act relating to human services; authorizing a state hospital to enter into shared service agreements with for profit organizations; amending Minnesota Statutes 1984, section 246.57, 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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1032

A bill for an act relating to the borough of Belle Plaine; permitting Belle Plaine to use the term "borough" for all purposes; amending Minnesota Statutes 1984, sections 410.015; and 413.02, subdivision 5, and by adding a subdivision.

May 17, 1985

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 1032, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1032 be further amended as follows:

Page 2, line 10, after "may" insert ", by resolution of its governing body,"

Page 2, delete lines 18 to 21 and insert:

"Sec. 4. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

We request adoption of this report and repassage of the bill.

House Conferees: TOM REES, RALPH R. KIFFMEYER and ROBERT E. VANASEK.

Senate Conferees: ROBERT J. SCHMITZ, EARL W. RENNEKE and BETTY A. ADKINS.

Rees moved that the report of the Conference Committee on H. F. No. 1032 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1032, A bill for an act relating to the borough of Belle Plaine; permitting Belle Plaine to use the term "borough" for all purposes; amending Minnesota Statutes 1984, sections 410.015; and 413.02, subdivision 5, and by adding a subdivision.

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

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

Those who voted in the affirmative were:

Anderson, G.	Burger	Fjoslien	Jennings, L.	Long
Anderson, R.	Carlson, D.	Forsythe	Johnson	Marsh
Battaglia	Carlson, J.	Frederick	Kahn	McDonald
Beard	Carlson, L.	Frederickson	Kalis	McEachern
Becklin	Clark	Frerichs	Kelly	McKasy
Begich	Clausnitzer	Greenfield	Kiffmeyer	McLaughlin
Bennett	Cohen	Gutknecht	Knickerbocker	McPherson
Blatz	Dempsey	Hartinger	Knuth	Metzen
Boerboom	DenOuden	Hartle	Kostohryz	Miller
Boo	Dimler	Haukoos	Krueger	Minne
Brandl	Dyke	Heap	Kvam	Murphy
Brinkman	Elioff	Himle	Levi	Nelson, D.
Brown	Ellingson	Jacobs	Lieder	Nelson, K.

Neuenschwander	Peterson	Rodosovich	Sparby	Vanasek
Norton	Piepho	Rose	Stanius	Vellenga
O'Connor	Piper	Sarna	Staten	Voss
Ogren	Poppenhagen	Schafer	Sviggum	Waltman
Olsen, S.	Price	Schoenfeld	Thorson	Welle
Olson, E.	Quinn	Schreiber	Tjornhom	Wenzel
Omann	Quist	Seaberg	Tomlinson	Wynia
Onnen	Rees	Segal	Tompkins	Zaffke
Otis	Rest	Shaver	Tunheim	Spk. Jennings, D.
Ozment	Rice	Sherman	Uphus	
Pappas	Richter	Skoglund	Valan	
Pauly	Riveness	Solberg	Valento	

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

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 251:

Boo, Greenfield and Clausnitzer.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 647:

Erickson, Knuth and Hartle.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1183:

Bennett, Marsh and Osthoff.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 818:

Quist, Frerichs and Zaffke.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 196:

Levi, Blatz and Greenfield.

GENERAL ORDERS

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

MOTIONS AND RESOLUTIONS

Brinkman moved that his name be stricken as an author on H. F. No. 990. The motion prevailed.

Nelson, K., moved that the name of Clark be added as an author on H. F. No. 1679. The motion prevailed.

Segal moved that the name of Kelly be added as an author on H. F. No. 1680. The motion prevailed.

Tjornhom, Fjoslien, Levi, Osthoff and Sparby introduced:

House Resolution No. 35, A house resolution commemorating the Seventeenth of May 1814 and 1985.

SUSPENSION OF RULES

Tjornhom moved that the rules be so far suspended that House Resolution No. 35 be now considered and be placed upon its adoption. The motion prevailed.

HOUSE RESOLUTION NO. 35

A house resolution commemorating the Seventeenth of May 1814 and 1985.

Whereas, the Seventeenth of May 1814 was the day when the Norwegian constitution was signed in Eidsvoll by representatives from all parts of Norway, with contents strongly influenced by our United States Constitution of 1776; and

Whereas, Minnesotans of Norwegian birth or ancestry during the 127 years of statehood have provided Minnesota with leaders in all walks of life and human endeavors; and

Whereas, the Norwegian Viking traditions are still alive in our state; and

Whereas, the Norwegian immigrants to Minnesota provide a prominent place in Minnesota's rich cultural heritage; and

Whereas, the Seventeenth of May celebrates a key event in the growth of democratic institutions; *Now, Therefore,*

Be It Resolved that the House of Representatives of the State of Minnesota and all the people in this state commemorate the Norwegian Constitution Day, also known as the "syttende mai," as a reminder of the many outstanding contributions to the state by the people of Norway.

Be It Further Resolved that the Chief Clerk of the House of Representatives of the State of Minnesota is directed to prepare enrolled copies of this resolution, to be authenticated by his signature and that of the Speaker, and present them to representatives of Norwegian heritage groups in Minnesota.

Tjornhom moved that House Resolution No. 35 be now adopted. The motion prevailed and House Resolution No. 35 was adopted.

ADJOURNMENT

Levi moved that when the House adjourns today it adjourn until 10:00 a.m., Monday, May 20, 1985. The motion prevailed.

Levi moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Monday, May 20, 1985.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

