

## STATE OF MINNESOTA

## SEVENTY-FOURTH SESSION - 1986

## EIGHTY-THIRD DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 11, 1986

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 Pastor Paul Peterson, Gloria Dei Lutheran Church, St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Brinkman was excused.

Blatz was excused until 12:50 p.m. Ellingson was excused until 1:00 p.m. Osthoff and Simoneau were excused until 1:15 p.m. Hartinger was excused until 3:15 p.m. Rees was excused until 4:30 p.m.

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

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 943, 948, 1796, 651, 1949, 2094, 2239, 2275, 2388, 397, 1932, 1968, 2185, 2324, 2331, 2394, 124, 1744, 1797 and 1911 and S. F. Nos. 1, 1886, 2035 and 1910 have been placed in the members' files.

S. F. No. 1886 and H. F. No. 2032, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Valan moved that the rules be so far suspended that S. F. No. 1886 be substituted for H. F. No. 2032 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2035 and H. F. No. 2393, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Norton moved that the rules be so far suspended that S. F. No. 2035 be substituted for H. F. No. 2393 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

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

H. F. No. 631, A bill for an act relating to school districts; providing for self-insured, statewide fringe benefit coverages for employees; proposing coding for new law in Minnesota Statutes, chapter 121.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [43A.315] [EMPLOYEES OF SCHOOL DISTRICTS.]**

*Subdivision 1. [DEFINITIONS.] For the purposes of subdivisions 1 to 6, the terms defined in this subdivision have the meanings given them.*

*(a) [COMMISSIONER.] "Commissioner" means the commissioner of employee relations.*

*(b) [EMPLOYEE.] "Employee" means (1) a person who is a public employee within the definition of section 179A.03, subdivision 14, and is employed by an eligible employer; or (2) a person employed by a labor organization or employee association certified as an exclusive representative of employees of an eligible employer or by another public educational employer approved by the commissioner.*

*(c) [ELIGIBLE EMPLOYER.] "Eligible employer" means one of the following: a school district as defined in section 120.02; an educational cooperative service unit as defined in section 123.58; an intermediate district as defined in section 136C.02, subdivision 7; a cooperative center for vocational education as defined in section 123.351; a regional management information center as defined in section 121.935; a Minnesota education unit organized under the joint powers act, section 471.59.*

*Subd. 2. [SCHOOL EMPLOYEE PARTICIPATION.] An eligible employer with 250 or fewer employees may participate in the appropriate state life insurance, hospital, medical and dental benefit plans, and optional coverages at the time, in the manner, and under the conditions of eligibility the commissioner prescribes and otherwise approves for employees covered by the plan established by section 43A.18, subdivision 2. Participation is subject to the following conditions:*

*(a) Each exclusive representative for an eligible employer determines whether the employees it represents will participate. The exclusive representative must give notice to the employer of its determination to participate prior to the execution of a new collective bargaining agreement or by April 1 of an odd-numbered year, whichever occurs first. The employer and the exclusive representative may by mutual consent make a determination at a later date to participate during the annual enrollment period. The employer makes the determination on whether or not to participate for employees not represented by an exclusive representative.*

(b) *The decision to participate is for a three-year term if coverage begins in an even-numbered year and a four-year term if coverage begins in an odd-numbered year. Participation is automatically renewed for an additional four-year term unless the exclusive representative gives the employer notice of withdrawal.*

(c) *The exclusive representative must give notice of intent to withdraw prior to execution of a new collective bargaining agreement to cover the date on which the term of participation expires, or April 1 of the year in which the term of participation expires, whichever is first. Where there is no exclusive representative the employer will notify the commissioner. A group that withdraws must wait two years before rejoining.*

(d) *Each participating employer must notify the commissioner of employees who will be participating within two weeks of receiving notice of intent to participate. The employer must also submit other information as required by the commissioner for administration of this plan.*

**Subd. 3. [BENEFITS.]** *The basic benefit plan shall include employee hospital, medical, dental, and life insurance for eligible employees and hospital and medical benefits for dependents. Participation in optional coverages may be provided by collective bargaining agreements in long term disability and dependent dental insurance offered by the commissioner. For employees not represented by an exclusive representative, the employer may offer optional coverages to eligible employees and their dependents. Coverage begins September 1.*

**Subd. 4. [PREMIUMS.]** *Premiums shall be established by the commissioner. Each eligible employer shall pay monthly the amounts due for employee benefits including the amounts under subdivision 5 to the commissioner on or before the dates established by the commissioner. Failure to pay may result in cancellation of the benefits. The proportion of premium paid by the employer and employee is subject to collective bargaining.*

**Subd. 5. [CONTINUATION OF COVERAGE.]** (a) *A participating employee who is laid off or on unrequested leave may elect to continue the fringe benefit coverage at the expense of the employee unless otherwise provided by a collective bargaining agreement. Premiums shall be established by the commissioner. Coverage continues until the employee is reemployed and eligible for health care coverage under a group policy or for a period not to exceed one year from the date the benefits would have ceased, whichever is less.*

(b) *A participating employee who retires prior to age 65 and is receiving an annuity under chapter 352, 353, 354, or 354A is eligible to continue to participate at the retiree's expense in the group hospital, medical, dental, and life benefits at premiums established by the commissioner. An employer must notify an employee of this option no later than the effective date of retirement. The retired employee must notify the employer within 30 days of the effective date of retirement of intent to exercise this option.*

*A spouse of a deceased retired employee may purchase the benefits provided at premiums established by the commissioner if the employee received an annuity under chapter 352, 353, 354, or 354A and if the spouse was a dependent under the retired employee's coverage under this section at the time of the death of the retired employee. Coverage under this clause shall be coordinated with relevant insurance benefits provided through the federally sponsored medicare program.*

(c) *The benefits may continue in the event of strike permitted by section 179A.18, if the exclusive representative chooses to have coverage continue and the employee pays the total monthly premiums when due.*

(d) *A person who desires to participate under clauses (a) to (c) must notify the employer or former employer of intent to participate according to timelines established by the commissioner. The employer must notify the commissioner, and coverage must begin as soon as permitted by the commissioner. Persons participating under these clauses must make appropriate premium payments in the time and manner established by the employer or the commissioner.*

*Subd. 6. [EFFECTIVE DATE.] Section 1 is effective July 1, 1987, except that no benefit coverage shall begin until September 1, 1989."*

Amend the title as follows:

Page 1, delete lines 2 to 5 and insert "relating to school districts; permitting school district employees to participate in the state insurance plan; proposing coding for new law in Minnesota Statutes, chapter 43A."

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

The report was adopted.

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

H. F. No. 1068, A bill for an act relating to child care; establishing child care resource and referral programs; appropriating money; amending Minnesota Statutes 1984, section 245.83, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 245.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 245.83, is amended by adding a subdivision to read:

*Subd. 6. "Resource and referral program" means a program that provides information to parents, including referrals and coordination of community child care resources for parents and public or private providers of care. Services may include parent education, technical assistance for providers, staff development programs, and referrals to social services.*

Sec. 2. Minnesota Statutes 1984, section 245.84, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] The county board is authorized to provide child care services, to make grants from the community social service fund or other sources to any municipality, corporation or combination thereof for the cost of providing technical assistance and child care services, or to contract for services with any licensed day care facility, as the board deems necessary or proper to carry out the purposes of sections 245.83 to 245.87.

The board is further authorized to make grants to or contract with any municipality, incorporated licensed child care facility or resource and referral program, or corporation or combination thereof for any of the following purposes:

(a) For creating new licensed day care facilities and expanding existing facilities including, but not limited to, supplies, equipment, and facility renovation and remodeling;

(b) For improving licensed day care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling;

(c) For supportive child development services including, but not limited to, inservice training, curriculum development, consulting specialist, resource centers, and program and resource materials;

(d) For carrying out programs including, but not limited to, staff, supplies, equipment, facility renovation, and training; (AND,)

(e) For interim financing; and

(f) For carrying out the resource and referral program services identified in section 3, subdivision 3.

**Sec. 3. [268.911] [GRANTS FOR SCHOOL AGE CHILD CARE PROGRAMS AND CHILD CARE RESOURCE AND REFERRAL PROGRAMS.]**

*Subdivision 1. [AUTHORITY.] The commissioner may make grants to public or private nonprofit agencies for the planning, establishment, expansion, improvement, or operation of child care resource and referral programs and child care services according to the provisions of this section and may make grants to county boards to carry out the purposes of section 245.84.*

*Subd. 2. [FEDERAL DEPENDENT CARE GRANTS PROGRAM.] The commissioner shall submit an application annually to the United States secretary of health and human services for the purpose of obtaining the state's allotment of funds authorized under chapter 8 of Title VI of the Omnibus Budget Reconciliation Act, United States Code, title 42, sections 9871 to 9877. Federal funds received under this allotment for the planning, development, establishment, expansion, or improvement of local resource and referral systems and school age child care services which are awarded as grants under subdivision 1 must be used in conformance with the federal requirements.*

*Subd. 3. [PROGRAM SERVICES.] The commissioner may make grants to public or private nonprofit entities to fund child care resource and referral programs. Child care resource and referral programs must serve a defined geographic area.*

*(a) Each program shall identify all existing child care services through information provided by all relevant public and private agencies in the areas of service, and shall develop a resource file of the services which shall be maintained and updated at least quarterly. These services must include family day care homes; public and private day care programs; full-time and part-time programs; infant, preschool, and extended care programs; and programs for school age children.*

*The resource file must include: the type of program, hours of program service, ages of children served, fees, location of the program, eligibility requirements for enrollment, and transportation available to the program. The file may also include program information and special needs services.*

(b) *Each program shall establish a referral process which responds to parental need for information and which fully recognizes confidentiality rights of parents. The referral process must afford parents maximum access to all referral information. This access must include telephone referral available for no less than 20 hours per week.*

*Each child care resource and referral agency shall publicize its services through popular media sources, agencies, and other appropriate methods.*

(c) *Each program shall maintain ongoing documentation of requests for service. All child care resource and referral agencies must maintain documentation of the number of calls and contacts to the child care information and referral agency or component. A program may collect and maintain the following information:*

- (1) *ages of children served;*
- (2) *time category of child care request for each child;*
- (3) *special time category, such as nights, weekends, and swing shift; and*
- (4) *reason that the child care is needed.*

(d) *Each program shall have available the following information as an educational aid to parents:*

- (1) *information on aspects of evaluating the quality and suitability of child care services, including licensing regulation, financial assistance available, child abuse reporting procedures, appropriate child development information;*
- (2) *information on available parent, early childhood, and family education programs in the community.*

(e) *A program may provide technical assistance to existing and potential providers of all types of child care services. This assistance shall include:*

- (1) *information on all aspects of initiating new child care services including licensing, zoning, program and budget development, and assistance in finding information from other sources;*
- (2) *information and resources which help existing child care providers to maximize their ability to serve the children and parents of their community;*
- (3) *dissemination of information on current public issues affecting the local and state delivery of child care services;*



(4) *facilitation of communication between existing child care providers and child-related services in the community served; and*

(5) *recruitment of licensed providers.*

*Services prescribed by this section must be designed to maximize parental choice in the selection of child care and to facilitate the maintenance and development of child care services and resources.*

(f) *Child care resource and referral information must be provided to all persons requesting services and to all types of child care providers.*

(g) *Public or private entities may apply to the commissioner for funding. The maximum amount of money which may be awarded to any entity for the provision of service under this subdivision is \$60,000 per year. A local match of up to 25 percent is required.*

*Subd. 4. [APPLICATION; RULES.] Applicants for grants under subdivision 1 shall apply on a form provided by the commissioner. Applications for grants using funds received by the state pursuant to subdivision 2 shall include assurances that federal requirements have been met. The commissioner may adopt emergency rules and shall adopt permanent rules to implement this section."*

Delete the title and insert:

"A bill for an act relating to child care; allowing commissioner of jobs and training to make grants for child care resource and referral programs; sets forth requirements for the programs and for obtaining funding; amending Minnesota Statutes 1984, sections 245.83, by adding a subdivision; 245.84, subdivision 1; and proposing coding for new law in Minnesota Statutes, chapter 268."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1144, A bill for an act relating to health; authorizing the commissioner of health to inspect certain business premises; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [145.94] [HAZARDOUS SUBSTANCE EXPOSURE.]

*Subdivision 1. [INSPECTION OF PREMISES.] For the purpose of determining hazardous substance exposure to the community, the commissioner of health may enter the premises of any employer as defined in section 182.651, subdivision 7, including the University of Minnesota, to conduct an investigation specifically relating to the actual, suspected, or potential release of a hazardous substance for which there is evidence of exposure or risk of exposure to the community. The commissioner shall present to the employer an oral or written statement of the reason, nature, and scope of the investigation at a particular location, prior to the start of the investigation. As part of the investigation, and upon request to the employer, the commissioner must be allowed access to information required under the employee right-to-know act to determine if there are existing or potential health hazards to the community due to the release of any hazardous substance which originates in the workplace of the employer.*

*Subd. 2. [DISCLOSURE OF HAZARDOUS SUBSTANCES INFORMATION.] The commissioner may disclose to individual private citizens, or to the community if appropriate, pertinent information including data made nonpublic by law, relating to the hazardous properties and health hazards of hazardous substances released from a workplace if the commissioner determines that:*

*(1) there is evidence that a person requesting the information may have suffered or is likely to suffer illness or injury as a result of exposure to one or more of the hazardous substances; or*

*(2) there is evidence of a community health risk and the commissioner seeks, directly or through some other agency, to have the employer cease an activity which results in release of a hazardous substance.*

*Nonpublic data obtained under subdivision 1 is subject to handling, use, and storage in accordance with established standards to prevent unauthorized use or disclosure. In the event nonpublic data so obtained is required for the diagnosis, treatment, or prevention of illness or injury, a personal physician may be provided with this information, which is nonpublic data, if the physician agrees to preserve the confidentiality of the information, except for patient health records subject to section 144.355. Following the disclosure of any hazardous substance*

*information relating to a particular workplace, the commissioner shall advise the employer of the specific information disclosed, the date of the disclosure, and the person or persons who received the information.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective July 1, 1987."*

Delete the title and insert:

"A bill for an act relating to health; authorizing the commissioner of health to inspect certain business premises; providing for disclosure of hazardous substances information in certain cases; proposing coding for new law in Minnesota Statutes, chapter 145."

With the recommendation that when so amended the bill pass.

The report was adopted.

Halberg from the Committee on Judiciary to which was referred:

H. F. No. 2079, A bill for an act relating to judgments; clarifying the general judgment lien law; amending Minnesota Statutes 1984, section 548.09, subdivision 1.

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

The report was adopted.

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

H. F. No. 2093, A bill for an act relating to human services; establishing demonstration projects to centralize application for all food assistance programs and to promote full participation in food assistance programs; establishing a nutrition council; establishing a coordinated nutrition data bank; requiring the full expenditure of federal funds by agencies administering the special supplemental food program for women, infants, and children; establishing a centralized unit to supervise the food stamp program; requiring food stamps to be provided within 24 hours to persons eligible for expedited issuance; requiring that waivers be obtained, if possible, from the United States government to allow certain individuals to obtain food stamps and medical assistance, to permit reimbursement of costs of home-delivered meals to the elderly, and to implement a pilot school breakfast program;

appropriating money; amending Minnesota Statutes 1984, sections 145.892, subdivision 2; 145.894; and 393.07, subdivision 10, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 124; 144; 245; and 256B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [POLICY.]

*It is the policy of the state of Minnesota that all citizens should have access to adequate nutritious food in a stable and consistent manner. To assure the physical well-being of all citizens, particularly the children and the elderly, and to enable self-sufficiency for Minnesotans, necessary actions must be taken to secure a high level of health and nutrition.*

Sec. 2. [124.647] [WAIVER; PILOT SCHOOL BREAKFAST PROGRAMS.]

*The commissioner of education shall request a waiver from the United States government as necessary to allow pilot school breakfast programs to be implemented in school districts where no program currently exists. The pilot school breakfast program shall provide students with breakfasts designed to be taken with the student and consumed away from the school site.*

Sec. 3. [124.6471] [SCHOOL BREAKFAST INCENTIVE.]

*The commissioner of education shall provide a cash incentive to schools to increase participation in school breakfast programs or to initiate a school breakfast program if none currently exists to the extent cash is available under section 11.*

Sec. 4. Minnesota Statutes 1984, section 145.892, subdivision 2, is amended to read:

Subd. 2. “Local health agency” means the (COUNTY PUBLIC HEALTH NURSING SERVICE) *community health services agency* or any public or private nonprofit organization which enters into a contract with the commissioner of health pursuant to sections 145.891 to 145.897.

Sec. 5. Minnesota Statutes 1984, section 145.894, is amended to read:

145.894 [STATE COMMISSIONER OF HEALTH; DUTIES, RESPONSIBILITIES.]

The commissioner of health shall:

(a) Develop a comprehensive state plan for the delivery of nutritional supplements to pregnant and lactating women, infants, and children;

(b) Contract with existing local public or private nonprofit organizations for the administration of the nutritional supplement program;

(c) Develop and implement a public education program promoting the provisions of sections 145.891 to 145.897, and provide for the delivery of individual and family nutrition education and counseling at project sites;

(d) Develop in cooperation with other agencies and vendors a uniform state voucher system for the delivery of nutritional supplements;

(e) Develop, analyze and evaluate the health aspects of the nutritional supplement program and establish nutritional guidelines for the program;

(f) Apply for (AND), administer (ANY), and annually fully expend all available federal (OR PRIVATE) funds;

(g) (COORDINATE WITH THE STATE AND LOCAL PUBLIC WELFARE AGENCIES IN IDENTIFYING ELIGIBLE INDIVIDUALS;) *Determine, on July 1 of each year, the number of pregnant women participating in each special supplemental food program for women, infants, and children (W.I.C.) and, with the recommendation of the commissioner of health, designate a different food program deliverer if the current deliverer fails to increase the participation of eligible pregnant women in the program;*

(h) Promulgate all rules and regulations necessary to carry out the provisions of sections 145.891 to 145.897; and

(i) Report to the legislature by November 15 of every year on the expenditures and activities under sections 145.891 to 145.897 of the state and local health agencies for the preceding fiscal year.

**Sec. 6. [245.771] [PILOT FOOD ACCESSIBILITY PROJECT.]**

*Subdivision 1. [ESTABLISHMENT.] The commissioner of human services shall establish a food accessibility project in five counties by July 1, 1986, to maximize participation in food programs administered by the county welfare boards pursuant to section 393.07, subdivision 10, and provide a single central access point where persons may apply for food stamps, surplus commodities, the special supplemental food program for women, infants, and children (W.I.C.), and private food assistance pro-*

grams. *The commissioner of human services shall report to the legislature by February 1 of each year on the progress and results of the pilot projects.*

**Subd. 2. [COUNTIES.]** *The five counties chosen by the commissioner of human services must include one county each from the northeast, northwest, southeast, and southwest sections of the state and one county from the seven-county metropolitan area.*

**Subd. 3. [EVALUATION CASELOAD PROFILE REPORT.]** *Each county participating in a pilot project shall report to the commissioner of human services on hunger and malnutrition annually with an evaluation of the project to facilitate the identification of all factors affecting participation.*

**Subd. 4. [DESIGNATED FOOD PROGRAM DELIVERER.]** *The state agencies that administer the following programs shall allocate all available federal, state, and county food program money for the food stamps, the special supplemental food program for women, infants, and children (W.I.C.), and surplus commodity programs to a single designated food program deliverer for services to eligible low-income persons residing within each of the five pilot project counties. The designated food program deliverer must be the local community action agency, the county government, or an experienced private nonprofit provider of food programs for low-income persons.*

**Sec. 7. [245.772] [SUPERVISION OF FOOD STAMP PROGRAM.]**

**Subdivision 1. [SUPERVISION OF THE PROGRAM.]** *The commissioner of human services shall supervise the food stamp program to aid administration of the food stamp program by county welfare boards pursuant to section 393.07, subdivision 10, to promote excellence of administration and program operation, and to ensure compliance with all federal laws and regulations so that all eligible persons are able to participate.*

**Subd. 2. [WAIVERS.]** *The commissioner of human services shall apply to the United States Department of Agriculture for waivers of monthly reporting and retrospective budgeting requirements and other waivers.*

**Sec. 8.** *Minnesota Statutes 1984, section 256.975, is amended by adding a subdivision to read:*

**Subd. 4. [HOME DELIVERED MEALS.]** *The board on aging shall take appropriate action to secure reimbursement from public and private medical care programs, health plans, and health insurers for home-delivered meals that are a necessary part of medical treatment for the elderly.*

Sec. 9. Minnesota Statutes 1984, section 393.07, subdivision 10, is amended to read:

Subd. 10. [FEDERAL FOOD STAMP PROGRAM.] (a) The county welfare board shall establish and administer the food stamp program pursuant to rules of the commissioner of human services and all federal laws and regulations. *The commissioner of human services shall monitor food stamp program delivery on an ongoing basis to ensure that each county complies with federal laws and regulations. Program requirements to be monitored include, but are not limited to, number of applications, number of approvals, number of cases pending, length of time required to process each application and deliver benefits, number of applicants eligible for expedited issuance, length of time required to process and deliver expedited issuance, number of terminations and reasons for terminations, client profiles by age, household composition and income level and sources, and the use of phone certification and home visits. The commissioner shall determine the county-by-county and statewide participation rate. The commissioner shall report on the monitoring activities on a county-by-county basis in a report presented to the legislature by July 1 each year. This monitoring activity shall be separate from the management evaluation survey sample required under federal regulations.*

(b) *On July 1 of each year, the commissioner of human services shall determine a statewide and county-by-county food stamp program participation rate. The commissioner may designate a different agency to administer the food stamp program in a county if the agency administering the program fails to increase the food stamp program participation rate among families or eligible individuals, or comply with all federal laws and regulations governing the food stamp program. The commissioner shall review agency performance annually to determine compliance with this paragraph.*

(c) The county welfare board shall participate in a food stamp quality control system subject to the supervision of the commissioner of human services and pursuant to federal regulations.

Any person who commits any of the following acts is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses (1), (2), and (5):

((A)) (1) Obtains or attempts to obtain, or aids or abets any person to obtain by means of a wilfully false statement or representation, or intentional concealment of a material fact, food stamps to which he is not entitled or in an amount greater than that to which he is entitled; or

((B)) (2) Presents or causes to be presented, coupons for payment or redemption knowing them to have been received,

transferred or used in a manner contrary to existing state or federal law; or

((C)) (3) Willfully uses or transfers food stamp coupons or authorization to purchase cards in any manner contrary to existing state or federal law.

The amount of food stamps incorrectly issued shall be the difference between the amount of food stamps actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts. The amount of any food stamps determined to have been incorrectly issued, used, transferred or presented shall, unless otherwise determined by the county welfare board in order to prevent undue hardship, be recoverable from the recipient, or user, or his estate by the county as a debt due the county.

Sec. 10. Minnesota Statutes 1984, section 393.07, is amended by adding a subdivision to read:

*Subd. 10a. [EXPEDITED ISSUANCE OF FOOD STAMPS.] The commissioner of human services shall continually monitor the expedited issuance of food stamp benefits to ensure that each county complies with federal regulations and that households eligible for expedited issuance of food stamps are identified, processed, and certified within the time frames prescribed in federal regulations. By July 1 each year the commissioner of human services shall present a report to the governor and the legislature regarding its monitoring of expedited issuance and the degree of compliance with federal regulations on a county-by-county basis.*

*County food stamp offices shall screen and issue food stamps to applicants on the day of application. Applicants who meet the federal criteria for expedited issuance and have an immediate need for food assistance shall receive either:*

- (1) a manual Authorization to Participate (ATP) card; or*
- (2) the immediate issuance of food stamp coupons.*

*The local food stamp agency shall conspicuously post in each food stamp office a notice of the availability of and the procedure for applying for expedited issuance and verbally advise each applicant of the availability of the expedited process.*

Sec. 11. [APPROPRIATIONS.]

*\$1 for \$1 matching funds to a maximum of \$ . . . . . is appropriated from the general fund to the commissioner of human services for:*



- (1) the continued distribution of federal surplus commodities to needy residents;*
- (2) contracting with sheltered workshops to package donated bulk foodstuffs for distribution by local food program operators;*
- (3) implementing a pilot food stamp outreach program and a single central access point for food assistance applications pursuant to section 10;*
- (4) the purpose of the school breakfast incentives under section 3."*

Delete the title and insert:

"A bill for an act relating to human services; streamlining food and nutrition programs in the state; establishing demonstration projects for one-stop food and commodities and to promote full participation in food assistance programs; establishing a food and undernourishment council; establishing a coordinated nutrition data system; requiring the full expenditure of federal funds by agencies administering the special supplemental food program for women, infants, and children; establishing a unit to supervise the food stamp program; requiring food stamps to be provided within 24 hours to persons eligible for expedited issuance; requiring the board on aging to pursue reimbursement of costs of home-delivered meals for the elderly; establishing a pilot school breakfast program; appropriating money; amending Minnesota Statutes 1984, sections 145.892, subdivision 2; 145.894; 256.975, by adding a subdivision; and 393.07, subdivision 10, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 124 and 245."

With the recommendation that when so amended the bill pass.

The report was adopted.

Schreiber from the Committee on Taxes to which was referred:

H. F. No. 2123, A bill for an act relating to the city of Bloomington; authorizing the city to impose certain taxes; exempting certain assessed valuation within the city from metropolitan revenue distribution; permitting the city to establish a special taxing district; authorizing the port authority of the city to pledge certain tax revenues to pay certain bonds and permitting it to develop leased land; authorizing development in accordance with the Generic EIS and Generic Indirect Source Permit.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [LEGISLATIVE FINDING.]**

*The legislature finds that the development of the former metropolitan stadium site with the construction of a project comprising hotels, commercial, office, and residential structures and educational, cultural, and entertainment facilities is an economic development which will benefit the city, seven county metropolitan area, and the state as a whole, by creating employment, promoting tourism to the state of Minnesota, increasing public revenues, and encouraging the location and expansion of other businesses in the state.*

*The legislature finds that a portion of the funds from the metropolitan area tax base sharing program under Minnesota Statutes, chapter 473F should be distributed to the city of Bloomington for the following reasons: (i) the proceeds distributed from the fiscal disparities pool will be dedicated to debt service on bonds issued for construction of major public improvements within the project area, including improvements to state and regional roadways, that are above and beyond the transportation requirements generated by the subject site; (ii) allocation of fiscal disparity proceeds for construction of such public improvements will result in the release of state highway funds to be utilized for improvements to other state and regional highways within the state; (iii) the funding sources authorized in this act are necessary to ensure that state and regional priorities are maintained for other elements of the regional transportation system; (iv) the use of such funds to construct major public improvements within the project area will promote removal of blight and facilitate redevelopment of the subject property; (v) the project is within a redevelopment district and the legislature has exempted other redevelopment districts from the metropolitan revenue distribution program, but in lieu of an exemption from that program, the legislature is providing these funds as an alternative method of assistance in the related improvements; (vi) due to the significant loss of federal funds experienced by state and local governments, the legislature recognizes that joint public-private participation is necessary to improve the state economy and that the development of the subject site will create employment, increase public revenues, promote tourism, and attract new business to the state. Therefore, the legislature finds that providing areawide and local financial assistance, including the provision of security for debt financing, but not including direct subsidies to private interests, in the development of the former metropolitan stadium site, is a public purpose of state, metropolitan, and local government in Minnesota and that it is a benefit to the metropolitan area within the purpose of the metropolitan revenue distribution program pursuant to chapter 473F.*

**Sec. 2. [DEFINITIONS.]**

*For the purposes of sections 2 to 11, the following terms have the meanings given them in this section.*

(a) "City" means the city of Bloomington, its city council, and any other board, authority, commission, or officer authorized by law, charter, or ordinance to exercise city powers of a nature referred to in this act.

(b) "Generic EIS" means the airport south environmental impact statement approved by the Minnesota environmental quality board on November 20, 1984.

(c) "Generic ISP" means the airport south indirect source permit approved by the Minnesota pollution control agency on January 25, 1985.

(d) "Airport south industrial development district" means an area encompassing approximately 2,365 acres bounded on the north by Interstate 494, on the east and south by the Minnesota river, and on the west by trunk highway 77.

(e) "Port authority" means the port authority of the city of Bloomington.

(f) "Project" means the redevelopment of the blighted former metropolitan stadium site containing a complex of hotels, commercial, office, and residential structures, and educational, cultural, and entertainment facilities which is located within the city of Bloomington, Hennepin county, and containing approximately 85 acres east of Trunk Highway 77, west of 24th Avenue, south of the metropolitan sports center, and north of Killebrew Drive.

(g) "Related improvements" means highway improvements to Trunk Highway 77 from 86th Street to Interstate 494, including ramp and interchange improvements in connection therewith and construction of the 24th Avenue Interstate 494 interchange.

### Sec. 3. [SALES TAX.]

Subdivision 1. [LEGISLATIVE FINDINGS.] The legislature finds that in the construction of the project pursuant to section 1, the city and the state may construct major regional and statewide public improvements and the city will provide special services. Improvements and services, so long as they directly fulfill the requirements of a public purpose as declared in section 1, include, but are not limited to, the following:

(1) the repair, maintenance, operation, and construction of any improvements authorized by Minnesota Statutes, section 429.021, and assistance in the funding of the improvements;

(2) assistance in the funding, including lease payments, of parking services rendered or contracted for by the port authority;

(3) construction of related improvements; and

(4) any other service or public improvement provided by the city that is authorized by law or charter.

*Further, the legislature finds that the improvements and services provided, while benefiting the people of the state, the metropolitan area, and the city as a whole, will also specially benefit persons who choose to patronize the project and the retailers who choose to locate businesses within the project. Because of the extraordinary nature of the improvements and services to be rendered by the city, and because a particular class of persons choosing to locate businesses within or patronize the project will receive greater benefit from the improvements and services than other classes of taxpayers, the legislature finds that the designation of the project as a special sales tax district and the imposition of a special sales tax within the project under subdivision 2 will more equitably apportion the burden of funding the improvements and services among the various classes of taxpayers benefited within the district.*

*Subd. 2. [TAX.] The city may by ordinance designate the project as a special sales tax district and may impose a sales tax on the gross receipts from sales at retail made by any person in the area included in the project. The tax must be imposed at a rate determined by the city but may not exceed one percent. The tax must be imposed upon sales transactions taxable pursuant to Minnesota Statutes, chapter 297A except that the city may exempt from the tax imposed under this section any transaction for which a tax is imposed under section 4 or 5.*

#### Sec. 4. [LODGING TAXES.]

*Notwithstanding Minnesota Statutes, section 477A.018 or any law, ordinance, or charter to the contrary, the city may impose a sales tax at a rate determined by the city but not greater than five percent on the gross receipts from the furnishing for consideration of lodging for a period of less than 30 days at a hotel, motel, rooming house, tourist court, or resort located within the city. The authority to impose this sales tax shall not be construed as authority which is additional to that provided in section 477A.018, subdivision 2.*

#### Sec. 5. [LIQUOR TAXES.]

*Notwithstanding Minnesota Statutes, section 477A.016 or any law, ordinance, or charter to the contrary, the city may impose a sales tax at a rate determined by the city but not greater than five percent on the gross receipts from retail on-sales of intoxicating liquor and fermented malt beverages when sold at licensed on-sale liquor establishments located within the city.*

**Sec. 6. [COLLECTION OF TAXES.]**

*The city may provide for the reporting and payment of a tax imposed under section 3, 4, or 5 to the commissioner of revenue together with the tax imposed by Minnesota Statutes, chapter 297A and may impose the interest and penalty provisions contained in that chapter. If so provided, the reporting and payment provisions for the sales and use tax contained in Minnesota Statutes, chapter 297A shall apply to a tax imposed by the city under this section, and the commissioner shall administer and enforce the assessment and collection of the tax. The commissioner shall have all the powers provided in Minnesota Statutes to administer and enforce the assessment and collection of the tax. The proceeds of the tax, less refunds and costs of collection, must be remitted to the city at least quarterly. The amount deducted by the commissioner shall be deposited in the general fund.*

**Sec. 7. [USE OF PROCEEDS; POWERS.]**

*The proceeds of the taxes imposed under section 3, 4, or 5 and the proceeds of the distribution under section 12 may only be expended by the city for the public purpose stated in section 1, as follows: (i) the distribution under section 12 shall be expended for the total cost of financing and debt service payments for related improvements, including interest on bonds issued pursuant to Laws 1985, chapter 295; (ii) the proceeds from taxes imposed under section 3 may be expended for the total cost of financing and debt service payments for related improvements or other public improvements within the project area; (iii) the proceeds from the taxes imposed under sections 4 and 5 may be expended for debt service on bonds issued for related improvements or citywide improvements and public services as authorized by law and charter. The city may transfer funds to the port authority to accomplish the public purpose of section 1 only as authorized by this section or to provide for the development of improvements within the airport south industrial development district.*

*The city of Bloomington shall pay, from funding sources enumerated above, all costs of the related improvements, including trunk highways, within the project area. To provide for this funding of trunk highways, the city and the commissioner of transportation may enter into an agreement under which the city agrees to loan, without interest, and to advance money to the commissioner for deposit in the state treasury to the credit of the trunk highway fund an amount sufficient for the design services, the construction and the construction engineering of those trunk highway facilities that the commissioner determines necessary to build as part of the related improvements. The commissioner must repay those loan funds to the city from the trunk highway fund in ten equal annual installments commencing after completion of the trunk highway facilities within the related improvements or 1990, whichever occurs later in time.*

*No interest or inflation index money will be paid to the city for the use of this loan money by the commissioner from the trunk highway fund.*

*In order to expedite the project and to minimize disruption to the statewide highway program, the city shall be the lead agency responsible for all design, contract letting, award, and administration of related improvements in the project area. The city shall acquire and convey to the state, without costs to the state, all rights-of-way needed for trunk highway improvements in the project area.*

#### Sec. 8. [DEBT SECURITY.]

*The proceeds of the taxes permitted by sections 3, 4, and 5 may be pledged by the city or port authority for the payment of tax increment revenue bonds issued pursuant to Minnesota Statutes, chapter 273.*

#### Sec. 9. [BONDS; REVENUE SOURCES.]

*Notwithstanding Minnesota Statutes, section 273.77, paragraph (c), to directly carry out only the public purpose as declared in section 1, the port authority of the city of Bloomington may, by resolution, authorize the issuance and sale of revenue bonds payable in whole or in part from all or part of the revenues derived from:*

*(i) the sales taxes permitted by sections 3, 4, and 5 if they are pledged or imposed in whole or part to pay the principal, premium, if any, and interest on the bonds, and*

*(ii) tax increment revenues and assessments derived from a tax increment financing district located wholly or partially within the municipality to finance any expenditure which the port authority is authorized to make by Minnesota Statutes, section 273.75, subdivision 4.*

#### Sec. 10. [PORT AUTHORITY; DEVELOPMENT POWERS.]

*In addition to the authority provided by Minnesota Statutes, section 458.192, subdivision 10, the port authority may, if proper in the public interest under section 1, build suitable buildings or structures on land leased by it.*

#### Sec. 11. [DEVELOPMENT AUTHORITY PURSUANT TO GENERIC EIS AND GENERIC ISP.]

*Subject to other reviews and permits required by law, the project is authorized to proceed with a level of development as identified in the draft and final generic EIS and generic ISP.*

*The authority to proceed with this level of development is conditioned on the construction of highway improvements with a capacity equal to or greater than those specified in the draft and final generic EIS and generic ISP and in accordance with the specific and general conditions specified therein.*

Sec. 12. Minnesota Statutes 1984, section 473F.08, is amended by adding a subdivision to read:

*Subd. 3a. Beginning in 1987 and each subsequent year through 1998, the city of Bloomington shall determine the interest payments for that year for the bonds which have been sold for the related improvements pursuant to section 2, paragraph (g). Effective for property taxes payable in 1988 through property taxes payable in 1999, after the Hennepin county auditor has computed the areawide portion of the levy for the city of Bloomington pursuant to section 473F.08, subdivision 3, clause (a), the auditor shall annually add a dollar amount to the city of Bloomington's areawide portion of the levy equal to the amount which has been certified to the auditor by the city of Bloomington for the interest payments for that year for the bonds which were sold for the related improvements as defined in section 2, paragraph (g). The total areawide portion of the levy for the city of Bloomington including the additional amount for interest repayment certified pursuant to this subdivision shall be certified by the Hennepin county auditor to the administrative auditor pursuant to section 473F.08, subdivision 5. The Hennepin county auditor shall distribute to the city of Bloomington the additional areawide portion of the levy computed pursuant to this subdivision at the same time that payments are made to the other counties pursuant to section 473F.08, subdivision 7a. This additional areawide portion of the levy which is distributed to the city of Bloomington shall be exempt from the city's levy limit provisions contained in sections 275.50 to 275.56.*

Sec. 13. [APPLICABILITY; EFFECTIVE DATE.]

*Section 12 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington and pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (c), is effective without local approval the day after final enactment. Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), sections 1 to 11 are effective without local approval the day after final enactment."*

Delete the title and insert:

*"A bill for an act relating to the city of Bloomington; authorizing the city to impose certain taxes; increasing the distribution levy from the metropolitan revenue distribution for the city for a specific time period; permitting the city to establish a special taxing district; authorizing the port authority of the city to pledge certain tax revenues to pay certain bonds and permitting*

it to develop leased land; authorizing development in accordance with the Generic EIS and Generic Indirect Source Permit; amending Minnesota Statutes 1984, section 473F.08, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Schreiber from the Committee on Taxes to which was referred:

H. F. No. 2126, A bill for an act relating to the city of St. Cloud; authorizing the city to impose certain taxes to construct, operate, and promote a convention center facility.

Reported the same back with the following amendments:

Page 2, line 23, delete everything after "*Notwithstanding*"

Page 2, line 24, delete "*imposed under*"

Page 2, line 24, delete "*477A.018*" and insert "*477A.016 or any other statute or ordinance*"

Page 2, line 25, delete everything after "*impose*"

Page 2, delete line 26 and insert "*a two percent tax, in addition to that authorized by Laws 1979, chapter 197, on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court, or resort other than the renting or leasing of it for a continuous period of 30 days or more.*"

Page 2, line 29, delete "*477.018, subdivision 3*" and insert "*477A.016*"

Page 2, line 31, delete everything after "*1*"

Page 2, line 32, delete "*subdivision 1,*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2487, A bill for an act relating to human services; regulating work activities of handicapped persons in state facil-



ities; amending Minnesota Statutes 1985 Supplement, section 246.56, subdivision 2.

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

The report was adopted.

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

H. F. No. 2489, A bill for an act relating to human services; providing for conditions requiring monthly reporting by recipients of aid to families with dependent children; amending Minnesota Statutes 1985 Supplement, section 256.73, subdivision 6.

Reported the same back with the following amendments:

Page 1, line 26, after the period insert "*If assistance payments are terminated because an assistance unit failed to report on income and other circumstances affecting eligibility and assistance amounts in the time specified by the state agency, but does report on or before the last day of the month following the month the report was due, the receipt of the report shall be treated as the filing of a new application, as an assignment under section 256.74, subdivision 5, of all rights to child support and maintenance payments, and as assignment of any rights accruing under private health care coverage. Processing of the new application shall be expedited.*"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2508, A bill for an act relating to human services; affecting eligibility for medical assistance and general medical assistance care; augmenting the state's power to recover payments from third parties; abolishing the requirement of a separate application for general assistance medical care; amending Minnesota Statutes 1984, sections 256B.042, subdivision 2; 256B.15; 256B.37; and 256D.03, subdivision 3; and Minnesota Statutes 1985 Supplement, section 256B.06, subdivision 1; repealing Minnesota Statutes 1985 Supplement, section 256D.051, subdivision 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1985 Supplement, section 256B.06, subdivision 1, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) who is a child eligible for or receiving adoption assistance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676 under Minnesota Statutes, section 259.40 or 259.431; or

(2) who is a child eligible for or receiving foster care maintenance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676; or

(3) who is eligible for or receiving public assistance under the aid to families with dependent children program, the Minnesota supplemental aid program; or

(4) who is a pregnant woman, as certified in writing by a physician or nurse midwife, and who (a) meets the other eligibility criteria of this section, and (b) would be categorically eligible for assistance under the aid to families with dependent children program if the child had been born and was living with the woman; or

(5) who is a pregnant woman, as certified in writing by a physician or nurse midwife, who meets the other eligibility criteria of this section and whose unborn child would be eligible as a needy child under clause (9) if born and living with the woman; or

(6) who meets the categorical eligibility requirements of the supplemental security income program and the other eligibility requirements of this section; or

(7) who, except for the amount of income or resources, would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children, and who meets the other eligibility requirements of this section; or

(8) who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.-01 to 256B.26 are financially able to provide; or

(9) who is an infant less than one year of age born on or after October 1, 1984, whose mother was eligible at the time of birth and who remains in the mother's household. Eligibility under this clause is concurrent with the mother's and does not depend on the father's income except as the income affects the mother's eligibility; or

(10) who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(11) who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

(12) who alone, or together with his spouse, does not own real property other than the homestead. For the purposes of this section, "homestead" means the house owned and occupied by the applicant or recipient as his primary place of residence, together with the contiguous land upon which it is situated. The homestead shall continue to be excluded for persons residing in a long-term care facility if it is used as a primary residence by the spouse, minor child, or disabled child of any age; or the applicant/recipient is expected to return to the home as a principal residence within six calendar months of entry to the long-term care facility. Certification of expected return to the homestead shall be documented in writing by the attending physician. Real estate not used as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price or unless the commissioner determines that sale of the real estate would cause undue hardship or unless the equity in the real estate when combined with the equity in the homestead totals \$15,000 or less; and

(13) who individually does not own more than \$3,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$6,000 in cash or liquid assets, plus \$200 for each additional legal dependent. *In addition to these maximum amounts, an eligible individual or family may accrue interest on these amounts, but they must be reduced to the maximum at the time of an eligibility redetermination. For residents of long-term care facilities, the accumulation of the clothing and personal needs allowance pursuant to 256B.35 must also be reduced to the maximum at the time of the eligibility redetermination.* Cash and liquid assets may include a prepaid funeral contract and insurance policies with cash surrender value. The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and

(14) who has or anticipates receiving an annual income not in excess of the income standards by family size used in the aid to families with dependent children program, or who has income in excess of these maxima and in the month of application, or

during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In computing income to determine eligibility of persons who are not residents of long-term care facilities, the commissioner shall disregard increases in income (DUE SOLELY TO INCREASES IN FEDERAL RETIREE, SURVIVOR'S, AND DISABILITY INSURANCE BENEFITS, VETERANS ADMINISTRATION BENEFITS, AND RAILROAD RETIREMENT BENEFITS IN THE PERCENTAGE AMOUNT ESTABLISHED IN THE BIENNIAL APPROPRIATIONS LAW UNLESS PROHIBITED BY FEDERAL LAW OR REGULATION. IF PROHIBITED, THE COMMISSIONER SHALL FIRST SEEK A WAIVER) *as required by Public Law Number 94-566, section 503.* In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred; and

(15) who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of human services, is to be applied to the cost of institutional care. The commissioner of human services may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care; and

(16) who has applied or agrees to apply all proceeds received or receivable by him or his spouse from automobile accident coverage and private health care coverage to the costs of medical care for himself, his spouse, and children. The state agency (MAY) *shall* require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage *to a provider or agency seeking reimbursement under that coverage.* Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Sec. 2. Minnesota Statutes 1984, section 256B.15, is amended to read:

#### 256B.15 [CLAIMS AGAINST ESTATES.]

If a person receives any medical assistance hereunder, on his death, if (HE IS) single, or on the death of the (PERSON AND

HIS SURVIVING SPOUSE, IF HE IS MARRIED) *survivor of a married couple, either or both of whom received medical assistance, and only at a time when he has no surviving child who is under 21 or is blind or totally disabled, the total amount paid for medical assistance rendered for the person and spouse, after age 65, without interest, shall be filed as a claim against the estate of the person or the estate of the surviving spouse in the court having jurisdiction to probate the estate. The claim shall be considered an expense of the last illness of the decedent for the purpose of section 524.3-805. Any statute of limitations that purports to limit any county agency or the state agency, or both, to recover for medical assistance granted hereunder shall not apply to any claim made hereunder for reimbursement for any medical assistance granted hereunder. Any statute which purports to limit any county or state agency from filing an affidavit of successorship shall not apply to any claim made hereunder.* Counties may retain one-half of the nonfederal share of medical assistance collections from estates that are directly attributable to county effort.

Sec. 3. Minnesota Statutes 1984, section 256B.17, subdivision 4, is amended to read:

Subd. 4. [PERIOD OF INELIGIBILITY.] For any uncompensated transfer, the (PERIOD) *number of months of* ineligibility shall be calculated by dividing the uncompensated transferred amount by the (STATEWIDE) average monthly (SKILLED NURSING FACILITY PER DIEM) *per person payment made by the medical assistance program to skilled nursing facilities for the previous calendar year (TO DETERMINE THE* NUMBER OF MONTHS OF INELIGIBILITY). The individual shall remain ineligible until this fixed ineligibility period has expired. The period of ineligibility may exceed 24 months, and a reapplication for benefits after 24 months from the date of the transfer shall not result in eligibility unless and until the period of ineligibility has expired.

Sec. 4. Minnesota Statutes 1984, section 256D.03, subdivision 3, is amended to read:

Subd. 3. [GENERAL ASSISTANCE MEDICAL CARE; ELIGIBILITY.] (PERSONS ELIGIBLE FOR BENEFITS UNDER SECTIONS 256D.01 TO 256D.21 AND PERSONS NOT ELIGIBLE FOR FEDERAL HEALTH CARE BENEFITS WHOSE NONEXEMPT PROPERTY, AS DETERMINED ACCORDING TO MEDICAL ASSISTANCE STANDARDS, HAS AN EQUITY VALUE NO GREATER THAN \$1,000 AND WHOSE INCOME IS NOT IN EXCESS OF THE MEDICAL ASSISTANCE STANDARDS SHALL BE ELIGIBLE FOR GENERAL ASSISTANCE MEDICAL CARE. PERSONS WITH EXCESS INCOME AND RESOURCES MAY QUALIFY FOR BENEFITS UNDER THIS SUBDIVISION BY SPENDING DOWN. TREATMENT OF INCOME AND RESOURCES IN

CALCULATION OF THE SPENDDOWN SHALL BE THE SAME AS IN THE MEDICAL ASSISTANCE PROGRAM PURSUANT TO CHAPTER 256B.) (a) *General assistance medical care shall be paid for any person:*

(1) *who is eligible for assistance under section 256D.05, subdivision 1, clause (a) (1), (2), (3), (7), or (8), and clauses (b) (1) and (2) because of health or mental health reasons, and is not eligible for medical assistance under chapter 256B;*

(2) *who is eligible for assistance under other portions of chapter 256D, requests assistance with medical care and is not eligible for medical assistance under chapter 256B. Local agencies must obtain a general assistance medical care application and may conduct concurrent intake interviews;*

(3) *who is not eligible for medical assistance under chapter 256B and requests assistance with medical care;*

(4) *who is a resident of Minnesota;*

(5) *whose income as calculated under chapter 256B is not in excess of the medical assistance standards or whose excess income is spent down pursuant to chapter 256B; and*

(6) *whose equity in resources is not in excess of \$1,000 per assistance unit. Exempt real and liquid assets, the reduction of excess assets, and the waiver of excess assets shall conform to the medical assistance program in chapter 256B.*

(b) *Claims shall be filed pursuant to section 256D.16. All general assistance medical care applicants and recipients shall apply or agree to apply all third-party health and accident proceeds or coverage to the costs of medical care pursuant to chapter 256B.*

#### Sec. 5. [REPEALER.]

*Minnesota Statutes 1985 Supplement, section 256D.051, subdivision 12, is repealed."*

Delete the title and insert:

"A bill for an act relating to human services; affecting eligibility for medical assistance and general medical assistance care; abolishing the requirement of a separate application for general assistance medical care; amending Minnesota Statutes 1984, sections 256B.15; 256B.17, subdivision 4; and 256D.03, subdivision 3; Minnesota Statutes 1985 Supplement, section 256B.06, subdivision 1; repealing Minnesota Statutes 1985 Supplement, section 256D.051, subdivision 12."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 1790, A bill for an act relating to economic development; rural development; providing for time of lease payments for lease of department of natural resources lands; establishing a mineral resources program; establishing a community development division in the department of energy and economic development; establishing the greater Minnesota corporation; establishing the rural development revolving fund program; establishing the state supplemental education grant program; adding criteria for allocation of private activity bonds and available issuance authority; appropriating money; amending Minnesota Statutes 1984, sections 89.17; 116J.61; 116J.873, subdivision 1; 462.384, subdivision 7; and 474.19, subdivision 4; Minnesota Statutes 1985 Supplement, sections 92.50; 116M.06, subdivision 3; and 474.19, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 84, 116J, 116L, and 136A; proposing coding for new law as Minnesota Statutes, chapter 116N; repealing Minnesota Statutes 1985 Supplement, sections 116.18, subdivision 3a; 116J.951; 116J.955; and 116J.961, subdivisions 7, 8, 9, and 10.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [84.95] [MINERAL RESOURCES PROGRAM.]

*Subdivision 1. [FINDINGS.] The legislature finds that there has been a disinvestment in mineral and timber resources of the state. To provide a diversified economic base in the state, it is necessary to stimulate investment in the state's natural resources. Mineral exploration by the private sector must be encouraged and assisted. The long-term health of the state will be aided by a diverse state economy that includes productive natural resource industries. A forestry management plan is already mandated. The great benefits from the state's mineral resources will not be realized without state stimulation of investment, which can be achieved through a program coordinated by the department of natural resources to accelerate geologic mapping and mineral deposit evaluation and to provide analytical support to the mineral and timber industries. This participation by the state will lead to active participation by private industry in healthy Minnesota timber and mineral resources industries.*

*Subd. 2. [PROGRAM.] The commissioner of natural resources shall coordinate a program, in cooperation with the Minnesota geological survey, the Minnesota Resources Research Center, the Natural Resources Research Institute, and other available facilities, to:*

- (1) *accelerate geological mapping of the state;*

(2) *accelerate evaluation of the state's mineral potential and other natural resources; and*

(3) *provide analytical support for participants in the mineral industry.*

Sec. 2. Minnesota Statutes 1985 Supplement, section 116.16, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] In this section and sections 116.17 and 116.18:

(1) Agency means the Minnesota pollution control agency created by this chapter;

(2) Municipality means any county, city, and town, the metropolitan waste control commission established in chapter 473 and the metropolitan council when acting under the provisions of that chapter or an Indian tribe or an authorized Indian tribal organization, and any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state;

(3) Pollution control fund means the Minnesota state water pollution control fund created by subdivision 1;

(4) Bond account means the Minnesota state water pollution control bond account created in the state bond fund by section 116.17, subdivision 4;

(5) Terms defined in section 115.01 have the meanings therein given them;

(6) The eligible cost of any municipal project, except as otherwise provided in clauses (7) and (8), includes (a) preliminary planning to determine the economic, engineering, and environmental feasibility of the project; (b) engineering, architectural, legal, fiscal, economic, sociological, project administrative costs of the agency and the municipality, and other investigations and studies; (c) surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the planning, design, and construction of the project; (d) erection, building, acquisition, alteration, remodeling, improvement, and extension of disposal systems; (e) inspection and supervision of construction; and (f) all other expenses of the kinds enumerated in section 475.65.

(7) For state (INDEPENDENT GRANT AND) matching grant purposes hereunder, the eligible cost for grant applicants shall be the eligible cost as determined by the United States environmental protection agency under the Federal Water Pollution Control Act, as amended, United States Code, title 33, section 1314, et seq.



((8) NOTWITHSTANDING CLAUSE (7), FOR STATE GRANTS UNDER THE STATE INDEPENDENT GRANTS PROGRAM, THE ELIGIBLE COST INCLUDES THE ACQUISITION OF LAND FOR STABILIZATION PONDS, THE CONSTRUCTION OF COLLECTOR SEWERS FOR TOTALLY UNSEWERED STATUTORY AND HOME RULE CHARTER CITIES AND TOWNS DESCRIBED UNDER SECTION 368.01, SUBDIVISION 1 OR 1A, THAT ARE IN EXISTENCE ON JANUARY 1, 1985, AND THE PROVISION OF RESERVE CAPACITY SUFFICIENT TO SERVE THE REASONABLE NEEDS OF THE MUNICIPALITY FOR 20 YEARS IN THE CASE OF TREATMENT WORKS AND 40 YEARS IN THE CASE OF SEWER SYSTEMS. NOTWITHSTANDING CLAUSE (7), FOR STATE GRANTS UNDER THE STATE INDEPENDENT GRANTS PROGRAM, THE ELIGIBLE COST DOES NOT INCLUDE THE PROVISION OF SERVICE TO SEASONAL HOMES, OR COST INCREASES FROM CONTINGENCIES THAT EXCEED THREE PERCENT OF AS-BID COSTS OR COST INCREASES FROM UNANTICIPATED SITE CONDITIONS THAT EXCEED AN ADDITIONAL TWO PERCENT OF AS-BID COSTS.)

Sec. 3. Minnesota Statutes 1984, section 116.16, subdivision 5, is amended to read:

Subd. 5. [RULES.] ((A)) The agency shall promulgate permanent rules and may promulgate emergency rules for the administration of grants and loans authorized to be made from the fund or from federal funds under the Federal Water Pollution Control Act, as amended, which rules, however, shall not be applicable to the issuance of bonds by the commissioner of finance as provided in section 116.17. The rules shall contain as a minimum:

- (1) procedures for application by municipalities;
- (2) conditions for the administration of the grant or loan;
- (3) criteria for the ranking of projects in order of priority for grants or loans, based on factors including the extent and nature of pollution, technological feasibility, assurance of proper operation, maintenance and replacement, and participation in multi-municipal systems; and
- (4) such other matters as the agency and the director find necessary to the proper administration of the grant program.

((B) EXCEPT AS OTHERWISE PROVIDED IN SECTIONS 116.16 TO 116.18, THE RULES FOR THE ADMINISTRATION OF STATE INDEPENDENT GRANTS MUST COMPLY, TO THE EXTENT PRACTICABLE, WITH PROVISIONS RELATING DIRECTLY TO PROTECTION OF THE

ENVIRONMENT CONTAINED IN THE FEDERAL WATER POLLUTION CONTROL ACT, AS AMENDED, AND REGULATIONS AND GUIDELINES OF THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY PROMULGATED UNDER THE ACT, EXCEPT PROVISIONS REGARDING ALLOCATION CONTAINED IN SECTION 205 OF THE ACT AND REGULATIONS AND GUIDELINES PROMULGATED UNDER SECTION 205 OF THE ACT. THIS PROVISION DOES NOT REQUIRE APPROVAL FROM FEDERAL AGENCIES FOR THE ISSUANCE OF GRANTS OR FOR THE CONSTRUCTION OF PROJECTS UNDER THE STATE INDEPENDENT GRANTS PROGRAM.)

**Sec. 4. [116K.15] [INDEPENDENT WASTEWATER TREATMENT GRANTS.]**

*Subdivision 1. [AMOUNTS.] The state planning agency may award independent grants to municipalities for projects for 50 percent or, if the pollution control agency requires advanced treatment, 65 percent of the eligible cost of construction of wastewater treatment facilities. The agency may award independent grants for up to an additional 30 percent or, if the pollution control agency requires advanced treatment, up to an additional 25 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 must be based on per connection capital cost, median household income, and per capita adjusted assessed valuation. For grants made under this section, the eligible cost is as determined by the United States Environmental Protection Agency under the Federal Water Pollution Control Act, as amended, United States Code, title 33, section 1314, et seq., except that eligible cost also includes the acquisition of land for stabilization ponds and the provision of reserve capacity sufficient to serve the reasonable needs of the municipality for 20 years in the case of treatment works and 40 years in the case of sewer systems. The eligible cost does not include the provision of collector sewers as defined in pollution control agency rules, the provision of service to seasonal homes, or cost increases from contingencies that exceed three percent of as-bid costs or cost increases from unanticipated site conditions that exceed an additional two percent of as-bid costs. These grants may be awarded in separate steps for planning and design in addition to actual construction. 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.*

*Subd. 2. [RULES.] The agency shall make rules for the administration of grants under this section. The rules must contain:*

- (1) *procedures for application by municipalities;*

(2) *conditions for the administration of the grant; and*

(3) *criteria for the ranking of projects in order of priority for grants, based on factors including the impact on economic development, the extent and nature of pollution, technological feasibility, assurance of proper operation, maintenance and replacement, and participation in multi-municipal systems.*

*Except as otherwise provided, the rules for the administration of state independent grants must comply, to the extent practicable, with provisions relating directly to protection of the environment contained in the federal Water Pollution Control Act, as amended, and regulations and guidelines of the United States Environmental Protection Agency promulgated under the act, except provisions regarding allocation contained in section 205 of the act and regulations and guidelines promulgated under section 205 of the act. This provision does not require approval from federal agencies for the issuance of grants or for the construction of projects under the state independent grants program.*

**Subd. 3. [FURTHERANCE OF ECONOMIC DEVELOPMENT.]** *Up to ten percent of the money to be awarded as grants under this section in any single fiscal year must be set aside for municipalities having substantial economic development projects that cannot come to fruition without municipal wastewater treatment improvements.*

**Subd. 4. [REIMBURSEMENT GRANTS.]** *Grants may also be awarded under this subdivision to reimburse municipalities willing to proceed with projects and be reimbursed in 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 to the state grants programs for that year.*

**Sec. 5. [116N.01] [CITATION.]**

*Sections 6 to 16 may be cited as the "greater Minnesota corporation act."*

**Sec. 6. [116N.02] [LEGISLATIVE FINDINGS AND PURPOSE.]**

*The legislature finds that an economic crisis exists in portions of Minnesota that is threatening the economic health of the entire state. Unemployment caused by the decline of major industries is inflicting great hardship on individuals, destroying communities, and straining the financial resources of the entire state.*

*The legislature further finds that the most appropriate means to confront the economic crisis is to establish a public corporation*

*with a board of directors consisting of statewide leaders representing business, finance, government, education, and labor that has broad authority to promote economic recovery in distressed areas and to provide incentives for manufacturing and industrial enterprises to locate in these areas.*

*The legislature further finds that the establishment of a greater Minnesota fund for use by the corporation to accomplish its objectives is necessary to achieve economic recovery for all of Minnesota.*

**Sec. 7. [116N.03] [DEFINITIONS.]**

*Subdivision 1. [SCOPE.] The definitions in this section apply to chapter 116N.*

*Subd. 2. [BOARD.] "Board" means the board of directors of the greater Minnesota corporation.*

*Subd. 3. [CORPORATION.] "Corporation" means the greater Minnesota corporation established by section 8.*

*Subd. 4. [ECONOMIC ASSISTANCE AREA.] "Economic assistance area" means an area composed of each county or standard metropolitan statistical area which meets one of the following conditions:*

*(1) it has an average unemployment of 8.5 percent for the one-year period ending December 31, 1985, or ending on December 31 of the calendar year immediately preceding the year the designation is made; or*

*(2) 20 percent or more of its economy, as determined by the commissioner of agriculture, is dependent upon agriculture; or*

*(3) it contains an enterprise zone designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (3).*

*Subd. 5. [FUND.] "Fund" means the greater Minnesota fund established by section 13.*

*Subd. 6. [PROJECT.] "Project" means any undertaking involving real or personal property connected with or a part of an industrial, distribution, manufacturing, or research facility that is to be acquired, constructed, improved, or equipped with assistance furnished under the authority of sections 6 to 16, or any combination of them.*

**Sec. 8. [116N.04] [CORPORATION CREATED; BOARD OF DIRECTORS; PURPOSE AND DUTY.]**

*Subdivision 1. [CREATION; NAME.] The greater Minnesota corporation, a public corporation and political subdivision of the state of Minnesota, is created. The corporation is not a state agency under chapters 14, 15, or for any other purpose. All business of the corporation must be conducted under its name.*

*Subd. 2. [BOARD OF DIRECTORS.] The corporation is governed by a board of 15 directors who shall be appointed by the governor, with recommendations from the speaker of the house of representatives and the senate majority leader. Terms and removal of members of the board are as provided in section 15.059. One director must be appointed from each of the state's congressional districts. Directors shall serve without compensation but shall receive their necessary and actual expenses while engaged in the business of the corporation. Directors shall be considered public officials for the purposes of section 10A.07.*

*Subd. 3. [PURPOSE AND DUTIES.] It is the purpose and duty of the corporation to promote economic development in the economic assistance area to provide incentives for the expansion of existing and location of new manufacturing, research, distribution, and industrial facilities within the economic assistance area by the means provided under sections 6 to 16.*

*Subd. 4. [ARTICLES AND BYLAWS.] The board of directors shall adopt articles of incorporation and bylaws necessary for the conduct of the business of the corporation, consistent with the provisions of this chapter.*

*Subd. 5. [PLACES OF BUSINESS.] The board shall locate and maintain the corporation's places of business within the state.*

*Subd. 6. [MEETINGS AND ACTIONS OF THE BOARD.] The board shall meet at least twice a year and may hold additional meetings upon giving whatever notice the bylaws of the corporation might provide. Board meetings are subject to the provisions of section 471.705.*

*Subd. 7. [APPLICATION AND INVESTIGATIVE DATA.] The following data is classified as private data with regard to data on individuals under section 13.02, subdivision 12, or as non-public data with regard to data not on individuals under section 13.02, subdivision 9, whichever is applicable:*

*(1) financial data, statistics, and information furnished in connection with assistance or proposed assistance under sections 6 to 16, including credit reports, financial statements, statements of net worth, income tax returns, either personal or corporate, and any other business and personal financial records;*

*(2) correspondence between members of the board or employees of the corporation and applicants or other persons or entities regarding assistance or proposed assistance, and any investiga-*

*tive data obtained by the board or employees of the corporation in relation to the assistance under sections 6 to 16;*

*(3) security information, trade secret information, or labor relations information, as defined in section 13.37, subdivision 1 disclosed to members of the board or employees of the corporation pursuant to sections 6 to 16.*

#### Sec. 9. [116N.05] [CORPORATE PERSONNEL.]

*Subdivision 1. [GENERALLY.] The board shall appoint and set the compensation for a president and may appoint subordinate officers. The president's salary may not exceed 95 percent of the governor's salary. The board may designate the president as its general agent. Subject to the control of the board, the president shall employ employees and agents as the president deems necessary. The board shall define the duties and designate the titles of the employees and agents.*

*Subd. 2. [STATUS OF EMPLOYEES.] Employees, officers, and directors of the corporation are not state employees, but, at the option of the board, may participate in the state retirement plan for employees in the unclassified service.*

#### Sec. 10. [116N.06] [CORPORATE POWERS.]

*The corporation shall have all powers necessary to accomplish the purposes of sections 6 to 16 within the economic assistance area, including, but not limited to, the power:*

*(1) to incorporate as and exercise the powers of a nonprofit corporation pursuant to chapter 317 in a manner consistent with the provisions of sections 6 to 16;*

*(2) to make and alter bylaws for its organization and internal management and, subject to agreements with noteholders or bondholders, to make rules and regulations with respect to its projects, operations, properties, and facilities;*

*(3) to make and execute contracts with any private or public entity, including joint power agreements pursuant to section 471.59;*

*(4) to hire employees, prescribe their duties and qualifications, fix their compensation, and engage the services of legal, financial, technical, and other professionals;*

*(5) to acquire or contract to acquire from any person, firm, corporation, municipality, federal or state agency, by grant or purchase, leaseholds, or any interest in real, personal, or mixed property; to own, hold, clear, improve, and rehabilitate, and to*

*sell, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber the property;*

*(6) to acquire, construct, reconstruct, rehabilitate, improve, alter, repair, or provide for the construction, reconstruction, improvement, alteration, or repair of any project;*

*(7) to sell, lease, assign, transfer, convey, exchange, mortgage, or otherwise dispose of or encumber any project, and in the case of the sale of any project, to accept a purchase money mortgage in connection with it; and to lease, repurchase, or otherwise acquire and hold any project which the corporation has before sold, leased, or otherwise conveyed, transferred, or disposed of;*

*(8) to grant options to purchase any project or to renew any leases entered into by it in connection with any of its projects, on the terms and conditions it may deem advisable;*

*(9) to lend money, whether secured or unsecured, make grants, purchase, sell, or pledge shares, bonds, or other obligations, or securities, and provide and commit to provide mortgage insurance on terms and conditions the corporation may deem advisable;*

*(10) to make mortgage loans, including temporary loans or advances, and to undertake commitments for them. Such a commitment or mortgage, or bonds or notes secured by them may contain terms and conditions consistent with sections 6 to 16 as the corporation deems necessary or desirable to secure repayment of its loan, the interest, if any, on it and other charges in connection with it;*

*(11) subject to the provisions of any contract with note-holders or bondholders, to consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, or any other term of any mortgage, mortgage loan, mortgage loan commitment, contract, or agreement of any kind to which the corporation is a party;*

*(12) in connection with any property on which it has made a mortgage loan, to foreclose on the property or commence any action to protect or enforce any right conferred upon it by any law, mortgage, contract, or other agreement, and to bid for and purchase the property at any foreclosure or other sale, or acquire or take possession of the property; and then complete, administer, pay the principal of and interest on any obligations incurred in connection with the property, dispose of, and otherwise deal with the property, as desirable to protect the interests of the corporation in it;*

*(13) to borrow money, to issue its negotiable bonds and notes, and to provide for the rights of their holders pursuant to section 11;*

(14) *to contract for and to accept any gifts or grants or loans of funds or property or financial or other aid in any form from the federal government or any agency or instrumentality of it, or from the state or any agency or instrumentality of it, or from any other source, and to comply, subject to sections 6 to 16, with their terms and conditions;*

(15) *to provide advisory, consultative, training and educational services, technical assistance, and advice to any person, firm, partnership, or corporation, either public or private, in order to carry out the purposes of sections 6 to 16;*

(16) *to pay directly to any municipality or to any political subdivision of the state or to the state any taxes, fees, or other charges of any nature that are related to the project and payable by the owner or lessor of the project;*

(17) *to do any and all things necessary or convenient to carry out its purposes and exercise the powers given and granted in sections 6 to 16.*

**Sec. 11. [116N.07] [BONDS OR NOTES OF THE CORPORATION.]**

*In anticipation of the receipt by the corporation of payments, appropriations, rents and profits, and of income from any source and for the purpose of securing funds as needed by the corporation for purposes authorized by sections 6 to 16, the corporation may issue its bonds or notes or bonds or notes on behalf of the state. The bonds or notes shall be in the amount and form and bear interest at the rate the board of directors shall prescribe. They shall be sold by the corporation to the highest bidder after notice of the time and the place for the receiving of the bids has been published once at least two weeks prior to the date of receiving bids, or at private sale. The bonds shall have dates, denominations, maturities, places of payment, forms, and details as determined by the board of directors. Neither the full faith and credit nor taxing power of the state shall be pledged to any bonds or notes issued under sections 6 to 16.*

*As security for the payment of the principal of and interest on any bonds issued and any agreements made in connection with them, the corporation shall have the power to mortgage and pledge any or all of its projects, whether owned then or acquired thereafter, and to pledge the revenues and receipts from them or from any of them, and to assign or pledge the lease or leases on any portion or all of the projects and to assign or pledge the income received by virtue of the lease or leases.*

**Sec. 12. [116N.08] [INTEREST REDUCTION ASSISTANCE.]**



*To accomplish the purposes of sections 6 to 16, the corporation may:*

*(1) pay in periodic payments or in a lump sum payment any or all of the interest on loans made pursuant to section 10, clauses (9) and (10);*

*(2) pay any or all of the interest on bonds issued pursuant to sections 10, clause (13), and 11, or chapter 474; or*

*(3) pay in periodic payments or in a lump sum payment any or all of the interest on loans made by private lenders.*

**Sec. 13. [116N.09] [GREATER MINNESOTA FUND.]**

*Subdivision 1. [CREATION OF FUND.] The greater Minnesota fund is created and shall be administered by the corporation. All money in the fund is appropriated to the corporation to accomplish the corporation's purposes. The corporation may use amounts on deposit in the fund or in separate accounts created therein in furtherance of its purpose and duty and in exercise of the powers granted to it pursuant to sections 6 to 16. The corporation may use the powers granted in sections 6 to 16 and up to 25 percent of any funds deposited in the fund to provide economic assistance pursuant to sections 6 to 16 in any county adjacent to a county contained in the economic assistance area, excluding metropolitan counties as defined in section 473.121, subdivision 4. No portion of the fund may be used for any project the objective of which is to increase tourism or construct recreation facilities. A disbursement from the greater Minnesota fund for a project may be made if the corporation finds that:*

*(a) the project is economically sound and will increase opportunities for employment and strengthen the economy of the county in which the project is to be located;*

*(b) the project will not result in encouraging or subsidizing a business already located in Minnesota to move its operations from its current Minnesota location to an economic assistance area;*

*(c) the proposed borrower or grantee is not likely to undertake the proposed project within the economic assistance area without assistance from the corporation;*

*(d) the amount to be made available by the corporation will not exceed 50 percent of the total amount of capital investment in the project, which total capital investment shall not be less than \$500,000.*

*Fees, charges, rates of interest, times of payment of interest and principal, security, and other terms, conditions, and provisions of the loans made by the corporation shall be as the corporation determines appropriate and in furtherance of the purpose for which the loans are made. The funds used in making loans shall be disbursed upon order of the board of directors. Proceeds of the corporation's bonds, notes, and other obligations; amounts granted or appropriated to the corporation; income from investment; money in the greater Minnesota fund; and all revenues from loans, fees, and charges of the corporation including rentals, royalties, dividends, or other proceeds are annually appropriated to the corporation for the accomplishment of its corporate purposes and shall be expended, administered, and accounted for in accordance with the applicable provisions of all bond and note resolutions, indentures, and other instruments, contracts, and agreements of the corporation. Notwithstanding section 16A.28, these appropriations are available until expended.*

*Subd. 2. [REPEAL OF FUND.] The greater Minnesota fund shall remain in existence until June 1, 1990, at which time all unencumbered assets of the fund shall be deposited in the general fund of the state.*

#### Sec. 14. [116N.10] [ACTIVITIES.]

*Subdivision 1. [GRANTS.] Pursuant to the powers granted to the corporation under section 10, the corporation may make matching grants for applied research and development to any campus of the University of Minnesota, a state university, a community college, a Minnesota private college or university, or an area vocational technical institute.*

*Subd. 2. [LOANS.] Pursuant to the powers granted to the corporation under section 10, the corporation may make loans to corporations, partnerships, sole proprietorships, or other business entities for the purpose of promoting development in the state of new products, or processes with potential commercial value.*

#### Sec. 15. [116N.11] [AUDITS.]

*The board shall contract with a certified public accounting firm to audit the corporation and any subsidiary annually in accordance with generally accepted accounting standards.*

#### Sec. 16. [116N.12] [REPORTS.]

*The corporation shall report to the legislature and the governor on its activities by January 1 of each year. The report must include, at least, a description of projects supported by the fund, an account of all loans and grants made by the fund*

during the calendar year, the source and amount of all money collected and distributed by the fund, the fund's assets and liabilities, and an explanation of administrative expenses. Reports must be made to the legislature as required by section 3.195.

**Sec. 17. [136A.125] [SUPPLEMENTAL GRANTS TO DISPLACED RURAL WORKERS.]**

**Subdivision 1. [PROGRAM; ELIGIBILITY.]** *The higher education coordinating board with the assistance of the commissioner of jobs and training shall establish and administer the state supplemental education grant program to assist displaced workers in rural Minnesota areas in paying the costs of attending public post-secondary educational institutions. Only Minnesota residents who are enrolled in adult farm management programs or enrolled in a program designed to train people for employment are eligible to apply for grants under this section. Applicants shall demonstrate financial need in accordance with policies and procedures established by the board. In developing eligibility policies, the board shall consider criteria for participation in state and federal programs designed to serve economically dislocated workers. The board shall develop policies and procedures for the administration of grants, including the allocation of funds to eligible institutions in accordance with section 136A.101. The development of policies and procedures in accordance with this subdivision is not covered by chapter 14.*

**Subd. 2. [PART-TIME GRANTS.]** *Displaced workers in rural Minnesota areas are eligible to be considered for a part-time grant under section 136A.132. In awarding grants during the 1985-1987 biennium, participating post-secondary institutions shall consider the needs of displaced rural workers.*

**Subd. 3. [PUBLIC INFORMATION.]** *The board shall provide information to displaced workers in rural areas about post-secondary education opportunities and financial assistance to help them pay for their education, including existing state and federal programs and the state supplemental education grant program. The board shall develop and communicate the information in cooperation with the department of jobs and training, financial aid administrators, the agriculture extension service, and representatives of public and private post-secondary education institutions.*

**Sec. 18. Minnesota Statutes 1984, section 273.1314, subdivision 1, is amended to read:**

**Subdivision 1. [DEFINITIONS.]** For purposes of this section, the following terms have the meanings given.

(a) "City" means a statutory or home rule charter city.

(b) "Commissioner" means the commissioner of (ENERGY AND ECONOMIC DEVELOPMENT) *revenue*.

(c) "Legislative advisory commission" means the legislative advisory commission established under section 3.30.

(d) "Municipality" means a city or a county for an area located outside the boundaries of a city. If an area lies in two or more cities or in both incorporated and unincorporated areas, municipality shall include an entity formed pursuant to section 471.59 by the governing bodies of the cities with jurisdiction over the incorporated area and the counties with jurisdiction over the unincorporated area.

Sec. 19. Minnesota Statutes 1985 Supplement, section 273.-1314, subdivision 8, is amended to read:

Subd. 8. [FUNDING LIMITATIONS.] (a) *Except as provided in paragraph (b), the maximum amount of the tax reductions which may be authorized pursuant to designations of enterprise zones under section 273.1312 and this section is limited to \$36,400,000. The maximum amount of this total which may be authorized by the commissioner for tax reductions pursuant to subdivision 9 that will reduce tax revenues which otherwise would have been received during fiscal years 1984 and 1985 is limited to \$9,000,000. Of the total limitation and the 1984-1985 biennial limitation the commissioner shall allocate to enterprise zones designated under section 273.1312, subdivision 4, paragraph (c), clause (3), an amount equal to \$16,610,940 and \$5,000,000 respectively. These funds shall be allocated among such zones on a per capita basis except that the maximum allocation to any one city is \$6,610,940 and no city's allocation shall exceed \$210 on a per capita basis. An amount sufficient to fund the state funded property tax credits, the refundable income tax credits, and the sales tax exemption, as authorized pursuant to this section is appropriated to the commissioner of revenue. Upon designation of an enterprise zone the commissioner shall certify the total amount available for tax reductions in the zone for its duration. The amount certified shall reduce the amount available for tax reductions in other enterprise zones. If subsequent estimates indicate or actual experience shows that the approved tax reductions will result in amounts of tax reductions in excess of the amount certified for the zone, the commissioner shall implement a plan to reduce the available tax reductions in the zone to an amount within the sum certified for the zone. If subsequent estimates indicate or actual experience shows that the approved tax reductions will result in amounts of tax reductions below the amount certified, the difference shall be available for certification in other zones or used in connection with an amended plan of tax reductions for the zone as the commissioner determines appropriate. If the tax reductions authorized result in reduced revenues for a dedicated fund, the commissioner of finance shall transfer equivalent amounts to the dedicated fund from the general fund as*

necessary. Of the \$36,400,000 in tax reductions authorized under this subdivision, an additional \$800,000 in tax reductions may be authorized within an enterprise zone located within five municipalities which was designated by the commissioner in 1984.

(THIS SUBDIVISION, INCLUDING THE FUNDING LIMITATIONS, DOES NOT APPLY TO ENTERPRISE ZONES DESIGNATED PURSUANT TO SECTION 273.1312, SUBDIVISION 4, PARAGRAPH (C), CLAUSE (4).)

(b) *In addition to the amount authorized under paragraph (a), tax reductions not to exceed \$1,500,000 may be authorized by the commissioner. The tax reductions authorized under this paragraph shall be made available to projects that (1) have job creation as their principal objective and (2) are located in enterprise zones that have committed their initial allocation of tax credits under paragraph (a). The maximum amount that may be authorized under this paragraph for enterprise zones in any city is \$750,000. Except as otherwise provided in this paragraph, the allocation of tax credits provided in this paragraph shall be according to the provisions of paragraph (a). The amount of tax reductions authorized under this paragraph shall reduce the amount available for expenditure under section 116M.07, subdivision 11, paragraph (d).*

**Sec. 20. [SUPPLEMENTAL EDUCATIONAL GRANT PROGRAM FUNDING.]**

*Up to \$250,000 is available for the state supplemental education grant program established in section 17 from the appropriation in Laws 1985, First Special Session chapter 11, section 3, subdivision 3, for the fiscal year ending June 30, 1987.*

**Sec. 21. [MINNESOTA RESOURCES FUND APPROPRIATION.]**

*The legislative commission on Minnesota resources shall recommend \$\_\_\_\_\_ from the Minnesota resources fund for projects, not studies, in the categories of:*

- (1) land conservation and wildlife habitat improvement;*
- (2) fishing and water management related activities; and*
- (3) hunting and fishing development opportunities.*

*Priority shall be given to projects which incorporate nonstate spending shares.*

*The requirements of this section apply only to the recommendations submitted to the 1987 legislature.*

## Sec. 22. [APPROPRIATION.]

*Subdivision 1. [MINERAL RESOURCES PLAN.] \$ . . . . . is appropriated from the general fund to the commissioner of natural resources for implementation of section 1, to be available until June 30, 1987.*

*Subd. 2. [FORESTRY MANAGEMENT.] \$ . . . . . is appropriated from the general fund to the commissioner of natural resources for grant agreements with counties or groups of counties for county forestry assistance programs, to be available until June 30, 1987.*

## Sec. 23. [APPROPRIATION.]

*\$ . . . . . is appropriated from the annual investment income of the rural rehabilitation revolving fund to the higher education coordinating board for the state supplemental education grant program established in section 17, to be available until expended. None of the principal of the rural rehabilitation revolving fund may be used for this purpose.*

## Sec. 24. [APPROPRIATION.]

*\$ . . . . . is appropriated from the annual investment income of the rural rehabilitation revolving fund to the greater Minnesota corporation created under section 8. An amount not to exceed \$ . . . . . may be used in any fiscal year for operating and other expenses of the corporation that are not directly chargeable to any project. None of the principal of the rural rehabilitation revolving fund may be used for this purpose.*

## Sec. 25. [REPEALER.]

*Minnesota Statutes 1985 Supplement, section 116.18, subdivision 3a, is repealed.*

## Sec. 26. [EFFECTIVE DATE.]

*Sections 1 to 16 are effective the day after final enactment."*

Delete the title and insert:

*"A bill for an act relating to economic development; rural development; establishing a mineral resources program; creating a public corporation to promote economic development; providing bonding and other powers to the corporation; establishing the greater Minnesota fund program; establishing the state supplemental education grant program; transferring the independent wastewater treatment grants program to the state planning agency; transferring certain duties relating to enter-*

prise zones to commissioner of revenue; appropriating money; amending Minnesota Statutes 1984, sections 116.16, subdivision 5; and 273.1314, subdivision 1; Minnesota Statutes 1985 Supplement, sections 116.16, subdivision 2; and 273.1314, subdivision 8; proposing coding for new law in Minnesota Statutes chapters 84; 116K; and 136A; proposing coding for new law as Minnesota Statutes, chapter 116N; repealing Minnesota Statutes 1985 Supplement, section 116.18, subdivision 3a."

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1068, 1144, 2079, 2093, 2123, 2126, 2487, 2489 and 2508 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1886 and 2035 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Wynia, Vellenga, Jaros, Riveness and Cohen introduced:

H. F. No. 2537, A bill for an act relating to taxation; individual income; eliminating the age restrictions on the pension income exclusion; modifying the income offset; amending Minnesota Statutes 1985 Supplement, section 290.08, subdivision 26.

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

Nelson, K.; Vanasek; Riveness; Brown and Minne introduced:

H. F. No. 2538, A bill for an act relating to taxation; delaying the effective date of the repeal of the residential energy credit; amending Laws 1985, First Special Session chapter 14, article 1, section 61.

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

Kalis, Welle, Ogren, McEachern and Jennings, L., introduced:

H. F. No. 2539, A bill for an act relating to individual income taxation; providing a subtraction for interest on seller sponsored family farm security loans; amending Minnesota Statutes 1985 Supplement, section 290.01, subdivision 20b.

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

Voss, Kalis, Vanasek, Wenzel and Rest introduced:

H. F. No. 2540, A bill for an act relating to sales taxation; compensating retailers for the cost of collection; amending Minnesota Statutes 1984, section 297A.26, by adding a subdivision.

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

Scheid; Nelson, K.; Otis; McEachern and Knuth introduced:

H. F. No. 2541, A bill for an act relating to taxation; individual income; permitting certain unmarried individuals to file joint returns; amending Minnesota Statutes 1985 Supplement, section 290.06, subdivision 2c.

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

Kalis, McEachern, Scheid, Wenzel and Olson, E., introduced:

H. F. No. 2542, A bill for an act relating to taxation; property; providing a state paid small business property tax credit; amending Minnesota Statutes 1985 Supplement, sections 273.13, subdivision 15a; 273.1392; and 276.04; proposing coding for new law in Minnesota Statutes, chapter 273.

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



Scheid; O'Connor; Jaros; Nelson, K., and Jacobs introduced:

H. F. No. 2543, A bill for an act relating to taxation; property; providing a state paid small business property tax credit; amending Minnesota Statutes 1985 Supplement, sections 273.13, subdivision 15a; 273.1392; and 276.04; proposing coding for new law in Minnesota Statutes, chapter 273.

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

Skoglund introduced:

H. F. No. 2544, A bill for an act relating to utilities; prohibiting charges for certain telephone conversation services without prior authorization; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Quinn introduced:

H. F. No. 2545, A bill for an act relating to water; establishing a deadline for the formation of certain watershed management organizations; amending Minnesota Statutes 1984, section 473.878, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Quinn, Osthoff, Voss, Lieder and Welle introduced:

H. F. No. 2546, A bill for an act relating to insurance; establishing the insurance consumers board; giving the board authority to collect and disseminate information; establishing a surcharge on insurance contracts; appropriating money collected by the surcharge to the board; proposing coding for new law in Minnesota Statutes, chapter 60A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Dimler; Carlson, D., and Anderson, G., introduced:

H. F. No. 2547, A bill for an act relating to traffic regulations; requiring certain information on the uniform traffic ticket; providing that certain violations of maximum lawful speed not be kept on driving records; amending Minnesota Statutes 1984, sections 169.99, by adding a subdivision; and 171.12, by adding a subdivision.

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

Segal and Greenfield introduced:

H. F. No. 2548, A bill for an act relating to human services; establishing a task force to improve cooperative agreements between Anoka regional treatment center and the University of Minnesota, department of psychiatry.

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

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Frederick introduced:

H. A. No. 80, A proposal to study the feasibility of using ethanol or buthanol as gasoline octane boosters.

The advisory was referred to the Committee on Commerce and Economic Development.

Omann introduced:

H. A. No. 81, A proposal to study the feasibility of an inmate visitation program.

The advisory was referred to the Committee on Crime and Family Law.

McPherson, Heap, Tompkins, Staten and Bishop introduced:

H. A. No. 82, A proposal to study the Minnesota Department of Human Rights.

The advisory was referred to the Committee on Labor-Management Relations.

Backlund, Heap, Gruenes and Munger introduced:

H. A. No. 83, A proposal to study the need to regulate occupied railroad cabooses.

The advisory was referred to the Committee on Labor-Management Relations.

## 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:

H. F. No. 2317, A bill for an act relating to corporations; providing for the resignation of registered agents of foreign corporations; amending Minnesota Statutes 1984, section 303.10, by adding a subdivision.

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. 1807, A bill for an act relating to local government; providing for the coordination of various development authorities in the city of Moorhead and Clay county.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Carlson, J., moved that the House concur in the Senate amendments to H. F. No. 1807 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1807, A bill for an act relating to local government; providing for the coordination of various development authorities in the city of Moorhead and Clay county; providing an exception from the Moorhead police civil service system for the chief and deputy chief of police.

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 103 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Fjoslien	Levi	Onnen	Skoglund
Backlund	Forsythe	Lieder	Osthoff	Solberg
Battaglia	Frederick	Long	Otis	Sparby
Beard	Frederickson	Marsh	Peterson	Stanius
Becklin	Frerichs	McDonald	Piepho	Sviggun
Begich	Greenfield	McEachern	Piper	Thorson
Bennett	Gruenes	McKasy	Poppenhagen	Tjornhom
Bishop	Gutknecht	McLaughlin	Price	Tompkins
Boerboom	Halberg	McPherson	Quinn	Tunheim
Boo	Hartle	Metzen	Redalen	Uphus
Brown	Haukoos	Miller	Rest	Valan
Burger	Jacobs	Minne	Richter	Valento
Carlson, D.	Jaros	Munger	Riveness	Vellenga
Carlson, J.	Jennings, L.	Murphy	Rodosovich	Voss
Carlson, L.	Johnson	Nelson, D.	Sarna	Waltman
Cohen	Kalis	Norton	Schafer	Welle
Dempsey	Kiffmeyer	O'Connor	Scheid	Wenzel
Dimler	Knuth	Ogren	Schoenfeld	Wynia
Dyke	Kostohryz	Olsen, S.	Seaberg	Spk. Jennings, D.
Elioff	Krueger	Olson, E.	Segal	
Erickson	Kvam	Omann	Shaver	

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

Mr. Speaker:

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

S. F. No. 1939.

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. 1801, 2086 and 2159.

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. 2090 and 2160.

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. 1909 and 2204.

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. 2016, 2094 and 2161.

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. 1580, 1789, 1808 and 2082.

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. 1730 and 1942.

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. 1962 and 2111.

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. 1774, 1839, 1963 and 2069.

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. 1897, 1980 and 2087.

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. 1701 and 1707.

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. 1196 and 1852.

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. 1698, 2079 and 2233.

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. 1619 and 1704.

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. 1884 and 1940.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1939, A bill for an act relating to judgments ; clarifying the general judgment lien law ; amending Minnesota Statutes 1984, section 548.09, subdivision 1.

The bill was read for the first time.

Backlund moved that S. F. No. 1939 and H. F. No. 2079, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1801, A bill for an act relating to criminal procedure ; providing for in camera hearings on certain evidentiary issues in criminal sexual conduct cases ; amending Minnesota Statutes 1984, section 609.347, subdivision 4.

The bill was read for the first time.

Greenfield moved that S. F. No. 1801 and H. F. No. 1865, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2086, A bill for an act relating to tax-forfeited lands ; providing a conveyance of tax-forfeited land in St. Louis county.

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

S. F. No. 2159, A bill for an act relating to the environment ; disapproving a nuclear waste repository in Minnesota ; approval of new nuclear power plants ; requiring nuclear power plants to be decommissioned by December 31, 1990 ; proposing coding for new law in Minnesota Statutes, chapter 116C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 2090, A bill for an act relating to counties; clarifying county commissioner conflict of interest provisions; authorizing counties to develop and market computer software products; providing a method for consolidation of the offices of county auditor and county treasurer; changing certain referendum provisions for adoption of optional forms of county government; exempting other departments or agencies of the same county from having to be billed by county recorder for certain recording transactions; amending Minnesota Statutes 1984, sections 375.09; 375.18, subdivision 7; 375A.11, subdivision 3; 375A.12, subdivisions 3 and 4; and 383C.17; Minnesota Statutes 1985 Supplement, section 386.77; proposing coding for new law in Minnesota Statutes, chapter 375; repealing Minnesota Statutes 1984, sections 394.01 to 394.05.

The bill was read for the first time.

Jennings, L., moved that S. F. No. 2090 and H. F. No. 2292, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2160, A bill for an act relating to unclaimed property; requiring that the sum payable on an abandoned warrant issued by a county be deposited in the issuing county's general fund; amending Minnesota Statutes 1984, section 345.48, subdivision 1.

The bill was read for the first time.

Zaffke moved that S. F. No. 2160 and H. F. No. 2406, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1909, A bill for an act relating to education; clarifying that private proprietary schools may provide certain placement information; modifying the expiration time for solicitor's permits; amending Minnesota Statutes 1984, section 141.26, subdivision 1; Minnesota Statutes 1985 Supplement, section 141.25, subdivision 10.

The bill was read for the first time.

Gruenes moved that S. F. No. 1909 and H. F. No. 2193, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.



S. F. No. 2204, A bill for an act relating to independent school district No. 750, Cold Spring; authorizing the district to make an equal levy for debt service over the next five years.

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

S. F. No. 2016, A bill for an act relating to commerce; revising the Uniform Trade Secret Act; clarifying remedies; amending Minnesota Statutes 1984, sections 325C.02; 325C.03; and 325C.07.

The bill was read for the first time.

McKasy moved that S. F. No. 2016 and H. F. No. 2275, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2094, A bill for an act relating to nonprofit corporations; providing for succession of fiduciary capacity in mergers and consolidations; clarifying authority for separate entities to hold church employee benefit plans; amending Minnesota Statutes 1984, sections 317.38; and 317.66, subdivision 1, and by adding a subdivision.

The bill was read for the first time.

McKasy moved that S. F. No. 2094 and H. F. No. 2388, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2161, A bill for an act relating to employment; providing training opportunities for technically qualified individuals who may be exposed to hazardous substances, harmful physical agents, or infectious agents; amending Minnesota Statutes 1985 Supplement, section 182.653, subdivisions 4b, 4c, and 4f.

The bill was read for the first time.

Sviggum moved that S. F. No. 2161 and H. F. No. 2388, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1580, A bill for an act relating to human services; requiring adoption of the 1985 life safety code standards for intermediate care facilities for persons with mental retardation.

The bill was read for the first time.

Zaffke moved that S. F. No. 1580 and H. F. No. 1774, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1789, A bill for an act relating to municipal civil service systems; personnel boards; permitting city councils to set the compensation of board members and secretaries; providing that certain positions in the city of Minneapolis be appointed in the unclassified service; amending Minnesota Statutes 1984, section 44.04, subdivision 4; and Laws 1969, chapter 937, section 1, subdivisions 1, as amended, 9, as amended, 11 and 15, and by adding subdivisions.

The bill was read for the first time.

Clark moved that S. F. No. 1789 and H. F. No. 1944, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1808, A bill for an act relating to labor; regulating grants to area labor-management committees; amending Minnesota Statutes 1985 Supplement, sections 179.81, subdivision 2, and by adding a subdivision; 179.84; and 179.85.

The bill was read for the first time.

Boo moved that S. F. No. 1808 and H. F. No. 2005, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2082, A bill for an act relating to human services; excluding certain programs from licensing requirements; amending Minnesota Statutes 1984, section 245.791.

The bill was read for the first time.

Gruenes moved that S. F. No. 2082 and H. F. No. 2182, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1730, A bill for an act relating to theft; modifying circumstances justifying detention of suspects in business establishments; modifying immunity from liability for detention; amending Minnesota Statutes 1985 Supplement, section 629.366, subdivisions 1 and 3.

The bill was read for the first time.

Bennett moved that S. F. No. 1730 and H. F. No. 2050, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1942, A bill for an act relating to guardianships and conservatorships; establishing a standard for best interests of the ward or conservatee; requiring findings regarding best interests; amending Minnesota Statutes 1984, sections 525.539, by adding a subdivision; 525.544; 525.551, subdivision 5; and 525.61.

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

S. F. No. 1962, A bill for an act relating to taxation; property; changing the payment date for taxes on certain manufactured homes; amending Minnesota Statutes 1984, section 274.19, subdivision 5; Minnesota Statutes 1985 Supplement, section 274.19, subdivisions 3 and 4.

The bill was read for the first time.

Voss moved that S. F. No. 1962 and H. F. No. 2033, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2111, A bill for an act relating to labor; creating the labor interpretative center; establishing an advisory council governing policies and program purposes.

The bill was read for the first time.

Heap moved that S. F. No. 2111 and H. F. No. 2183, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1774, A bill for an act relating to state departments and agencies; providing for inspections of certain facilities and imposition of fines; amending Minnesota Statutes 1984, sections 144.55, subdivision 4; and 245.805.

The bill was read for the first time.

Greenfield moved that S. F. No. 1774 and H. F. No. 2311, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1839, A bill for an act relating to elections; recodifying and clarifying the laws on election contests; amending Minnesota Statutes 1984, sections 209.01; 209.02; 209.03; 209.05; 209.06; 209.07; 209.09; 209.10; and 209.12; proposing coding for new law in Minnesota Statutes, chapter 209; repealing Minnesota Statutes 1984, sections 209.02, subdivisions 2, 3, 4, 4a, 5, 6, 7, and 8; 209.04; and 209.11.

The bill was read for the first time.

Shaver moved that S. F. No. 1839 and H. F. No. 2075, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1963, A bill for an act relating to metropolitan government; changing the treatment of current value credits and modifying the cost allocation system of the metropolitan waste control commission; providing for a reserve fund for the commission; authorizing appointment of advisory committees by the commission; authorizing an implementation period for transition to a new cost allocation system; amending Minnesota Statutes 1984, sections 473.511, subdivision 4; and 473.517, subdivisions 1, 2, 3, and 9; repealing Minnesota Statutes 1984, section 473.517, subdivisions 4, 5, and 7.

The bill was read for the first time.

Backlund moved that S. F. No. 1963 and H. F. No. 2015, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2069, A bill for an act relating to elections; providing for postponement of precinct caucuses in case of inclement weather; amending Minnesota Statutes 1984, section 202A.14, subdivision 1.

The bill was read for the first time.

Ozment moved that S. F. No. 2069 and H. F. No. 2064, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1897, A bill for an act relating to courts; allowing a person 20 days to remove a cause from conciliation court; allowing service by mail when a cause is removed to county court; amending Minnesota Statutes 1984, section 487.30, by adding a subdivision.

The bill was read for the first time.

Gruenes moved that S. F. No. 1897 and H. F. No. 1949, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1980, A bill for an act relating to human services; providing for exhaustion of benefits from other programs before payment of adoption subsidies; amending Minnesota Statutes 1984, section 259.40, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 259.

The bill was read for the first time.

Stanius moved that S. F. No. 1980 and H. F. No. 2490, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2087, A bill for an act relating to county courts; specifying the prosecuting attorney for certain offenses; amending Minnesota Statutes 1984, section 487.25, subdivision 10.

The bill was read for the first time.

Dempsey moved that S. F. No. 2087 and H. F. No. 2239, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1701, A bill for an act relating to town powers; authorizing the establishment of a perpetual care program for certain cemeteries; amending Minnesota Statutes 1985 Supplement, section 365.10.

The bill was read for the first time.

Ozment moved that S. F. No. 1701 and H. F. No. 1801, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1707, A bill for an act relating to health; providing for an annual resource directory on services to individuals with brain impairment; reconvening the task force on needs for persons with brain impairment; requiring the commissioner of health to monitor and establish standards for organ transplant procedures under the medical assistance program; amending Minnesota Statutes 1984, sections 256B.04, by adding a subdivision; 256E.03, by adding a subdivision; 256E.09, subdivision 3; Minnesota Statutes 1985 Supplement, section 256.01, subdivision 2.

The bill was read for the first time.

Riveness moved that S. F. No. 1707 and H. F. No. 1908, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1196, A bill for an act relating to child care; establishing child care resource and referral programs; amending Minnesota Statutes 1984, sections 245.83, by adding a subdivision; and 245.84, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time.

Clark moved that S. F. No. 1196 and H. F. No. 1068, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1852, A bill for an act relating to cemeteries; changing procedures for dealing with certain burial sites; increasing a penalty; amending Minnesota Statutes 1984, section 307.08.

The bill was read for the first time.

Clark moved that S. F. No. 1852 and H. F. No. 1914, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1698, A bill for an act relating to education; allowing school boards to join any association of school districts; amending Minnesota Statutes 1984, section 123.33, subdivision 10; repealing Minnesota Statutes 1985 Supplement, section 123.33, subdivision 14.

The bill was read for the first time.

Thiede moved that S. F. No. 1698 and H. F. No. 2101, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2079, A bill for an act relating to human services; creating a service for the blind and visually handicapped in the department of jobs and training; providing for appeals; providing a penalty; amending Minnesota Statutes 1985 Supplement, sections 13.46, subdivision 2; 248.07, subdivisions 1, 2, 3, 4, 5, 7, 12, 14, 14a, and 15; proposing coding for new law in Minnesota Statutes, chapters 13 and 248; repealing Minnesota Statutes 1985 Supplement, section 248.08.

The bill was read for the first time.

Boo moved that S. F. No. 2079 and H. F. No. 2134, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2233, A bill for an act relating to education; adding post-secondary vocational technical education representation on the ESV computer and UFARS advisory councils; amending Minnesota Statutes 1984, sections 121.901, subdivision 1; and 121.934, subdivisions 1 and 2.

The bill was read for the first time.

Hartle moved that S. F. No. 2233 and H. F. No. 2106, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1619, A bill for an act relating to civil actions; providing a cause of action for sexual exploitation; proposing coding for new law as Minnesota Statutes, chapter 148A.

The bill was read for the first time.

McKasy moved that S. F. No. 1619 and H. F. No. 1851, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1704, A bill for an act relating to Hennepin county; authorizing Minneapolis and Hennepin county to merge their registration districts; authorizing Hennepin county housing and redevelopment authority; amending Minnesota Statutes 1984, section 144.214, subdivision 1.

The bill was read for the first time.

Nelson, K., moved that S. F. No. 1704 and H. F. No. 1896, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1884, A bill for an act relating to housing; requiring notification of the use of rodenticides; amending Minnesota Statutes 1984, section 504.22.

The bill was read for the first time.

Vellenga moved that S. F. No. 1884 and H. F. No. 2000, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1940, A bill for an act relating to local government; regulating payment of severance pay; amending Minnesota Statutes 1984, section 465.72.

The bill was read for the first time.

Solberg moved that S. F. No. 1940 and H. F. No. 2071, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Kvam; McKasy; Carlson, D.; Schoenfeld and Olsen, S., were excused while in conference.

### CONSENT CALENDAR

S. F. No. 923 was reported to the House.

Marsh moved that S. F. No. 923 be returned to General Orders. The motion prevailed.

H. F. No. 2405 was reported to the House.

Skoglund moved to amend H. F. No. 2405, the first engrossment, as follows:

Page 2, after line 10, insert:

"Sec. 5. [SCHOOL BOARD.]

*The school board of special school district No. 1, the city of Minneapolis, may, at the 1986 general election place before the voters any question relating to the following, including but not limited to, at-large elections, elections at-large to separately identified positions on the board, elections by districts, the number of board members, or any other question relating to the manner and form of representation or the terms of that school board.*

*This section supersedes any conflicting provision of law."*

Page 2, delete lines 12 to 16 and insert:

*"Notwithstanding Minnesota Statutes, section 645.021, subdivision 2, sections 1 to 4 are effective only upon approval by a majority of the voters of the city of Minneapolis voting on the question at the 1986 general election on the question of approval of sections 1 to 4."*

Renumber the remaining section

Amend the title accordingly

The motion prevailed and the amendment was adopted.



H. F. No. 2405, A bill for an act relating to elections in the city of Minneapolis; changing the time of election of certain board members; extending certain terms.

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

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1793, A bill for an act relating to local government; permitting an agreement to finance library construction in McGregor.

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.	Bennett	Carlson, D.	Dyke	Frerichs
Anderson, R.	Bishop	Carlson, L.	Elioff	Greenfield
Backlund	Boerboom	Clausnitzer	Erickson	Gruenes
Battaglia	Boo	Cohen	Fjoslien	Gutknecht
Beard	Brandl	Dempsey	Forsythe	Halberg
Becklin	Brown	DenOuden	Frederick	Hartle
Begich	Burger	Dimler	Frederickson	Haukoos

Himle	McEachern	Onnen	Rose	Tomlinson
Jacobs	McLaughlin	Otis	Sarna	Tompkins
Jaros	McPherson	Ozment	Schafer	Tunheim
Jennings, L.	Metzen	Pappas	Schoenfeld	Uphus
Johnson	Miller	Pauly	Schreiber	Valan
Kalis	Minne	Peterson	Seaberg	Valento
Kelly	Munger	Piepho	Segal	Vanasek
Kiffmeyer	Murphy	Piper	Shaver	Vellenga
Knickerbocker	Nelson, D.	Poppenhagen	Skoglund	Voss
Knuth	Nelson, K.	Price	Solberg	Waltman
Kostohryz	Neuenschwander	Quinn	Sparby	Welle
Krueger	Norton	Quist	Stanius	Wenzel
Levi	O'Connor	Redalen	Staten	Zaffke
Lieder	Ogren	Rest	Sviggum	Spk. Jennings, D.
Long	Olsen, S.	Richter	Thiede	
Marsh	Olson, E.	Riveness	Thorson	
McDonald	Omann	Rodosovich	Tjornhom	

The bill was passed and its title agreed to.

### SPECIAL ORDERS

H. F. No. 1677, A bill for an act relating to libraries; changing the way the department of education provides certain information and other services; allowing mayors to appoint nonresidents to city library board under certain circumstances; updating maintenance of effort exceptions; requiring the commissioner of education to cooperatively develop a plan for automation of state agency libraries; amending Minnesota Statutes 1984, sections 121.496; 134.09, subdivision 1; 134.31, subdivisions 2 and 3; and 134.34, 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 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	DenOuden	Johnson	Munger	Poppenhagen
Anderson, R.	Dimler	Kalis	Murphy	Price
Backlund	Dyke	Kelly	Nelson, D.	Quinn
Battaglia	Elioff	Kiffmeyer	Nelson, K.	Quist
Beard	Erickson	Knickerbocker	Neuenschwander	Redalen
Becklin	Fjoslien	Knuth	Norton	Rest
Begich	Frederick	Kostohryz	O'Connor	Rice
Bennett	Frederickson	Krueger	Ogren	Richter
Bishop	Frerichs	Levi	Olsen, S.	Riveness
Boerboom	Greenfield	Lieder	Olson, E.	Rodosovich
Boo	Grunes	Long	Omann	Sarna
Brandl	Gutknecht	Marsh	Onnen	Schafer
Brown	Halberg	McDonald	Otis	Scheid
Burger	Hartle	McEachern	Ozment	Schoenfeld
Carlson, D.	Haukoos	McLaughlin	Pappas	Schreiber
Carlson, L.	Himle	McPherson	Pauly	Seaberg
Clark	Jacobs	Metzen	Peterson	Segal
Clausnitzer	Jaros	Miller	Piepho	Shaver
Cohen	Jennings, L.	Minne	Piper	Skoglund

Solberg  
Sparby  
Stanius  
Staten  
Swiggum

Thiede  
Thorson  
Tjornhom  
Tomlinson  
Tompkins

Tunheim  
Uphus  
Valan  
Valento

Vanasek  
Vellenga  
Voss  
Waltman

Welle  
Wenzel  
Zaifke  
Spk. Jennings, D.

The bill was passed and its title agreed to.

H. F. No. 1863 was reported to the House.

Kelly moved to amend H. F. No. 1863, the first engrossment, as follows:

Page 6, after line 2, insert:

"Sec. 3. [611A.036] [PROHIBITION AGAINST EMPLOYER RETALIATION.]

*An employer or employer's agent who threatens to discharge or discipline a victim, or who discharges, disciplines, or causes a victim to be discharged from employment or disciplined because the victim is subpoenaed or requested by the prosecutor to attend court for the purpose of giving testimony, is guilty of a misdemeanor and may be punished for contempt of court. In addition, the court shall order the employer to offer job reinstatement to any victim discharged from employment in violation of this section, and to pay the victim back wages as appropriate."*

Renumber the remaining section

Page 6, line 5, after the period, insert "Section 3 is effective August 1, 1986."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "providing protection for crime victims against adverse employer actions;"

Page 1, line 8, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 611A"

The motion prevailed and the amendment was adopted.

H. F. No. 1863, A bill for an act relating to crimes; clarifying the crime of failing to file a tax return; creating a presumption that property acquired during the course of certain crimes are "proceeds" of the crime for purposes of forfeiture law; providing protection for crime victims against adverse employer actions; amending Minnesota Statutes 1985 Supplement, sections 290.92, subdivision 15; and 609.531, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

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

The Speaker called Halberg to the Chair.

H. F. No. 2089, A bill for an act relating to employment; regulating systems of sharing or pooling gratuities; defining service charges; amending Minnesota Statutes 1984, section 177.23, subdivision 9; Minnesota Statutes 1985 Supplement, section 177.24, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Boerboom	Clausnitzer	Erickson	Gutknecht
Battaglia	Boo	Cohen	Fjoslien	Halberg
Beard	Brandl	Dempsey	Forsythe	Hartle
Becklin	Brown	DenOuden	Frederick	Haukoos
Begich	Burger	Dimler	Frederickson	Himle
Bennett	Carlson, L.	Dyke	Frerichs	Jacobs
Bishop	Clark	Elioff	Gruenes	Jaros

Jennings, L.	McLaughlin	Onnen	Rodosovich	Thiede
Johnson	McPherson	Otis	Sarna	Tjorahom
Kahn	Metzen	Ozment	Schafer	Tomlinson
Kalis	Miller	Pappas	Scheid	Tompkins
Kelly	Minne	Pauly	Schoenfeld	Tunheim
Kiffmeyer	Munger	Peterson	Schreiber	Uphus
Knickerbocker	Murphy	Piepho	Seaberg	Valan
Knuth	Nelson, D.	Piper	Segal	Valento
Kostohryz	Nelson, K.	Poppenhagen	Shaver	Vanasek
Krueger	Neuenschwander	Price	Sherman	Vellenga
Levi	Norton	Quinn	Skoglund	Voss
Lieder	O'Connor	Quist	Solberg	Waltman
Long	Ogren	Redalen	Sparby	Welle
Marsh	Olsen, S.	Rest	Stanisus	Wenzel
McDonald	Olson, E.	Richter	Staten	Wynia
McEachern	Omann	Riveness	Svigum	Spk. Jennings, D.

The bill was passed and its title agreed to.

H. F. No. 2130 was reported to the House.

There being no objection H. F. No. 2130 was temporarily laid over on Special Orders.

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

H. F. No. 1947 was reported to the House.

Olsen, S., moved to amend H. F. No. 1947, the first engrossment, as follows:

Page 1, line 12, before "*food*" insert "*nonretail*"; delete the second "*a*"; after "*major*" insert "*nonretail*"

Page 1, line 13, after "*facility*" insert "*in excess of 100,000 square feet*"

The motion prevailed and the amendment was adopted.

H. F. No. 1947, A bill for an act relating to solid waste; prohibiting the pollution control agency from issuing solid waste processing permits to certain facilities; amending Minnesota Statutes 1984, section 116.07, 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.

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

There were 68 yeas and 55 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, G.	Greenfield	Minne	Pappas	Solberg
Anderson, R.	Jacobs	Munger	Peterson	Sparby
Battaglia	Kahn	Murphy	Piper	Staten
Beard	Kalis	Nelson, D.	Price	Tomlinson
Begich	Kelly	Neuenschwander	Quinn	Tunheim
Brandl	Kostohryz	Norton	Rest	Vanasek
Brown	Krueger	O'Connor	Riveness	Vellenga
Clark	Lieder	Ogren	Rodosovich	Voss
Cohen	Long	Olson, E.	Sarna	Welle
Elioff	McEachern	Osthoff	Scheid	Wenzel
Ellingson	McLaughlin	Otis	Skoglund	Wynia

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

H. F. No. 1767 was reported to the House.

Kahn, Wynia and Skoglund moved to amend H. F. No. 1767, the first engrossment, as follows:

Page 1, line 21, after "marijuana" insert "or tobacco"

Page 1, after line 25, insert:

*"Subd. 5. "Tobacco" means cigarettes; cigars; cheroots; stogies; perique; granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff; snuff flour; cavendish; plug and twist tobacco; fine cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco; and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or smoking in a pipe or other tobacco-related devices."*

Page 2, lines 10, 13, 15, 23, 27, and 30 after "marijuana" insert " , tobacco,"

Page 2, line 32, after "marijuana" insert "or tobacco"

Page 3, after line 1, insert:

*"The tax imposed by this section is in addition to any other tax imposed by law."*

Page 3, lines 8, 20, 26, 30, and 34 after "*marijuana*" insert "*, tobacco,*"

Amend the title as follows:

Page 1, line 2, after "*marijuana*" insert "*, tobacco,*"

A roll call was requested and properly seconded.

The question was taken on the Kahn et al., amendment and the roll was called. There were 16 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Clark	Kalis	Norton	Piper	Skoglund
Greenfield	Long	Osthoff	Seaberg	Staten
Gutknecht	Munger	Pappas	Segal	Wynia
Kahn				

Those who voted in the negative were:

Anderson, G.	Elioff	Kvam	Peterson	Stanisus
Anderson, R.	Ellingson	Levi	Piepho	Swiggum
Backlund	Frederickson	McEachern	Price	Thorson
Battaglia	Frerichs	McKasy	Quinn	Tjornhom
Beard	Gruenes	McLaughlin	Redalen	Tomlinson
Becklin	Halberg	McPherson	Rest	Tompkins
Begich	Hartle	Metzen	Richter	Tunheim
Bennett	Heap	Miller	Riveness	Uphus
Blatz	Himle	Minne	Rodosovich	Valan
Boerboom	Jacobs	Murphy	Rose	Valento
Brandl	Jennings, L.	Nelson, K.	Sarna	Vanasek
Brown	Johnson	Neuenschwander	Schafer	Vellenga
Burger	Kelly	O'Connor	Scheid	Voss
Carlson, L.	Kiffmeyer	Ogren	Schreiber	Waltman
Clausnitzer	Knickerbocker	Omann	Sherman	Welle
Dempsey	Knuth	Onnen	Simoneau	Wenzel
Dimler	Kostohryz	Ozment	Solberg	Zaffke
Dyke	Krueger	Pauly	Sparby	Spk. Jennings, D.

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

Kahn, Wynia and Long moved to amend H. F. No. 1767, the first engrossment, as follows:

Page 4, line 34, delete everything after "(a)"

Page 4, delete lines 35 and 36 and insert "*No person shall be put twice in jeopardy of punishment for the same offense, nor be compelled in any criminal case to be a witness against self, nor be deprived of life, liberty, or property without due process of law.*"

Page 5, delete lines 1 and 2

A roll call was requested and properly seconded.

The question was taken on the Kahn et al., amendment and the roll was called. There were 30 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Brandl	Kahn	Munger	Pappas	Simoneau
Clark	Knuth	Murphy	Piper	Staten
Cohen	Lieder	Nelson, D.	Price	Tunheim
Ellingson	Long	Norton	Quinn	Voss
Greenfield	McLaughlin	Osthoff	Riveness	Welle
Jennings, L.	Minne	Otis	Segal	Wynia

Those who voted in the negative were:

Anderson, R.	Dyke	Knickerbocker	Pauly	Sparby
Backlund	Elioff	Kostohryz	Peterson	Stanius
Battaglia	Erickson	Krueger	Piepho	Sviggum
Beard	Frederickson	Kvam	Poppenhagen	Thiede
Becklin	Frerichs	Levi	Quist	Thorson
Begich	Gruenes	Marsh	Redalen	Tjornhom
Bennett	Gutknecht	McEachern	Rest	Tomlinson
Bishop	Halberg	McKasy	Richter	Tompkins
Blatz	Hartle	McPherson	Rodosovich	Uphus
Boo	Haukoos	Metzen	Rose	Valan
Brown	Himle	Miller	Sarna	Valento
Burger	Jacobs	Neuenschwander	Schafer	Vanasek
Carlson, L.	Johnson	Ogren	Scheid	Waltman
Clausnitzer	Kalis	Omann	Schreiber	Wenzel
Dempsey	Kelly	Onnen	Seaberg	Zaffke
Dimler	Kiffmeyer	Ozment	Sherman	

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

H. F. No. 1767, A bill for an act relating to taxation; imposing a tax on marijuana and controlled substances; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 297D.

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.	Becklin	Boo	Carlson, L.	DenOuden
Anderson, R.	Begich	Brandl	Clark	Dimler
Backlund	Bennett	Brown	Clausnitzer	Dyke
Battaglia	Blatz	Burger	Cohen	Elioff
Beard	Boerboom	Carlson, D.	Dempsey	Ellingson



Erickson	Knuth	Neuenschwander	Redalen	Sviggum
Fjoslien	Kostohryz	Norton	Rest	Thiede
Frederick	Krueger	O'Connor	Rice	Thorson
Frederickson	Kvam	Ogren	Richter	Tjornhom
Frerichs	Levi	Olsen, S.	Riveness	Tomlinson
Greenfield	Lieder	Olson, E.	Rodosovich	Tompkins
Gruenes	Long	Omann	Rose	Tunheim
Gutknecht	Marsh	Onnen	Sarna	Uphus
Halberg	McDonald	Osthoff	Scheid	Valan
Hartle	McEachern	Otis	Schreiber	Valento
Haukoos	McKasy	Ozment	Seaberg	Vanasek
Heap	McLaughlin	Pappas	Segal	Vellenga
Himle	McPherson	Pauly	Shaver	Voss
Jacobs	Metzen	Peterson	Sherman	Waltman
Jennings, L.	Miller	Piepho	Simoneau	Welle
Johnson	Minne	Piper	Skoglund	Wenzel
Kalis	Munger	Poppenhagen	Solberg	Wynia
Kelly	Murphy	Price	Sparby	Zaffke
Kiffmeyer	Nelson, D.	Quinn	Stanis	Spk. Jennings, D.
Knickerbocker	Nelson, K.	Quist	Staten	

The bill was passed and its title agreed to.

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

#### RECESS

#### RECONVENED

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

#### 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, Tuesday, March 11, 1986:

H. F. Nos. 2166, 2080, 2195, 1919, 2134, and 1803; S. F. No. 1950; H. F. No. 2010; S. F. Nos. 1680 and 1319; H. F. Nos. 2331, 1851, 1007 and 1793; S. F. No. 363; H. F. Nos. 2210 and 1953; S. F. No. 31; H. F. No. 2169; S. F. Nos. 1823 and 1914; H. F. Nos. 2221 and 2200; and S. F. No. 125.

Staten was excused between the hours of 2:05 p.m. and 3:00 p.m.

#### SPECIAL ORDERS, Continued

H. F. No. 1990 was reported to the House.

Valento moved to amend H. F. No. 1990, the second engrossment, as follows:

Page 9, line 13, delete "6" and insert "13"

Page 12, line 35, delete "7" and insert "14"

The motion prevailed and the amendment was adopted.

Piepho moved to amend H. F. No. 1990, the second engrossment, as amended, as follows:

Page 7, after line 32, insert:

"Sec. 11. Minnesota Statutes 1985 Supplement, section 395.08, is amended to read:

**395.08 [ECONOMIC AND AGRICULTURAL DEVELOPMENT.]**

A county board may appropriate not more than (\$25,000) \$500,000 annually out of the general revenue fund of the county to be paid to any incorporated development society or organization of this state which, in the board's opinion, will use the money for the best interests of the county in promoting, advertising, improving, or developing the economic and agricultural resources of the county."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 13, after "2a," insert "395.08;"

A roll call was requested and properly seconded.

Tomlinson moved to amend the Piepho amendment to H. F. No. 1990, the second engrossment, as amended, as follows:

Page 1, line 8, delete "\$500,000" and insert "\$50,000"

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

The question recurred on the Piepho amendment, as amended, and the roll was called. There were 90 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Boo	Clausnitzer	Elioff
Anderson, R.	Bennett	Burger	Cohen	Erickson
Backlund	Bishop	Carlson, D.	Dimler	Fjoslien
Battaglia	Boerboom	Carlson, L.	Dyke	Frederick

Frederickson	Levi	Omann	Rodosovich	Tjornhom
Frerichs	Lieder	Osthoff	Sarna	Tomlinson
Gruenes	Marsh	Ozment	Schafer	Tompkins
Gutknecht	McDonald	Pappas	Seaberg	Tunheim
Hartle	McPherson	Pauly	Segal	Uphus
Haukoos	Metzen	Peterson	Shaver	Valan
Jacobs	Miller	Piepho	Sherman	Valento
Johnson	Minne	Piper	Simoneau	Vanasek
Kalis	Murphy	Poppenhagen	Solberg	Voss
Kelly	Neuenschwander	Price	Sparby	Waltman
Kiffmeyer	Norton	Quist	Stanis	Welle
Knickerbocker	O'Connor	Redalen	Svigum	Wenzel
Knuth	Ogren	Rest	Thiede	Zaffke
Krueger	Olson, E.	Richter	Thorson	Spk. Jennings, D.

Those who voted in the negative were:

Becklin	Brown	Jennings, L.	Nelson, D.	Skoglund
Blatz	Clark	Kostohryz	Rice	Wynia
Brandl	Greenfield	McLaughlin		

The motion prevailed and the amendment, as amended, was adopted.

H. F. No. 1990, A bill for an act relating to local government; authorizing home rule charter or statutory cities to establish economic development districts; granting powers to cities and authorities; amending Minnesota Statutes 1984, sections 116D.04, subdivision 1a; 117.521, subdivision 3; 272.01, subdivision 2; 273.72; 273.73, subdivisions 2 and 8; 273.86, subdivision 1; 355.11, subdivision 5; 462C.02, subdivisions 6 and 9; 471.88, subdivisions 1, 9, and 11; 474.02, subdivision 3; and 474.16, subdivision 2; Minnesota Statutes 1985 Supplement, sections 273.75, subdivision 4; 353.01, subdivision 2a; 395.08; 462C.12, subdivision 2; and 472B.04; proposing coding for new law in Minnesota Statutes, chapter 458; and proposing coding for new law as Minnesota Statutes, chapter 458C.

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 103 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Burger	Fjoslien	Kalis	Miller
Anderson, R.	Carlson, D.	Frederick	Kelly	Minne
Backlund	Carlson, L.	Frederickson	Kiffmeyer	Murphy
Battaglia	Clark	Frerichs	Knuth	Nelson, K.
Beard	Clausnitzer	Gruenes	Kostohryz	Neuenschwander
Becklin	Cohen	Gutknecht	Krueger	Norton
Bennett	Dempsey	Halberg	Levi	Ogren
Bishop	DenOuden	Hartle	Lieder	Olsen, S.
Blatz	Dimler	Haukoos	Marsh	Olson, E.
Boo	Dyke	Jacobs	McEachern	Omann
Brandl	Elioff	Jennings, L.	McLaughlin	Onnen
Brown	Erickson	Johnson	McPherson	Ozment

Pappas	Rest	Sherman	Tjornhom	Voss
Pauly	Richter	Simoneau	Tomlinson	Waltman
Peterson	Rodosovich	Skoglund	Tompkins	Welle
Piepho	Sarna	Solberg	Tunheim	Wenzel
Piper	Schafer	Sparby	Uphus	Wynia
Poppenhagen	Scheid	Stanis	Valan	Zaffke
Price	Seaberg	Sviggum	Valento	Spk. Jennings, D.
Quist	Segal	Thiede	Vanasek	
Redalen	Shaver	Thorson	Vellenga	

Those who voted in the negative were:

Metzen	O'Connor	Osthoff	Rice
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The bill was passed, as amended, and its title agreed to.

H. F. No. 1838, A bill for an act relating to agriculture; defining certain kinds of milk; amending Minnesota Statutes 1984, section 32.391, 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 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1848 was reported to the House.

Wynia moved to amend S. F. No. 1848, as follows:

Page 3, after line 3, insert:

*"(c) "Party" does not include any person providing services pursuant to licensure or reimbursement by the department of health or the department of human services, when that person is named or admitted or seeking to be admitted as a party in any matter which involves the licensing or reimbursement rates, procedures, or methodology applicable to those services."*

Onnen moved to amend the Wynia amendment to S. F. No. 1848, as follows:

Page 1, line 5, after "reimbursement" insert "on a cost basis"

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

The question recurred on the Wynia amendment, as amended. The motion prevailed and the amendment, as amended, was adopted.

S. F. No. 1848, A bill for an act relating to costs and attorney fees; providing for recovery of costs and attorney fees by prevailing parties in civil actions and contested case proceedings involving the state; amending Minnesota Statutes 1984, section 14.62, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 3.

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

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Fjoslien	Krueger	Olson, E.	Sarna
Anderson, R.	Frederick	Levi	Omann	Schafer
Backlund	Frerichs	Lieder	Onnen	Scheid
Battaglia	Greenfield	Long	Osthoff	Schoenfeld
Beard	Gruenes	Marsh	Otis	Schreiber
Becklin	Gutknecht	McDonald	Ozment	Seaberg
Begich	Halberg	McEachern	Pappas	Segal
Bishop	Hartle	McLaughlin	Pauly	Shaver
Blatz	Haukoos	McPherson	Peterson	Sherman
Boerboom	Heap	Metzen	Piepho	Simoneau
Boo	Himle	Miller	Piper	Skoglund
Brandl	Jacobs	Minne	Poppenhagen	Solberg
Brown	Jennings, L.	Munger	Price	Sparby
Carlson, D.	Johnson	Murphy	Quinn	Stanius
Carlson, L.	Kahn	Nelson, D.	Quist	Staten
Clark	Kalis	Nelson, K.	Rest	Sviggum
Cohen	Kelly	Neuenschwander	Rice	Thiede
Dimler	Kiffmeyer	Norton	Richter	Thorson
Dyke	Knickerbocker	O'Connor	Riveness	Tjornhom
Elioff	Knuth	Ogren	Rodosovich	Tomlinson
Erickson	Kostohryz	Olsen, S.	Rose	Tompkins

Tunheim	Valento	Voss	Wenzel	Zaffke
Uphus	Vanasek	Waltman	Wynia	Spk. Jennings, D.
Valan	Vellenga	Welle		

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

H. F. No. 2256, A bill for an act relating to partnerships; revising the Uniform Limited Partnership Act; stating duties and powers of limited partners and partnerships; amending Minnesota Statutes 1984, sections 322A.01; 322A.02; 322A.05; 322A.11; 322A.12; 322A.14; 322A.15; 322A.18; 322A.24; 322A.26; 322A.27; 322A.31; 322A.32; 322A.39; 322A.40; 322A.41; 322A.45; 322A.47; 322A.49; 322A.52; 322A.58; 322A.63; and 322A.70.

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

The bill was passed and its title agreed to.

H. F. No. 2395 was reported to the House.

Rose moved that H. F. No. 2395 be returned to General Orders. The motion prevailed.

H. F. No. 1875 was reported to the House.

Kelly moved to amend H. F. No. 1875, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

**"Section 1. [246A.01] [DEFINITIONS.]**

*Subdivision 1. [TERMS.] For the purposes of sections 1 to 27, the terms defined in this section have the meanings given them unless the context clearly indicates otherwise.*

*Subd. 2. [CORPORATION.] "Corporation" means the public corporation created by section 2.*

*Subd. 3. [HOSPITAL SUBSIDIARY CORPORATION.] "Hospital subsidiary corporation" means the subsidiary corporation created pursuant to section 6, subdivisions 1, clause (9), and 3, and charged with the governance and operation of the St. Paul Ramsey Medical Center.*

**Sec. 2. [246A.02] [CREATION OF CORPORATION.]**

*There is created a corporation which shall be public in nature. The corporation shall be known as ..... The purpose of the corporation is to engage in the provision and delivery of health care and related services, including education and research.*

**Sec. 3. [246A.03] [BOARD OF DIRECTORS.]**

*Subdivision 1. [GOVERNANCE.] The corporation shall be governed by a board of directors consisting of 15 members. The initial members of the board shall be selected as specified in subdivision 2. The terms of office of members of the board shall be as provided in the corporation's bylaws. No term of office will exceed three years.*

*Subd. 2. [SELECTION PANEL.] The chairperson of the Ramsey county board of commissioners, the chairperson of the St. Paul Ramsey Medical Center commission, and the chairperson of Ramsey clinic associates shall each appoint three persons to a selection panel. The selection panel shall name the initial 15 members of the board of directors established in subdivision 1. When the initial members of the board of directors have taken office, the selection panel shall dissolve.*

*Subd. 3. [NOMINATING COMMITTEE.] Whenever a vacancy occurs on the board of directors of the corporation, whether through resignation, removal, expiration of a director's term of office, or otherwise, the board shall appoint a nominating committee composed of five members, at least one of whom shall be a member of the board of commissioners of Ramsey*

county. The nominating committee shall meet as soon as practicable for the purpose of nominating individuals to fill the vacancy. The nominating committee shall nominate two candidates in the event there is one vacancy on the board and 1-1/2 candidates for each vacancy should there be more than one vacancy to be filled. In the event an odd number of positions on the board is vacant, the nominating committee is authorized to propose the next highest whole number of candidates when applying the foregoing formula. The board shall elect individuals to fill any vacancy from those individuals nominated by the committee, but no director may vote if that director's position is to be filled by the election.

Subd. 4. [QUORUM.] Unless otherwise specified in the bylaws, eight members of the board of directors constitutes a quorum for the transaction of business.

Subd. 5. [BOARD MEETINGS.] Except when the bylaws prescribe otherwise:

(1) notice of every meeting shall be given;

(2) an act of the majority of the directors present at a meeting at which a quorum is present is the act of the board, except that a vote of a majority of the board shall be required to adopt the annual budget or to hire or discharge the chief executive officer;

(3)(a) A conference among directors, or among members of any committee designated by the board of directors, by any means of communication through which the participants may simultaneously hear each other during the conference, constitutes a meeting of the board, or the committee, if the same notice is given of the conference as would be required for a meeting, and if the number of persons participating in the conference would be sufficient to constitute a quorum at the meeting. Participation in a meeting in this manner constitutes personal presence at the meeting. Except as authorized by section 16, subdivision 2, if a meeting is conducted pursuant to this clause, a location and means by which members of the public may listen to the meeting shall be provided, and where such a meeting includes visual media, means by which members of the public may observe the meeting shall be provided. Notice of the meeting shall be provided and it shall specify that location, as well as the electronic method to be used.

(b) A director may participate in a meeting of the board or any committee designated by the board not described in paragraph (a) by any means of communication through which the director, other persons so participating, and all persons physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting in this manner constitutes personal presence at the meeting.



## Sec. 4. [246A.04] [OFFICERS.]

*Subdivision 1. [ELECTION, APPOINTMENT.] (a) Unless the bylaws provide otherwise, the board of directors shall elect persons to exercise the functions of the offices of president, secretary, and treasurer and may elect or appoint any other officers and agents deemed to be necessary.*

*(b) Unless the bylaws prescribe that only directors may be officers, officers need not be directors.*

*(c) Any of the offices or functions of the offices may be held or exercised by the same person.*

*Subd. 2. [QUALIFICATIONS.] The president, secretary, and treasurer shall be adult natural persons. The bylaws may prescribe special qualifications for these offices.*

*Subd. 3. [REMOVAL.] An officer may be removed, with or without cause, by the persons authorized to elect or appoint officers. The removal is without prejudice to the officer's contract rights.*

*Subd. 4. [AUTHORITY, DUTIES.] (a) Officers have the authority and duties in the management of the business of the corporation that the bylaws prescribe or, in the absence of the prescription, as the board of directors determines.*

*(b) An officer shall discharge the duties in good faith and with the diligence and care which an ordinarily prudent person, in a like position and under similar circumstances, would exercise.*

## Sec. 5. [246A.05] [BYLAWS.]

*Subdivision 1. [BOARD ADOPTS OR AMENDS.] The board of directors may adopt or amend bylaws which may contain any provision for the purpose of administering and regulating the affairs of the corporation not inconsistent with law.*

*Subd. 2. [PROCEDURE AND NOTICE.] The procedure for amending the bylaws shall be specified in the bylaws. Notice of the meeting at which the amendment shall be considered and notice of the amendment shall be given as provided in the bylaws.*

## Sec. 6. [246A.06] [CORPORATE POWERS.]

*Subdivision 1. [AUTHORITY AND POWERS OF THE BOARD.] The corporation, through its board of directors, shall have the authority and all necessary power to do the following:*

(1) *prepare an annual budget governing the affairs of the corporation;*

(2) *hire and discharge a chief executive officer and assistants or other employees deemed necessary to carry out the corporation's affairs;*

(3) *establish personnel policies and a system of personnel management governing the employees of the corporation;*

(4) *acquire, encumber, hold, and convey through lease, purchase, gift, or otherwise any property, either real or personal;*

(5) *contract for the purchase of or furnishing of medical care and services, including the furnishing of medical care for the indigent;*

(6) *enter shared service and other cooperative ventures;*

(7) *join or sponsor membership in organizations intended to benefit the hospital or hospitals in general;*

(8) *enter partnerships;*

(9) *incorporate other corporations, both for profit and not for profit;*

(10) *have members of its governing authority or its officers or administrators serve as directors, officers, or employees of the ventures, associations, or corporations;*

(11) *own shares of stock in business corporations;*

(12) *offer, directly or indirectly, products and services of the hospital, organization, association, partnership, or corporation to the general public;*

(13) *sue and be sued;*

(14) *continue as a public corporation perpetually;*

(15) *enter into obligations or contracts and do any act incidental to the transaction of its business or expedient to its purposes, including purchasing insurance;*

(16) *acquire, hold, mortgage, pledge, or dispose of shares, bonds, securities, and other evidence of indebtedness of any domestic or foreign corporation, either profit or nonprofit and either public or private, and, if the owner thereof, to exercise all the rights, powers, and privileges of ownership, including the right to vote;*

- (17) *conduct its affairs within and without this state;*
- (18) *merge and consolidate with other corporations, domestic or foreign, organized for related purposes;*
- (19) *make donations to other corporations, domestic or foreign, organized for related purposes;*
- (20) *be a member of other corporations, whether domestic or foreign;*
- (21) *obtain funds necessary for its operations by borrowing upon terms and conditions which the corporation finds to be in its best interests;*
- (22) *accept from the United States, the state of Minnesota or its agencies or political subdivisions of government, and from private sources land, money, or other assistance;*
- (23) *take any action relative to the delivery of health care services which could be taken by a nonprofit corporation under chapter 317, and shall, when so acting, have, in addition to any authority vested by law, the authority and legal capacity of a nonprofit corporation under chapter 317;*
- (24) *pay a per diem and expenses to the members of the board of directors; and*
- (25) *exercise any power conferred upon a private nonprofit corporation by chapter 317.*

*Subd. 2. [OTHER POWERS.] The corporation shall have all the powers necessary and convenient for the operation, administration, management, and control of the corporation's affairs. The enumeration of specific powers in this chapter is not intended to restrict the power of the corporation to take any action which in the exercise of its discretion is necessary or convenient to further the purposes for which the corporation exists, and that is not otherwise prohibited by law, whether or not the power to take the action is necessarily implied from the powers expressly granted.*

*Subd. 3. [SUBSIDIARY CORPORATIONS.] Pursuant to the authority granted to the corporation in subdivision 1, clause (9), the corporation shall, at a minimum, create two subsidiary corporations. One subsidiary corporation shall be charged with the governance and operation of the St. Paul Ramsey Medical Center. The other subsidiary corporation shall be an association of physicians and dentists. Both subsidiaries shall be governed by boards of directors that are elected by the corporation's board of directors. The bylaws of both subsidiaries must be ratified by the corporation's board of directors prior to taking effect.*

*Subd. 4. [EXCEPTION TO OTHER LAW.] Notwithstanding any law to the contrary, the hospital subsidiary corporation shall not be subject to the provisions of chapter 179A and sections 471.345 to 471.37. Notwithstanding any law to the contrary, any organization, association, partnership, or corporation created by, controlled by, or owned by the corporation shall not be subject to the provisions of chapters 13 and 179A, and sections 471.345 to 471.37 and 471.705.*

**Sec. 7. [246A.07] [CORPORATE SEAL.]**

*The corporation shall not have a corporate seal.*

**Sec. 8. [246A.08] [ANNUAL MEETING.]**

*Each year the corporation shall hold a meeting which must be open to the public. At this meeting the board of directors and the chief executive officers of the corporation shall report on the affairs of the corporation and goals for the future.*

**Sec. 9. [246A.09] [ANNUAL AUDIT.]**

*Each year an audit must be conducted regarding the corporation's finances. The audit must be conducted by an independent accountant selected by the board of directors and be performed in accordance with generally accepted accounting practices and auditing standards. The audit report must be available for public inspection.*

**Sec. 10. [246A.10] [PUBLIC DEPOSITORY.]**

*The corporation shall have jurisdiction over its accounts and payrolls and shall establish and maintain a public depository. The depository must be subject to chapter 118, except that the corporation shall determine the appropriate security. The corporation shall establish and maintain all necessary accounts. The corporation may establish reserve accounts, depreciation accounts, and working capital funds in order to operate on an accrual basis.*

**Sec. 11. [246A.11] [TRANSFER OF ASSETS.]**

*Subdivision 1. [TRANSFER.] Notwithstanding any other law to the contrary, Ramsey county and the city of St. Paul, or either of them, may lease any property, real or personal, acquired by either or both for the establishment, operation, or maintenance of St. Paul Ramsey Medical Center, created by section 383A.41, or that has been turned over to the center for its use; however, the lease must only be to the corporation or one of its subsidiaries.*

*Subd. 2. [NO ADVERTISING OR BIDS.] In the event Ramsey county and the city of St. Paul, or either of them, choose to*

*exercise the authority granted in subdivision 1, they may do so without first advertising for bids and without receipt of any bids.*

**Subd. 3. [CORPORATE STATUS.]** *The corporation shall be considered a "public corporation" for purposes of section 465.035.*

**Subd. 4. [REQUIREMENTS OF TRANSFER.]** *In the event Ramsey county and the city of St. Paul, or either of them, choose to exercise the authority granted in subdivision 1, the lease must also address the following:*

*(1) continued primary use of the property for health and hospital services;*

*(2) indigent care; and*

*(3) consideration to be paid for the property.*

**Subd. 5. [PROPERTY TRANSFER TO CORPORATION.]** *All property, both real and personal, that is held by the St. Paul Ramsey Medical Center commission on the effective date of sections 1 to 27 is transferred to the corporation.*

**Sec. 12. [246A.12] [TRANSITIONAL PROVISIONS; STATUS OF PRESENT EMPLOYEES.]**

**Subdivision 1. [EMPLOYEE TRANSFER.]** *All employees of the St. Paul Ramsey Medical Center commission, section 383A.41, shall be transferred to the hospital subsidiary corporation.*

**Subd. 2. [CURRENT POSITIONS.]** *Each person holding a position with the St. Paul Ramsey Medical Center commission who has acquired permanent tenure or who was serving a probationary period on the effective date of this section may retain employment, seniority, and accrued benefits, including participation in deferred compensation programs. These persons shall not be subject to the Ramsey county civil service personnel system law and the rules related to it.*

**Subd. 3. [CHARITABLE HOSPITAL ACT.]** *Employees of the hospital subsidiary corporation shall be subject to the charitable hospitals act, sections 179.35 to 179.39.*

**Subd. 4. [BARGAINING UNITS.]** *The hospital subsidiary corporation shall recognize existing bargaining units organized by employees of the St. Paul Ramsey Medical Center commission. The hospital subsidiary corporation shall recognize all current labor agreements and the terms of those agreements shall remain in force until the agreements expire by their terms.*

*Subd. 5. [RETIREMENT EXCLUSION.] Persons initially employed by the hospital subsidiary corporation following the effective date of this section shall be excluded from the definition of "public employee" pursuant to the public employees retirement act, chapter 353.*

*Subd. 6. [RETIREMENT ELECTION.] All employees transferred to the hospital subsidiary corporation pursuant to subdivision 2 shall continue to be included in the definition of "public employee" pursuant to the public employees retirement act, chapter 353. The transferred employees shall have the election to terminate their participation in the public employees retirement association created pursuant to chapter 353. Each transferred employee shall have the right to exercise the election annually on the anniversary date of initial employment by the St. Paul Ramsey Medical Center commission. If an employee exercises the right of election, the employee shall be entitled to any benefits that the employee would be entitled if the employee were terminating public employment. An employee exercising the right of election shall be entitled to participate in any retirement program established or negotiated by the hospital subsidiary corporation.*

*Subd. 7. [POLITICAL SUBDIVISION.] Solely for the purpose of establishing equitable compensation relationships, the hospital subsidiary corporation shall be considered a political subdivision pursuant to Laws 1984, chapter 651. Unless expressly provided otherwise in sections 1 through 29, this subdivision shall not be construed to mean that the hospital subsidiary corporation is a political subdivision for any other purpose.*

### **Sec. 13. [246A.13] [TRANSFER OF RIGHTS.]**

*Subdivision 1. [CORPORATION AS CONTINUATION OF COMMISSION.] The hospital subsidiary corporation created by section 2 shall be considered a continuation of the Saint Paul Ramsey Medical Center Commission and not the creation of a new authority. The subsidiary corporation succeeds to all rights and contractual obligations of the commission with the same force and effect as if those rights and obligations had been continued in the commission itself.*

*Subd. 2. [PENDING MATTERS.] The hospital subsidiary corporation may conduct and complete a legal action, administrative proceeding, or other matter commenced by the Saint Paul Ramsey Medical Commission before the effective date of sections 1 to 27, and still pending on that date, in the same manner, under the same conditions, and with the same effect as though the action, proceeding, or other matter were conducted or completed by the commission.*

*Subd. 3. [TRANSFER OF DOCUMENTS REQUIRED.] The Saint Paul Ramsey Medical Commission shall transfer and*

*deliver to the hospital subsidiary corporation all contracts, books, bonds, plans, papers, records, and other property of every description within the jurisdiction or control of the commission.*

*Subd. 4. [TRANSFER OF FUNDS.] All unspent funds appropriated to the Saint Paul Ramsey Medical Center Commission are transferred and appropriated to the hospital subsidiary corporation.*

**Sec. 14. [246A.14] [LEGAL COUNSEL.]**

*The corporation and its subsidiaries may retain the Ramsey county attorney as its attorney and legal advisor. If legal services are provided by the Ramsey county attorney, the corporation and its subsidiaries shall reimburse Ramsey county for the services and the reimbursement is to be credited to the budget of the Ramsey county attorney.*

**Sec. 15. [246A.15] [BONDING AUTHORITY.]**

*Subdivision 1. [MUNICIPALITY.] The corporation shall be considered a "municipality" pursuant to section 475.51, subdivision 2, for purposes of bond issuance and shall have all the authority conferred on municipalities by chapter 475 unless that authority is modified in this section.*

*Subd. 2. [SALE OF BONDS.] Notwithstanding any enumerated powers, the corporation may issue and sell revenue bonds or other revenue obligations to finance capital improvements or for the acquisition and betterment of additional facilities to be utilized for the delivery of health care and related research or for other proper corporate purposes. The revenue bonds or other revenue obligations must be payable solely from all or a portion of the revenues of the corporation.*

*Subd. 3. [SECURITY FOR BONDS.] The bonds may be secured by a mortgage of the site and facilities, or any part of it. The bonds must be in an amount and shall mature as provided by resolution of the board of directors and may be issued in one or more series and shall bear a date or dates, bear interest at a rate or rates, be in a denomination or denominations, be in the form either coupon or registered, carry the conversion or registration privileges, have rank or priority, be executed in the manner, be payable in medium of payment at the place or places, and be subject to the terms of redemption with or without premium as the resolution may provide. The bonds may be sold at public or private sale at a price or prices determined by the resolution. Notwithstanding any law to the contrary, the bonds must be fully negotiable. The corporation may enter into the covenants the board by resolution shall deem necessary and proper to secure payment of the bonds. The revenue bonds must state on their face that they are not payable from nor may be a charge upon any funds other than the revenues and property*

*pledged or mortgaged for their payment, nor shall the corporation be subject to any liability on them or have the power to obligate itself to pay or pay the revenue bonds from funds other than the revenues and property pledged and mortgaged. No holder or holders of the bonds shall ever have the right to compel any exercise of any taxing power of Ramsey county or any other public body to pay the principal of or interest on any of them, nor to enforce payment of them against any property of Ramsey county, the corporation, or any other public body other than that expressly pledged or mortgaged for their payment.*

**Sec. 16. [246A.16] [OPEN MEETINGS.]**

*Subdivision 1. [CORPORATION AND HOSPITAL SUBSIDIARY SUBJECT TO OPEN MEETING LAW.] The corporation and the hospital subsidiary corporation shall each be a "public body" for purposes of the Minnesota open meeting law, section 471.705.*

*Subd. 2. [BOARD ACTION.] Notwithstanding any law to the contrary, the corporation and the hospital subsidiary corporation may meet in closed session to discuss and take action on specific matters involving contracts or marketing activity in cases where the corporation or its subsidiaries are in competition with health care providers that offer similar goods or services, and where the disclosure of information pertaining to such matters would cause harm to the competitive position of the corporation or its subsidiaries.*

*Subd. 3. [CLOSED MEETINGS; RECORDING.] The board of directors may by a majority vote in a public meeting decide to hold a closed meeting pursuant to subdivision 2. The time of commencement and place of the closed meeting shall be announced at the public meeting. A written roll of members present at the closed meeting shall be made available to the public after the closed meeting. The proceedings of a closed meeting shall be tape recorded at the expense of the board of directors and shall be preserved by it for two years. The data on the tape are considered non-public data pursuant to Minnesota Statutes, section 13.02, subdivision 9.*

**Sec. 17. [246A.17] [GOVERNMENT DATA PRACTICES ACT.]**

*Subdivision 1. [POLITICAL SUBDIVISION.] The corporation and the hospital subsidiary corporation shall each be a "political subdivision" for purposes of the Minnesota government data practices act, chapter 13.*

*Subd. 2. [TRADE SECRET INFORMATION.] Notwithstanding any law to the contrary, data concerning specific matters involving contracts or marketing activity in cases where the corporation or its subsidiaries are in competition*



*with health care providers that offer similar goods or services are "trade secret information" for purposes of section 13.37, subdivision 2, to the extent disclosure of information pertaining to such matters would cause harm to the competitive position of the corporation or its subsidiaries.*

**Sec. 18. [246A.18] [TORT LIABILITY.]**

*The corporation and the hospital subsidiary corporation shall each be a "municipality" for purposes of tort liability pursuant to chapter 466.*

**Sec. 19. [246A.19] [PURCHASING.]**

*Subdivision 1. [MUNICIPALITY STATUS.] The corporation shall not be a "municipality" pursuant to section 471.345, subdivision 1, for the purposes of the uniform municipal contracting law, sections 471.345 to 471.37.*

*Subd. 2. [SERVICE CONTRACTS.] Notwithstanding any law to the contrary, the corporation may purchase directly or utilize the services of a nonprofit cooperative hospital service organization, the city of St. Paul, the state, the University of Minnesota, or any other political subdivision or agency of the state in the purchase of all goods, materials, and services that the corporation may require. These purchases must be made in compliance with laws of the state, except that purchase through a nonprofit cooperative hospital service organization is not subject to sections 471.345 to 471.37.*

**Sec. 20. [246A.20] [PUBLIC EMPLOYMENT.]**

*Unless otherwise provided by sections 1 to 27, the employees of the corporation and its subsidiaries are not "public employees" and the corporation is not a "public employer" for purposes of the public employment labor relations act, chapter 179A and the public employees retirement act, chapter 353.*

**Sec. 21. [246A.21] [EMPLOYEE SALARY LIMITS AND COMPENSATION.]**

*Subdivision 1. [EMPLOYEE SALARIES.] Notwithstanding section 43A.17, subdivision 9, or any other law to the contrary, the corporation and its subsidiaries have the discretion to set all employee salaries at levels which are considered appropriate by the respective boards of directors.*

*Subd. 2. [EMPLOYEE COMPENSATION; CONSTRUCTION AND BUILDING TRADE.] The total compensation package, including wage plus benefit rates, of all employees that are members of a construction or building trade for which there is a generally established and recognized scale of wages inside*

*the county, shall be equal to the total compensation package of private sector construction trade employees within the county as established by collective bargaining agreements.*

**Sec. 22. [246A.22] [WORKERS' COMPENSATION.]**

*Subdivision 1. [SELF-INSURANCE.] The corporation and its subsidiaries are exempt from insuring their liability for compensation and are permitted to self-insure their liability pursuant to section 176.181, subdivision 2.*

*Subd. 2. [BENEFITS.] The appointing authority may provide for the payment of additional benefits to employees from their accumulated vacation, sick leave, or overtime credits if the employees of the corporation and any of its subsidiaries are entitled to the benefits of the workers' compensation law and have at the time of compensable injury accumulated credits under a vacation, sick leave, or overtime plan or system maintained by the corporation by which they are employed. The additional payments to an employee may not exceed the amount of the total sick leave, vacation, or overtime credits accumulated by the employee and shall not result in the payment of a total weekly rate of compensation that exceeds the weekly wage of the employee. The additional payments to any employee shall be charged against the sick leave, vacation, and overtime credits accumulated by the employee. Employees of the corporation and any of its subsidiaries entitled to the benefits of the workers' compensation law may receive additional benefits pursuant to a collective bargaining agreement or other plan, entered into or in effect on or after January 1, 1980, providing payments by or on behalf of the employer and these additional benefits may be unrelated to any accumulated sick leave, holiday, or overtime credits and need not be charged against any accumulation; provided that the additional payments must not result in the payment of a total weekly rate of compensation that exceeds the weekly wage of the employee. The corporation and its subsidiaries may adopt rules and regulations consistent with chapter 179 to carry out this section relating to payment of additional benefits to employees from accumulated sick leave, vacation, overtime credits, or other sources.*

**Sec. 23. [246A.23] [DEFERRED COMPENSATION; INDIVIDUAL ANNUITY CONTRACTS.]**

*Subdivision 1. [DEFERRAL OF COMPENSATION.] Notwithstanding any law to the contrary, at the request of an employee of the corporation or any of its subsidiaries, the appointing authority shall by payroll deduction defer the payment of part of the compensation of the employee, as provided in a written agreement between the employee and the appointing authority, in a manner that will qualify the deferred amount for benefits afforded under federal and state tax laws, regulations, and rulings.*

**Subd. 2. [ANNUITY CONTRACT.]** *At the request of an employee and as part of the employee's compensation arrangement, the corporation, or any of its subsidiaries may negotiate and purchase an individual annuity contract from a company licensed to do business in the state of Minnesota for an employee for retirement or other purposes and may make payroll allocations in accordance with the arrangement for the purpose of paying the entire premium due or to become due under the annuity contract. The allocation shall be made in a manner that will qualify the annuity premiums, or a portion of them, for the benefit afforded under section 403(b) of the Internal Revenue Code of 1954, or any equivalent provisions of subsequent federal income tax law. The employee is the owner of the contract and the employee's rights under the contract are nonforfeitable except for failure to pay premiums.*

**Sec. 24. [246A.24] [TAX EXEMPT STATUS.]**

*The corporation is an organization exempt from taxation pursuant to chapter 290 and chapter 297A.*

**Sec. 25. [246A.25] [PREPAID HEALTH PLAN.]**

*The hospital subsidiary corporation is a county affiliated public teaching hospital for purposes of section 256D.03, subdivision 4.*

**Sec. 26. [246A.26] [LIMITATIONS UPON CORPORATE POWERS.]**

**Subdivision 1. [ATTEMPTS TO INFLUENCE LEGISLATION.]** *The corporation shall not create propaganda or otherwise attempt to influence legislation to such an extent as would result in the loss of exemption under section 501(c)(3) of the Internal Revenue Code of 1954. The corporation shall not participate by the publication or distribution of statements or by any other means, in any political campaign on behalf of any candidate for public office.*

**Subd. 2. [USE OF INCOME.]** *No part of the assets or income of the corporation shall be used for objects or purposes which are not exclusively charitable, educational, or scientific under section 501(c)(3) of the Internal Revenue Code of 1954, and the laws of the state of Minnesota.*

**Subd. 3. [COMPENSATION LIMITATIONS.]** *No compensation or payment shall ever be made or paid to any officer, director, or trustee or the corporation except as reimbursement for actual expenditures made on behalf of the corporation and as reasonable compensation for services actually rendered. No part of the net earnings and assets of the corporation shall inure to the benefit of any private individual, nor shall any part of the income or assets of the corporation be distributed to or*

*divided among any private individual as dividends or otherwise. The corporation shall not afford pecuniary gain, incidentally or otherwise, to its members except that the corporation may afford pecuniary gain to any member, as designated in the bylaws, that is a nonprofit corporation described in section 501(c)(3) of the Internal Revenue Code of 1954.*

*Subd. 4. [TRANSFER UPON LIQUIDATION.] In the event of the liquidation or dissolution of the corporation, the net assets of the corporation shall be distributed to an entity qualified for exemption under section 501(c)(3) of the Internal Revenue Code of 1954 or to any federal, state, or local governmental unit for use by it for public purposes.*

**Sec. 27. [246A.27] [INDIGENT CARE.]**

*Subdivision 1. [SERVICES.] The hospital subsidiary corporation shall provide hospital and medical services for the indigent of Ramsey county. The services shall be equivalent to those made available to nonindigent patients.*

*Subd. 2. [FUNDS.] Notwithstanding any law to the contrary, Ramsey county may provide funds for the purchase of medical care for the indigent of Ramsey county from a provider selected by the county with or without public bid.*

**Sec. 28. [REPEALER.]**

*Minnesota Statutes 1984, section 383A.41, as amended by Laws 1985, chapter 89, section 21, is repealed.*

**Sec. 29. [EFFECTIVE DATE.]**

*Sections 11, 12, 13, and 28 are effective when the initial board of directors take office according to section 3. Sections 1 to 10, and 14 to 27 are effective the day after the Ramsey county board files a certificate of local approval in compliance with section 645.021, subdivision 3."*

The motion prevailed and the amendment was adopted.

H. F. No. 1875, A bill for an act relating to health; creating a public corporation to provide health care services, education, and research; providing for governance of St. Paul Ramsey Medical Center and creation of a physicians and dentists subsidiary; proposing coding for new law as Minnesota Statutes, chapter 246A; repealing Minnesota Statutes 1984, section 383A.41, as amended.

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 107 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Levi	Ozment	Solberg
Anderson, R.	Erickson	Lieder	Pappas	Sparby
Backlund	Fjoslien	Long	Pauly	Stanius
Battaglia	Frederick	Marsh	Peterson	Staten
Beard	Frerichs	McEachern	Piepho	Sviggunn
Becklin	Greenfield	McLaughlin	Piper	Thiede
Begich	Gruenes	McPherson	Poppenhagen	Thorson
Bennett	Halberg	Miller	Price	Tjornhom
Bishop	Hartle	Minne	Quist	Tomlinson
Blatz	Haukoos	Munger	Redalen	Tompkins
Brandl	Heap	Murphy	Rest	Tunheim
Brown	Jacobs	Nelson, D.	Rice	Uphus
Burger	Jennings, L.	Nelson, K.	Riveness	Valento
Carlson, D.	Johnson	Norton	Rodosovich	Vellenga
Carlson, L.	Kahn	O'Connor	Sarna	Waltman
Clark	Kalis	Ogren	Schafer	Welle
Clausnitzer	Kelly	Olson, S.	Scheid	Wenzel
Cohen	Kiffmeyer	Olson, E.	Seaberg	Wynia
DenOuden	Knickerbocker	Omann	Segal	Spk. Jennings, D.
Dimler	Knuth	Onnen	Shaver	
Dyke	Kostohryz	Osthoff	Sherman	
Elioff	Krueger	Otis	Skoglund	

Those who voted in the negative were:

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

H. F. No. 1958 was reported to the House.

Kelly moved to amend H. F. No. 1958, the first engrossment, as follows:

Page 16, line 33, after "three" insert "public" and after "members" delete the new language.

The motion prevailed and the amendment was adopted.

H. F. No. 1958, A bill for an act relating to crime victims; providing increased protections and rights to victims of crime; providing new procedures for enforcing restitution orders; establishing local victim-witness assistance programs; making a variety of changes to the crime victims reparations act; increasing the membership of the crime victim and witness advisory council; amending Minnesota Statutes 1984, sections 609.115, subdivision 1c; 609.135, by adding a subdivision; 611A.03, subdivision 1; 611A.04, subdivision 2; 611A.06; 611A.53, subdivision 1, and by adding a subdivision; 611A.57, by adding a subdivision; and 611A.61; and Minnesota Statutes 1985 Supplement, sections 609.101; 611A.52; 611A.53, subdivision 2; 611A.54; 611A.56,

subdivision 1; 611A.71, subdivisions 1 and 2; and 631.046; proposing coding for new law in Minnesota Statutes, chapter 611A.

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 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 2130 which was temporarily laid over earlier today was again reported to the House.

Sparby moved to amend H. F. No. 2130, the first engrossment, as follows:

Page 1, line 20, after the period insert: *"In municipalities greater than 12,000 population, a firearm transported in a motor vehicle also must be contained in a gun case expressly made for that purpose, or in the vehicle's trunk with the trunk door closed."*

The motion prevailed and the amendment was adopted.

H. F. No. 2130, A bill for an act relating to public safety; regulating transportation of firearms and bows; amending Minnesota Statutes 1984, section 100.29, subdivision 5.

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

The question was taken on the passage of the bill and the roll was called. There were 75 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dimler	Knickerbocker	Onnen	Sherman
Backlund	Dyke	Krueger	Ozment	Solberg
Battaglia	Elioff	Levi	Pauly	Sparby
Beard	Erickson	McEachern	Piepho	Swiggum
Becklin	Fjoslien	McKasy	Poppenhagen	Thiede
Begich	Frederick	McPherson	Quinn	Thorson
Bishop	Frerichs	Metzen	Quist	Tjornhom
Blatz	Gutknecht	Miller	Redalen	Tunheim
Brown	Hartinger	Minne	Rest	Uphus
Burger	Hartle	Murphy	Richter	Voss
Carlson, D.	Haukoos	Nelson, D.	Sarna	Waltman
Carlson, L.	Jacobs	O'Connor	Schafer	Welle
Clausnitzer	Johnson	Ogren	Schreiber	Wenzel
Dempsey	Kalis	Olson, E.	Seaberg	Zaffke
DenOuden	Kiffmeyer	Omann	Shaver	Spk. Jennings, D.

Those who voted in the negative were:

Anderson, G.	Jennings, L.	Munger	Price	Stanius
Bennett	Kahn	Nelson, K.	Rice	Tomlinson
Brandl	Kelly	Norton	Rose	Tompkins
Clark	Knuth	Osthoff	Scheid	Valento
Cohen	Kostohryz	Otis	Segal	Vanasek
Ellingson	Long	Pappas	Simoneau	Vellenga
Greenfield	McLaughlin	Peterson	Skoglund	Wynia
Gruenes				

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

#### CALL OF THE HOUSE

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

Anderson, G.	Dyke	Knuth	Neuenschwander	Quinn
Backlund	Elioff	Kostohryz	Norton	Redalen
Battaglia	Ellingson	Krueger	O'Connor	Rest
Beard	Erickson	Levi	Ogren	Rice
Becklin	Fjoslien	Lieder	Olson, E.	Rodosovich
Begich	Frerichs	Long	Omann	Rose
Bennett	Greenfield	Marsh	Onnen	Sarna
Blatz	Gruenes	McEachern	Osthoff	Schafer
Boo	Gutknecht	McLaughlin	Otis	Scheid
Brown	Hartinger	McPherson	Ozment	Seaberg
Burger	Hartle	Metzen	Pappas	Segal
Carlson, D.	Haukoos	Miller	Pauly	Shaver
Carlson, L.	Jennings, L.	Minne	Peterson	Sherman
Clark	Johnson	Munger	Piepho	Simoneau
Clausnitzer	Kalis	Murphy	Piper	Skoglund
Cohen	Kiffmeyer	Nelson, D.	Poppenhagen	Solberg
Dimler	Knickerbocker	Nelson, K.	Price	Stanius

Thiede  
Thorson  
Tjornhom

Uphus  
Valento  
Vellenga

Voss  
Waltman

Wenzel  
Wynia

Zaffke  
Spk. Jennings, D.

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

H. F. No. 2166, A bill for an act relating to state government; ratifying certain labor agreements and compensation and salary plans; granting authority to the legislative commission on employee relations.

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 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

DenOuden      Gutknecht

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.

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

H. F. No. 2080 was reported to the House.

Thorson; Ogren; Olsen, S.; Neuenschwander and McEachern moved to amend H. F. No. 2080, the second engrossment, as follows:

Page 2, line 2, after the period, insert: *"Wild rice lands that are part of the school trust fund shall be exempt from selection for sale to wild rice producers."*

Page 3, line 26, after the period, insert: *"The inventory shall specify the number of acres suitable for wild rice development that are located on school trust fund lands."*

The motion prevailed and the amendment was adopted.

The Speaker called Halberg to the Chair.

Long, Kahn and Munger moved to amend H. F. No. 2080, the second engrossment, as amended, as follows:

Page 1, after line 8, insert:

"Sec. 1. Minnesota Statutes 1984, section 30.49, is amended to read:

30.49 [PADDY GROWN WILD RICE.]

All wild rice which is planted or cultivated and which is offered for wholesale or retail sale in this state shall be plainly and conspicuously labeled (1) as "paddy grown"; (2) to indicate the approximate proportion of the wild rice that was grown in Minnesota; and (3) to indicate the amount of natural wild rice, if any, that is mixed with paddy grown wild rice. The labeling must be in letters of a size and form prescribed by the commissioner. Any person who sells wild rice at wholesale or retail which is not labeled as required by this section is guilty of a misdemeanor."

Renumber subsequent sections

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Long et al., amendment and the roll was called. There were 18 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Battaglia	Kahn	Minne	Piper	Skoglund
Brandl	Kostohryz	Munger	Rice	Voss
Clark	Long	Osthoff	Segal	Wynia
Greenfield	McLaughlin	Pappas		

Those who voted in the negative were:

Anderson, G.	Ellingson	Knuth	Pauly	Stanius
Anderson, R.	Erickson	Krueger	Peterson	Sviggum
Backlund	Fjoslien	Lieder	Piepho	Thiede
Beard	Frederick	Marsh	Poppenhagen	Thorson
Becklin	Frerichs	McDonald	Price	Tjornhom
Begich	Gruenes	McEachern	Quist	Tompkins
Bennett	Gutknecht	McPherson	Redalen	Tunheim
Blatz	Halberg	Metzen	Rest	Uphus
Boo	Hartinger	Miller	Richter	Valento
Brown	Hartle	Neuenschwander	Riveness	Vanasek
Burger	Haukoos	Norton	Rodosovich	Vellenga
Carlson, L.	Jacobs	O'Connor	Sarna	Waltman
Clausnitzer	Jennings, L.	Ogren	Schafer	Welle
Dempsey	Johnson	Olson, E.	Seaberg	Wenzel
Dimler	Kalis	Omann	Shaver	Zaffke
Dyke	Kiffmeyer	Onnen	Solberg	Spk. Jennings, D.
Elioff	Knickerbocker	Ozment	Sparby	

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

Kahn moved to amend H. F. No. 2080, the second engrossment, as amended, as follows:

Page 3, after line 27, insert:

*"Sec. 6. [TECHNICAL ADVISORY COMMITTEE.] A technical advisory committee is established to review the types of state-owned lands, and to examine the economic return to the state of leasing versus sale, that may be designated for wild rice production. Before any sale or leasing of land occurs under sections 2 to 4, the commissioners must consider the recommendations of the technical advisory committee. There shall be five members of the technical advisory committee appointed by the governor from the following:*

- (a) a member of the financial community;*
- (b) an agricultural extension representative;*
- (c) a person in natural resources management;*
- (d) a person in agricultural resources management; and*

(e) a representative of the Indian community.

*At least two members of the advisory committee shall be from areas of the state that do not contain wild rice farming. A financial interest in wild rice production does not exclude anyone from being appointed to the advisory committee.*

*The members of the technical advisory committee shall elect their own chair. Terms of membership, compensation and expiration of the advisory committee shall be governed by section 15.059."*

Begich moved to lay the Kahn amendment to H. F. No. 2080, as amended, on the table.

A roll call was requested and properly seconded.

The question was taken on the Begich motion and the roll was called. There were 80 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dimler	Krueger	Pauly	Solberg
Backlund	Dyke	Levi	Peterson	Sparby
Battaglia	Elioff	Marsh	Piepho	Stanis
Beard	Erickson	McDonald	Poppenhagen	Sviggum
Becklin	Fjoslien	McEachern	Price	Thiede
Begich	Frederick	McPherson	Quinn	Thorson
Bennett	Frerichs	Metzen	Quist	Tjornhom
Bishop	Gruenes	Miller	Redalen	Tompkins
Blatz	Halberg	Minne	Rest	Tunheim
Boo	Hartle	Neuenschwander	Richter	Uphus
Brown	Haukoos	O'Connor	Riveness	Valan
Burger	Jacobs	Ogren	Sarna	Valento
Carlson, D.	Johnson	Olson, E.	Schafer	Waltman
Carlson, L.	Kalis	Omman	Seaberg	Wenzel
Clausnitzer	Kiffmeyer	Onnen	Shaver	Zaffke
DenOuden	Knickerbocker	Ozment	Sherman	Spk. Jennings, D.

Those who voted in the negative were:

Cohen	Lieder	Norton	Segal	Vellenga
Greenfield	Long	Osthoff	Simoneau	Voss
Kahn	McLaughlin	Otis	Skoglund	Wynia
Kostohryz	Munger	Pappas		

The motion prevailed and the Kahn amendment to H. F. No. 2080, as amended, was laid on the table.

H. F. No. 2080, A bill for an act relating to agriculture; declaring state policy relating to paddy-grown rice; amending Minnesota Statutes 1985 Supplement, sections 92.50, subdivision 1; 92.501, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 30.

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 77 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dyke	McDonald	Poppenhagen	Thiede
Backlund	Erickson	McEachern	Quist	Thorson
Beard	Fjoslien	McPherson	Redalen	Tjornhom
Begich	Gruenes	Metzen	Rest	Tomlinson
Bennett	Gutknecht	Miller	Richter	Tompkins
Bishop	Halberg	Minne	Riveness	Tunheim
Blatz	Hartinger	Neuenschwander	Rodosovich	Uphus
Boo	Hartle	O'Connor	Sarna	Valento
Brandl	Haukoos	Ogren	Schafer	Waltman
Brown	Heap	Olson, E.	Seaberg	Welle
Burger	Jacobs	Omann	Shaver	Wenzel
Carlson, D.	Johnson	Onnen	Sherman	Zaffke
Carlson, L.	Kiffmeyer	Ozment	Solberg	Spk. Jennings, D.
Clausnitzer	Krueger	Pauly	Sparby	
DenOuden	Levi	Peterson	Stanis	
Dimler	Marsh	Picpho	Svigum	

Those who voted in the negative were:

Battaglia	Knuth	Murphy	Price	Staten
Becklin	Kosthryz	Norton	Rice	Vanasek
Elioff	Long	Otis	Segal	Vellenga
Greenfield	McLaughlin	Pappas	Simoneau	Voss
Jennings, L.	Munger	Piper	Skoglund	Wynia
Kahn				

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

H. F. No. 2195 was reported to the House.

Olson, E., moved to amend H. F. No. 2195, as follows:

Page 1, line 13, after the period insert "*Any levy for the payment of debt service on bonds issued pursuant to this act is not subject to the levy limitation of Minnesota Statutes, section 275.11, or any other law.*"

The motion prevailed and the amendment was adopted.

H. F. No. 2195, A bill for an act relating to the city of McIntosh; authorizing the city to issue bonds in excess of its net debt limitations.

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, R.	Frerichs	Marsh	Ozment	Solberg
Backlund	Greenfield	McDonald	Pappas	Sparby
Battaglia	Gruenes	McEachern	Pauly	Stanius
Bcard	Halberg	McKasy	Piepho	Staten
Becklin	Hartinger	McLaughlin	Piper	Sviggunn
Begich	Hartle	McPherson	Poppenhagen	Thiede
Bennett	Haukoos	Metzen	Price	Tjornhom
Bishop	Heap	Miller	Quinn	Tomlinson
Blatz	Jacobs	Minne	Quist	Tompkins
Boo	Jennings, L.	Munger	Redalen	Tunheim
Brandl	Johnson	Murphy	Rest	Uphus
Brown	Kahn	Nelson, D.	Rice	Valento
Burger	Kalis	Nelson, K.	Richter	Vanasek
Carlson, D.	Kelly	Neuenschwander	Riveness	Vellenga
Carlson, L.	Kiffmeyer	Norton	Rodosovich	Voss
Clark	Knickerbocker	O'Connor	Sarna	Waltman
Clausnitzer	Knuth	Ogren	Schafer	Welle
DenOuden	Kostohryz	Olson, E.	Seaberg	Wenzel
Dyke	Krueger	Omann	Segal	Wynia
Elioff	Levi	Onnen	Shaver	Zaffke
Fjoslien	Lieder	Osthoff	Sherman	Spk. Jennings, D.
Frederick	Long	Otis	Skoglund	

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

H. F. No. 1919 was reported to the House.

Begich moved to amend H. F. No. 1919, the first engrossment, as follows:

Page 7, after line 20, insert:

"Sec. 15. [126.211] [JUNIOR HIGH SWIM CLASSES.]

*Notwithstanding section 363.03, subdivision 5, or other law to the contrary, a district may choose to offer for its pupils in grades 7, 8, and 9:*

(1) *a swimming class for pupils of both sexes; or*

(2) *a swimming class for pupils of one sex only if in the best interests of the pupils and not for discriminatory purposes, and, if a swimming class for pupils of the other sex only is also offered.*

Sec. 16. Minnesota Statutes 1984, section 363.03, subdivision 5, is amended to read:

Subd. 5. [EDUCATIONAL INSTITUTION.] It is an unfair discriminatory practice:

(1) To discriminate in any manner in the full utilization of or benefit from any educational institution, or the services rendered thereby to any person because of race, color, creed,

religion, national origin, sex, age, marital status, status with regard to public assistance or disability, *unless otherwise lawful under section 15.*

(2) To exclude, expel, or otherwise discriminate against a person seeking admission as a student, or a person enrolled as a student because of race, color, creed, religion, national origin, sex, age, marital status, status with regard to public assistance or disability.

(3) To make or use a written or oral inquiry, or form of application for admission that elicits or attempts to elicit information, or to make or keep a record, concerning the race, color, creed, religion, national origin, sex, age, marital status or disability of a person seeking admission, except as permitted by regulations of the department."

Page 9, line 7, delete "and" and insert "14," and after "15" insert "and 16"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "providing options for swimming classes in junior high schools;"

Page 1, line 7, after the semicolon, insert "363.03, subdivision 5;"

Page 1, line 11, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 126"

A roll call was requested and properly seconded.

#### POINT OF ORDER

Kahn raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker pro tempore Halberg ruled the point of order not well taken and the amendment in order.

The question recurred on the Begich amendment and the roll was called. There were 69 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Becklin	Burger	Erickson	Hartinger
Anderson, R.	Begich	Clausnitzer	Fjoslien	Hartle
Backlund	Bishop	DenOuden	Frederick	Heap
Battaglia	Blatz	Dyke	Gutknecht	Jacobs
Beard	Boo	Elioff	Halberg	Jennings, L.

Johnson	Miller	Quinn	Shaver	Tunheim
Kalis	Minne	Quist	Sherman	Uphus
Kelly	O'Connor	Redalen	Solberg	Valento
Kiffmeyer	Ogren	Richter	Sparby	Vanasek
Levi	Omann	Rodosovich	Stanis	Waltman
Marsh	Omen	Rose	Sviggum	Wenzel
McEachern	Ozment	Sarna	Thiede	Zaffke
McPherson	Pauly	Schafer	Tjornhom	Spk. Jennings, D.
Metzen	Poppenhagen	Seaberg	Tompkins	

Those who voted in the negative were:

Brandl	Gruenes	McLaughlin	Peterson	Skoglund
Brown	Haukoos	Munger	Piper	Staten
Carlson, L.	Kahn	Nelson, D.	Price	Tomlinson
Clark	Knuth	Nelson, K.	Rest	Vellenga
Cohen	Kostohryz	Norton	Rice	Voss
Ellingson	Krueger	Osthoff	Riveness	Welle
Frerichs	Lieder	Otis	Segal	Wynia
Greenfield	Long	Pappas	Simoneau	

The motion prevailed and the amendment was adopted.

Backlund moved to amend H. F. No. 1919, the first engrossment, as amended, as follows:

Pages 6 and 7, delete sections 12 and 13

Page 9, line 7, delete "15" and insert "13"

ReNUMBER the remaining sections

Amend the title as follows:

Page 1, line 6, delete "Minnesota Statutes 1984,"

Page 1, line 7, delete "section 124A.034, subdivisions 1 and 2;"

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

Sviggum moved to amend H. F. No. 1919, the first engrossment, as amended, as follows:

Page 5, after line 3, insert:

"Sec. 8. Minnesota Statutes 1985 Supplement, section 123.-3514, is amended by adding a subdivision to read:

*Subd. 5a. [COMPARABILITY OF COURSES.] The local school board shall determine whether the course or program the pupil is taking in the post-secondary institution is comparable to a course or program offered in the pupil's high school. If the local school board determines that the course or program is*

*comparable, the board may request the state board of education to withhold payment to the post-secondary institution for the course or program within 90 days of the pupil's enrollment in the course. The state board shall issue a determination within 45 days of the request. The state board's decision shall be considered final.*

Sec. 9. Minnesota Statutes 1985 Supplement, section 123.3514, is amended by adding a subdivision to read:

*Subd. 5b. [CONTINUANCE.] A pupil enrolled in a course or program determined by the state board of education to be comparable to a course offered in that pupil's high school under the provision of subdivision 5a, shall be allowed to continue enrollment in the course or program. The post-secondary institution and the school district shall grant credit pending satisfactory completion of the course or program by the pupil. The post-secondary institution shall not receive reimbursement for tuition or other related costs from the pupil, parent or guardian, or local school board for any course taken by a pupil which has been determined to be comparable to a course offered in that pupil's high school."*

Renumber sections accordingly

Page 9, line 8, delete "and 11" and insert "11, 12 and 13"

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

DenOuden was excused while in conference.

The question was taken on the Sviggum amendment and the roll was called. There were 33 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Krueger	Nelson, D.	Rest	Sviggum
Anderson, R.	Lieder	Neuenschwander	Rodosovich	Tunheim
Brown	Marsh	Ogren	Sarna	Waltman
Carlson, L.	McEachern	Olson, E.	Simoneau	Welle
Fjoslien	Meizen	Ozment	Solberg	Wenzel
Kalis	Miller	Peterson	Sparby	
Knuth	Munger	Redalen	Stanius	

Those who voted in the negative were:

Backlund	Blatz	Dyke	Gruenes	Jennings, L.
Battaglia	Boo	Elioff	Gutknecht	Johnson
Beard	Brandl	Ellingson	Hartinger	Kahn
Becklin	Burger	Erickson	Hartle	Kelly
Begich	Clausnitzer	Frederick	Haukoos	Kiffmeyer
Bennett	Cohen	Frerichs	Heap	Knickerbocker
Bishop	Dimler	Greenfield	Jacobs	Kostohryz



Levi	Onnen	Quinn	Shaver	Valento
Long	Osthoff	Quist	Sherman	Vanasek
McLaughlin	Otis	Rees	Skoglund	Vellenga
McPherson	Pappas	Rice	Staten	Voss
Minne	Pauly	Richter	Thiede	Wynia
Murphy	Piepho	Riveness	Thorson	Zaffke
Nelson, K.	Piper	Rose	Tjornhom	Spk. Jennings, D.
Norton	Poppenhagen	Schafer	Tomlinson	
Omman	Price	Seaberg	Tompkins	

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

McLaughlin, Skoglund, Long, Brandl, Sarna, Greenfield, Otis, Kahn, Rice, Clark, Staten and Nelson, K., moved to amend H. F. No. 1919, the first engrossment, as amended, as follows:

Page 1, after line 13, insert:

"Section 1. Minnesota Statutes 1984, section 123.35, is amended by adding a subdivision to read:

*Subd. 2a. In assigning pupils to a particular school in the district, a school board must not give priority to pupils whose parents or guardian own a home in the school's attendance area over those pupils whose parents or guardian rent a dwelling unit in that school's attendance area."*

Renumber the remaining sections

Correct internal references

Amend the title as follows:

Page 1, line 7, delete "section" and insert "sections 123.35, by adding a subdivision; and"

The motion prevailed and the amendment was adopted.

Nelson, D., moved to amend H. F. No. 1919, the first engrossment, as amended, as follows:

Page 6, after line 25, insert:

"Sec. 12. Minnesota Statutes 1985 Supplement, section 123.-3514, is amended by adding subdivisions to read:

*Subd. 11. [COLLEGE ACCESS.] The post-secondary systems shall develop plans for establishing and implementing a non-vocational program, called college access, whereby college courses are provided to high school pupils on high school campuses when it is economically feasible and when qualified secondary teachers are available to teach the courses. The plans shall provide for courses to be offered beginning in the 1987-1988 school year.*

*Subd. 12. [DEVELOPMENT OF IMPLEMENTATION PLAN.] The Higher Education Coordinating Board in consultation with the university of Minnesota, state university system and community college system shall develop an implementation plan for offering college courses in the high schools under college access which shall include the following provisions:*

*(a) The three post-secondary systems shall agree upon and specify the number and types of courses that are to be offered in the secondary schools;*

*(b) The courses are to be taught by teachers on the high school staff deemed qualified by the sponsoring college;*

*(c) The high school instructors shall maintain college standards for course expectations, student performance and grade requirements by using student objectives and testing instruments developed by college instructors for use at the college level;*

*(d) Enrollment in the courses shall be restricted to eleventh and twelfth grade pupils deemed likely to succeed in the college courses by high school personnel;*

*(e) Courses shall be offered under this section in a manner that will minimize displacement of high school pupils from their academic high school level courses;*

*(f) The three post-secondary systems shall, to the extent possible, avoid duplicating efforts in offering college courses to high school pupils;*

*(g) The three post-secondary systems shall consider the cost-effectiveness and the proximity of a particular high school to a post-secondary institution in offering college courses at high schools;*

*(h) The three post-secondary systems shall develop a plan for conducting the orientation seminars that are required in subdivision 13;*

*(i) Participation in the program shall be at the option of colleges and school districts; and*

*(j) Additional guidelines deemed appropriate shall be incorporated into the implementation plan.*

*Subd. 13. [ORIENTATION OF HIGH SCHOOL TEACHERS.] The post-secondary institutions that are sponsoring courses in this program shall conduct orientation seminars for high school teachers participating under this section consistent with provisions in the implementation plan."*

Renumber succeeding sections accordingly

Amend the title accordingly

A roll call was requested and properly seconded.

Haukoos moved to lay the Nelson, D., amendment to H. F. No. 1919, as amended, on the table.

A roll call was requested and properly seconded.

The question was taken on the Haukoos motion and the roll was called. There were 55 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Backlund	Dyke	Kiffmeyer	Piepho	Sviggum
Battaglia	Elioff	Kostohryz	Piper	Thiede
Begich	Erickson	Levi	Poppenhagen	Thorson
Bennett	Fjoslien	Marsh	Quist	Tjornhom
Bishop	Frederick	McPherson	Richter	Tompkins
Blatz	Cruenes	Miller	Rose	Valento
Boo	Gutknecht	Minne	Schafer	Vellenga
Brandl	Halberg	Murphy	Shaver	Waltman
Burger	Hartle	Onnen	Sherman	Wynia
Clausnitzer	Haukoos	Osthoff	Skoglund	Zaffke
Dimler	Johnson	Pauly	Stanius	Spk. Jennings, D.

Those who voted in the negative were:

Anderson, G.	Jennings, L.	Munger	Pappas	Simoneau
Anderson, R.	Kahn	Nelson, D.	Peterson	Solberg
Beard	Kalis	Nelson, K.	Price	Sparby
Becklin	Kelly	Neuenschwander	Quinn	Staten
Brown	Knuth	Norton	Redalen	Tomlinson
Carlson, L.	Krueger	O'Connor	Rest	Tunheim
Clark	Lieder	Ogren	Rice	Vanasek
Ellingson	Long	Olson, E.	Riveness	Voss
Greenfield	McEachern	Omann	Rodosovich	Welle
Hartinger	McLaughlin	Otis	Sarna	Wenzel
Jacobs	Meitzen	Ozment	Segal	

The motion prevailed and the Nelson, D., amendment to H. F. No. 1919, as amended, was laid on the table.

Welle moved to amend H. F. No. 1919, the first engrossment, as amended, as follows:

Delete sections 1 through 15

Page 9, after line 5, insert:

"Sec. 16. [REPEALER.]

*Minnesota Statutes 1985 Supplement, section 123.3514 is repealed."*

Correct the internal cross-references

Amend the title accordingly

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

H. F. No. 1919, A bill for an act relating to education; imposing a limit on participation; eliminating state tuition reimbursement for courses taken for post-secondary credit; making other modifications to the post-secondary enrollment options program; providing options for swimming classes in junior high schools; amending Minnesota Statutes 1984, sections 123.35, by adding a subdivision; 124A.034, subdivisions 1 and 2; 363.03, subdivision 5; Minnesota Statutes 1985 Supplement, section 123.3514, subdivisions 3, 4, 5, 6, 8, and 10, and by adding subdivisions; and Laws 1985, First Special Session chapter 12, article 5, section 7; proposing coding for new law in Minnesota Statutes, chapter 126.

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 108 yeas and 5 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Kalis	Nelson, D.	Quinn	Rees	Welle
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The bill was passed, as amended, and its title agreed to.

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

## GENERAL ORDERS

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

There being no objection the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Forsythe from the Committee on Appropriations to which was referred:

H. F. No. 1015, A bill for an act relating to recreational vehicles; regulating all-terrain vehicles; providing penalties; appropriating money; amending Minnesota Statutes 1984, sections 84.92; 84.922, subdivisions 1, 3, 5, 6, 7, 8, and by adding subdivisions; 84.925; 84.927; 84.928; 85.018; 100.273, subdivision 9; and 296.16, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Page 7, line 4, after the first "age" insert "*or holding a valid driver's license*"

Page 7, line 10, after "older" insert "*or holding a valid driver's license*"

Page 8, line 9, after "to" insert "*all-terrain*"

Page 10, line 32, after "*times*" insert "*if the vehicle is equipped with headlight and taillight*"

Page 10, line 33, after "*stoplight*" insert "*if so equipped*"

Page 11, line 8, delete "*It*" and insert "*Except for employees and agents while acting incident to the operation of the airport, it*"

Page 11, line 16, after "*contest*" insert "*or event*"

Page 11, line 19, after "*contest*" insert "*or event*"

Page 15, line 26, after the period insert "*Section 18 applies to gasoline received in or produced or brought into this state on and after January 1, 1986.*"

Page 15, line 35, delete "*1985*" and insert "*1986*"

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. 1765, A bill for an act relating to human services; setting forth legislative direction for child care services; excluding certain programs from licensing requirements; authorizing a study; ensuring safe, affordable, quality child care; directing the commissioner of human services to provide information to providers and consumers of day care; suspending administrative authority until further consideration by the legislature; indemnifying counties; amending Minnesota Statutes 1984, sections 245.791; 245.802, subdivision 1; 299F.011, subdivision 4a; 466.01, by adding subdivisions; 466.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 245 and 466.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [245.88] [CITATION.]**

*Sections 2 to 14 may be cited as the "child care services act." The child care services act is to be read in conjunction with the public welfare licensing act and with sections 245.83 to 245.87.*

**Sec. 2. [245.881] [PURPOSE.]**

*The legislature recognizes that the availability of child care is essential to the welfare of the state. Further, the legislature recognizes that the regulation of child care services affects the availability of child care. It is the intent of the legislature that child care standards and regulatory methods facilitate the availability of safe, affordable, quality child care throughout the state.*

**Sec. 3. [245.882] [DEFINITIONS.]**

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 2 to 14.*

*Subd. 2. [AGENCY.] "Agency" means the county social or human service agency governed by the board of county commissioners.*

*Subd. 3. [APPLICANT.] "Applicant" means an applicant for licensure as a day care provider under Minnesota Rules, parts 9545.0315 to 9545.0445.*

*Subd. 4. [CHILD.] "Child" has the definition given in section 245.83, subdivision 3.*

*Subd. 5. [CHILD CARE SERVICES.] "Child care services" has the definition given in section 245.83, subdivision 2.*

*Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of human services.*

*Subd. 7. [DAY CARE.] "Day care" means the care of a child outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.*

*Subd. 8. [DAY CARE RULE.] "Day care rule" means any rule promulgated under section 245.802 to regulate day care as defined in this section.*

*Subd. 9. [CONSUMER.] "Consumer" means a parent who places a child in day care.*

*Subd. 10. [DEPARTMENT.] "Department" means the department of human services.*

*Subd. 11. [PARENT.] "Parent" means a person who has the legal responsibility for a child such as the child's mother, father, or legally appointed guardian.*

*Subd. 12. [PROVIDER.] "Provider" means the day care license holder and primary caregiver in a family or group family facility.*

#### **Sec. 4. [245.883] [RULES.]**

*Rules for family day care and group family day care homes must be adopted in consultation with representatives of counties and with families who reflect the diversity of families who use day care, including families from urban, suburban, and rural communities, and with representatives of those who operate day care homes in urban, suburban, and rural communities. In addition, the commissioner shall:*

*(1) summarize day care rules in language understandable to the general public and provide a copy of each rule and its summary to each agency and provider;*

*(2) develop and distribute to providers and applicants an information brochure, in language understandable to the general public, that:*

*(i) describes services offered to applicants by the department under section 245.783, subdivision 1;*

*(ii) summarizes procedures for appealing a denial, revocation, suspension, or nonrenewal of license as set forth in section 245.801 and in rules promulgated by the commissioner;*

(iii) explains penalties for failure to license a day care facility or failure to take corrective action as set forth in section 245.803; and

(iv) explains the necessity of maintaining and providing access to records as set forth in section 245.804;

(3) provide an information service to consumers and providers that interprets day care rules;

(4) ensure that day care rules are interpreted uniformly throughout the state by providing information, training, and technical assistance to licensing agencies prior to implementing a day care rule or any revision to a day care rule; and

(5) conduct a thorough review of the relevant professional literature, identify objectively validated predictors of service outcomes, and incorporate these predictors in rules adopted under this section, to the extent feasible and appropriate.

#### **Sec. 5. [245.884] [STANDARDS AND REGULATORY METHODS.]**

In writing and enforcing day care rules, the commissioner shall identify, and when feasible and appropriate, incorporate objectively validated indicators of quality day care; methods for establishing child/staff ratios that take into consideration the age distribution of children in day care; and methods for establishing safety standards for day care facilities that take into consideration the findings of empirical studies of fire detection factors, fire spread factors, and evacuation of day care homes in case of fire. The commissioner shall provide an information service that will interpret day care rules and provide assistance to consumers and providers. To the extent feasible and appropriate, the commissioner shall identify and incorporate alternative methods of day care regulation that:

(1) increase the variety of day care available to consumers by expanding the types and categories of licensure, including the use of conditional and restricted licenses;

(2) establish a substantial compliance standard rather than a full or absolute compliance standard;

(3) include providers, consumers, advocacy groups, and experts in relevant professional fields in establishing weighted values that describe the relative importance of compliance with each provision of a day care rule;

(4) when appropriate, incorporate performance standards in place of specification standards to allow flexibility in regulation;



(5) *set minimum standards for safety, sanitation, and meeting the developmental needs of children; and*

(6) *use graded licenses as a means of informing consumers about the quality of day care delivered by a provider.*

#### Sec. 6. [REPORT.]

*By January 1, 1987, the commissioner shall submit to the health and human services committees of the legislature a report on the activities and progress undertaken in implementing sections 4 and 5.*

#### Sec. 7. [ACTIONS SUSPENDED.]

*Until July 1, 1987, the commissioner shall adopt no additional rules governing family day care and group family day care except those for which notice was published in the State Register on January 27, 1986.*

#### Sec. 8. [CONDITIONAL LICENSE.]

*Until July 1, 1987, no provider or applicant is required to spend more than \$100 to meet safety rules in excess of those required to meet Group "R" occupancies under the Uniform Building Code, chapter 12, as incorporated by reference in Minnesota Rules, part 1305.0100.*

*When a county agency determines that an applicant or provider would be required to spend over \$100 for physical changes to ensure child safety, the commissioner may issue a conditional license when all of the following conditions have been met:*

(a) *The commissioner shall notify the provider or applicant in writing of the safety deficiencies.*

(b) *The commissioner shall notify the provider or applicant in writing of alternative compliance standards that would correct deficiencies, if available.*

(c) *The provider or applicant agrees in writing to notify each parent, on a form prescribed by the commissioner that requires the signature of the parent, of the safety deficiencies and the existence of the conditional license.*

#### Sec. 9. [245.885] [REGULATION BY LOCAL GOVERNMENT.]

*The authority of local units of government to establish requirements for day care facilities is limited by Minnesota Statutes, section 299F.011, subdivision 4a, clauses (1) and (2).*

## Sec. 10. [STUDY OF CHILD CARE.]

*Subdivision. 1. [TASK FORCE.] The commissioner shall establish a task force under the auspices of the council on children, youth, and families to study child care services. The task force must include elected representatives from rural and urban counties, the legislature, rural and urban providers and consumers, advocacy groups, and appropriate state agencies.*

*Subd. 2. [FOCUS OF STUDY.] The task force shall consider at least the following matters related to day care:*

- (1) availability of liability insurance for providers;*
- (2) administration of the federal department of agriculture child care food program, including guidelines for administering the program in a manner that minimizes financial burdens on providers;*
- (3) identification of objectively validated indicators of quality day care;*
- (4) methods for establishing child/staff ratios that take into consideration the age distribution of children in day care;*
- (5) methods for establishing safety standards for day care facilities that consider the findings of empirical studies of fire detection factors, fire spread factors, and evacuation of day care homes in case of fire; and*
- (6) alternative methods of day care regulation that increase the variety of day care available to consumers and increase the types and categories of licensure, including conditional and restricted licenses.*

*Subd. 3. [REPORT ON STUDY OF CHILD CARE.] By January 1, 1987, the council on children, youth, and families shall submit to the health and human services committees of the legislature a report containing the findings and recommendations of the task force and proposals for legislative action. To the extent possible, the task force shall use existing research and published information in conducting the study and compiling the report.*

*Subd. 4. [ASSISTANCE TO THE TASK FORCE.] At the request of the council on children, youth, and families, state agencies and legislative research offices shall provide assistance to the task force.*

**Sec. 11. Minnesota Statutes 1984, section 466.01, is amended by adding a subdivision to read:**

*Subd. 4. For the purposes of sections 466.01 to 466.15, "day care facility" has the meaning given it in section 245.782, subdivision 5.*

Sec. 12. Minnesota Statutes 1984, section 466.01, is amended by adding a subdivision to read:

*Subd. 5. For the purposes of sections 466.01 to 466.15, "provider" has the meaning given it in section 3, subdivision 12.*

Sec. 13. Minnesota Statutes 1984, section 466.03, is amended by adding a subdivision to read:

*Subd. 6d. [LICENSING OF PROVIDERS.] Any claim against a municipality based on the failure of a provider to meet the standards needed for a license to operate a day care facility.*

Sec. 14. [466.131] [INDEMNIFICATION BY STATE.]

*A municipality is an employee of the state for purposes of the indemnification provisions of section 3.736, subdivision 9, when the municipality is acting under the public welfare licensing act and rules promulgated thereunder to inspect or investigate a provider.*

Sec. 15. [EFFECTIVE DATE.]

*Sections 1 to 14 are effective the day following final enactment."*

Amend the title as follows:

Page 1, delete line 11

Page 1, line 12, delete "4a;"

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. 1894, A bill for an act relating to environment; providing terms and conditions for the administration of wastewater treatment plant construction grants and loans; appropriating money; amending Minnesota Statutes 1984, sections 115.07, subdivision 1; 115A.14, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 115 and 116.

Reported the same back with the following amendments:

Pages 4 and 5, delete section 8

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

Renumber the remaining section

Amend the title as follows:

Page 1, line 5, delete "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Schreiber from the Committee on Taxes to which was referred:

H. F. No. 2248, A bill for an act relating to the city of St. Paul; permitting the imposition of an additional tax on transient lodging.

Reported the same back with the following amendments:

Page 1, line 13, after "court," insert "resort, or"

Page 1, line 13, after "motel" delete ", or other use of space by a transient"

Page 1, line 18, delete "One-half" and insert "Ninety-five percent"

Page 1, after line 20, insert:

"Sec. 2. Laws 1982, chapter 523, article 25, section 1, is amended to read:

#### Section 1. [HOTEL AND MOTEL TAX.]

A tax, supplemental to the general sales tax imposed by Minnesota Statutes, Chapter 297A, is imposed on transient lodging in the city of St. Paul at a rate equal to three percent of the consideration paid for lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp or for the granting of any similar license to use real property. The tax does not apply to a rental or lease for 30 or more days continuously. This tax supersedes any similar tax imposed pursuant to city charter. The tax shall be collected by and its proceeds paid to the city. (AT LEAST 25) *Twenty-five percent of the revenues generated by the tax shall be used for the payment of the bonds and any interest or premium on the bonds authorized by section 2. Seventy-five percent of the revenues generated by the tax shall be deposited in the city's general fund.*"

Page 1, line 21, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 3, before the period insert "; providing for use of the proceeds of hotel-motel taxes; amending Laws 1982, chapter 523, article 25, section 1"

With the recommendation that when so amended the bill pass.

The report was adopted.

Schreiber from the Committee on Taxes to which was referred:

H. F. No. 2333, A bill for an act relating to transportation; providing for use of county state-aid highway funds on highways providing access to outdoor recreation areas; providing that motor vehicles do not exceed length restrictions, whether unladen or with load; defining tandem axles; providing for weight restrictions on highways including market arteries; temporarily increasing tax on gasoline and special fuel; reducing complement of department of transportation; creating legislative transportation commission; appropriating money; amending Minnesota Statutes 1984, sections 162.06, subdivision 5; 169.81, subdivision 2; 169.825, subdivisions 8, 10, and by adding a subdivision; 169.832, subdivision 11, and by adding a subdivision; and 296.02, subdivision 1b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 162.06, subdivision 5, is amended to read:

Subd. 5. [STATE PARK ROAD ACCOUNT.] After deducting for administrative costs and for the disaster account and research account as heretofore provided from the remainder of the total sum provided for in subdivision 1, there shall be deducted a sum equal to the three quarters of one percent of the remainder but not to exceed the sum of (\$200,000) \$600,000 annually. The sum so deducted shall be set aside in a separate account and shall be used for the establishment, location, relocation, construction, reconstruction and improvement of those roads included in the county state-aid highway system under Minnesota Statutes 1961, Section 162.02, Subdivision 6 which border and provide substantial access to an outdoor recreation unit as defined in section 86A.04 or which provide access to the headquarters of or the principal parking lot located within (A STATE PARK) such a unit. At the request of the commissioner of natural resources the counties wherein such roads are located shall do such work as

requested in the same manner as on any other county state-aid highway and shall be reimbursed for such construction, reconstruction or improvements from the amount set aside by this subdivision. *Before requesting a county to do work on a county state-aid highway as provided in this subdivision, the commissioner of natural resources must obtain approval for the project from the county state-aid screening board. The screening board, before giving its approval, must obtain a written comment on the project from the county engineer of the county requested to undertake the project.* Any sums paid to counties in accordance with this subdivision shall reduce the money needs of said counties in the amounts necessary to equalize their status with those counties not receiving such payments. Any balance of the amount so set aside, at the end of each year shall be transferred to the county state-aid highway fund.

*By rule made under section 162.02, the commissioner shall prescribe standards for establishing, locating, constructing, reconstructing, and improving county state-aid highways that provide access to units of the outdoor recreation system.*

Sec. 2. Minnesota Statutes 1984, section 169.81, subdivision 2, is amended to read:

Subd. 2. [LENGTH OF VEHICLES.] (a) No single unit motor vehicle, except truck cranes which may not exceed 45 feet, unladen or with load may exceed a length of 40 feet extreme overall dimensions inclusive of front and rear bumpers, except that the governing body of a city is authorized by permit to provide for the maximum length of a motor vehicle, or combination of motor vehicles, or the number of vehicles that may be fastened together, and which may be operated upon the streets or highways of a city; provided, that the permit may not prescribe a length less than that permitted by state law. A motor vehicle operated in compliance with the permit on the streets or highways of the city is not in violation of this chapter.

(b) No single semitrailer, *unladen or with load*, may have an overall length, exclusive of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer adjacent to the truck or truck-tractor, in excess of 48 feet, except as provided in paragraph (d). No single trailer, *unladen or with load*, may have an overall length inclusive of tow bar assembly and exclusive of rear protective bumpers which do not increase the overall length by more than six inches, in excess of 45 feet. For determining compliance with the provisions of this subdivision, the length of the semitrailer or trailer must be determined separately from the overall length of the combination of vehicles.

(c) No semitrailer or trailer used in a three-vehicle combination, *unladen or with load*, may have an overall length, exclusive

of non-cargo-carrying accessory equipment, including refrigeration units or air compressors, necessary for safe and efficient operation mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor, and further exclusive of the tow bar assembly, in excess of 28-1/2 feet. The commissioner may not grant a permit authorizing the movement, in a three-vehicle combination, of a semitrailer or trailer that exceeds 28-1/2 feet, *whether unladen or with load*, except that the commissioner may renew a permit that was granted before April 16, 1984 for the movement of a semitrailer or trailer that exceeds the length limitation in this paragraph.

(d) The commissioner may issue an annual permit for a semitrailer in excess of 48 feet in length, if the distance from the kingpin to the centerline of the rear axle group of the semitrailer does not exceed 41 feet and if a combination of vehicles, which includes a semitrailer in excess of 48 feet for which a permit has been issued under this paragraph, does not exceed an overall length of 65 feet, *unladen or with load*. The annual fee for a permit issued under this paragraph is \$36.

Sec. 3. Minnesota Statutes 1984, section 169.825, is amended by adding a subdivision to read:

*Subd. 3a. [TANDEM AXLES.] "Tandem axles" means two consecutive axles whose centers are spaced more than 40 inches and not more than 96 inches apart.*

Sec. 4. Minnesota Statutes 1984, section 169.825, subdivision 8, is amended to read:

*Subd. 8. [PNEUMATIC-TIRED VEHICLES.] No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state:*

(a) Where the gross weight on any wheel exceeds 9,000 pounds, except that on designated *local routes and state trunk highways* the gross weight on any single wheel shall not exceed 10,000 pounds;

(b) Where the gross weight on any single axle exceeds 18,000 pounds, except that on designated *local routes and state trunk highways* the gross weight on any single axle shall not exceed 20,000 pounds;

(c) Where the maximum wheel load exceeds 600 pounds per inch of tire width or the manufacturer's recommended load, whichever is less;

(d) Where the gross weight on any axle of a tridem exceeds 15,000 pounds, except that for vehicles to which an additional axle has been added prior to June 1, 1981, the maximum gross

weight on any axle of a tridem may be up to 16,000 pounds provided the gross weight of the tridem combination does not exceed 37,000 pounds where the first and third axles of the tridem are spaced seven feet apart; 38,500 pounds where the first and third axles of the tridem are spaced eight feet apart; and 39,900 pounds where the first and third axles of the tridem are spaced nine feet apart.

(e) Where the gross weight on any group of axles exceeds the weights permitted under this section with any or all of the interior axles disregarded and their gross weights subtracted from the gross weight of all axles of the group under consideration.

Sec. 5. Minnesota Statutes 1984, section 169.825, subdivision 10, is amended to read:

Subd. 10. [GROSS WEIGHT SCHEDULE.] (a) No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state where the total gross weight on any group of two or more consecutive axles of any vehicle or combination of vehicles exceeds that given in the following table for the distance between the centers of the first and last axles of any group of two or more consecutive axles under consideration; the distance between axles being measured longitudinally to the nearest even foot, and when the measurement is a fraction of exactly one-half foot the next largest whole number in feet shall be used, except that when the distance between axles is more than three feet four inches and less than three feet six inches the distance of four feet shall be used:

Maximum gross weight in pounds on a group of			
	2	3	4
Distances in feet between centers of fore- most and rearmost axles of a group	consecutive axles of a 2-axle vehicle or of any vehicle or combination of vehicles having a total of 2 or more axles	consecutive axles of a 3-axle vehicle or of any vehicle or combination of vehicles having a total of 3 or more axles	consecutive axles of a 4-axle vehicle or any combination of vehicles having a total of 4 or more axles
4	34,000		
5	34,000		
	((35,000))		



6	34,000		
	((36,000))		
7	34,000	41,500	
	((37,000))		
8	34,000	42,000	
	((38,000))		
9	35,000	43,000	
	(39,000)		
10	36,000	43,500	49,000
	(40,000)		
11	36,000	44,500	49,500
12		45,000	50,000
13		46,000	51,000
14		46,500	51,500
15		47,500	52,000
16		48,000	53,000
17		49,000	53,500
18		49,500	54,000
19		50,500	55,000
20		51,000	55,500
21		52,000	56,000
22		52,500	57,000
23		53,500	57,500
24		54,000	58,000
25		(55,000)	59,000

26	(55,500)	59,500
27	(56,500)	60,000
28	(57,000)	61,000
29	(58,000)	61,500
30	(58,500)	62,000
31	(59,500)	63,000
32	(60,000)	63,500
33		64,000
34		65,000
35		65,500
36		66,000
37		67,000
38		67,500
39		68,000
40		69,000
41		69,500
42		70,000
43		71,000
44		71,500
45		72,000
46		72,500
47		(73,500)
48		(74,000)
49		(74,500)
50		(75,500)
51		(76,000)

## Maximum gross weight in pounds on a group of

	5	6	7
Distances in feet between centers of fore- most and rearmost axles of a group	consecutive axles of a 5-axle vehicle or any combination of vehicles having a total of 5 or more axles	consecutive axles of a combination of vehicles having a total of 6 or more axles	consecutive axles of a combination of vehicles having a total of 7 or more axles
14	57,000		
15	57,500		
16	58,000		
17	59,000		
18	59,500		
19	60,000		
20	60,500	66,000	72,000
21	61,500	67,000	72,500
22	62,000	67,500	73,000
23	62,500	68,000	73,500
24	63,000	68,500	74,000
25	64,000	69,000	75,000
26	64,500	70,000	75,500
27	65,000	70,500	76,000
28	65,500	71,000	76,500
29	66,500	71,500	77,000
30	67,000	72,000	77,500
31	67,500	73,000	78,500
32	68,000	73,500	79,000

33	69,000	74,000	79,500
34	69,500	74,500	80,000
35	70,000	75,000	
36	70,500	76,000	
37	71,500	76,500	
38	72,000	77,000	
39	72,500	77,500	
40	73,000	78,000	
41	(74,000) (74,000)	79,000	
42	(74,500) (74,500)	79,500	
43	(75,000) (75,000)	80,000	
44	(75,500) (75,500)		
45	(76,500) (76,500)		
46	(77,000) (77,000)		
47	(77,500) (77,500)		
48	(78,000) (78,000)		
49	(79,000) (79,000)		
50	(79,500) (79,500)		
51	(80,000) (80,000)		

The gross weights shown in parentheses in this clause are permitted only on *state trunk highways and routes* designated under section 169.832, subdivision 11.

(b) Notwithstanding any lesser weight in pounds shown in this table but subject to the restrictions on gross vehicle weights in clause (c), two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each and a combined gross load of 68,000 pounds provided the overall distance between the first and last axles of the consecutive sets of tandem axles is 36 feet or more.

(c) Notwithstanding the provisions of section 169.85, the gross vehicle weight of all axles of a vehicle or combination of vehicles shall not exceed (THE FOLLOWING):

(1) 80,000 pounds for *any vehicle or combination of vehicles on all state trunk highways as defined in section 160.02, subdivision 2, and for all routes designated under section 169.832, subdivision 11; and*

(2) 73,280 pounds for any vehicle or combination of vehicles with five axles or less on all routes, *other than state trunk highways and routes that are not designated under section 169.832, subdivision 11; and*

(3) 80,000 pounds for any vehicle or combination of vehicles with six or more axles on all routes, *other than state trunk highways and routes that are not designated under section 169.832, subdivision 11 (;).*

(d) The maximum weights specified in this subdivision for five consecutive axles shall not apply to a combination of vehicles that includes a three axle semi-trailer first registered before August 1, 1981. All other weight limitations in this section are applicable (;).

(e) The maximum weights specified in this subdivision for five consecutive axles shall not apply to a four axle ready mix concrete truck which was equipped with a fifth axle prior to June 1, 1981. The maximum gross weight on four or fewer consecutive axles of vehicles excepted by this clause shall not exceed any maximum weight specified for four or fewer consecutive axles in this subdivision.

Sec. 6. Minnesota Statutes 1984, section 169.832, subdivision 11, is amended to read:

Subd. 11. [DESIGNATION OF LOCAL ROUTES.] The commissioner may designate any *county or local* street or highway route or segment of a route to carry the gross weights permitted under section 169.825. Any designation of a route pursuant to this subdivision (*OTHER THAN A TRUNK HIGHWAY ROUTE*;) is subject to the approval of the local authority having jurisdiction over the route. A route may not be designated if the commissioner finds that designation

(a) creates an undue hazard to traffic safety; or

(b) is inconsistent with structural capacity of the route, including consideration of the volume of traffic expected to occur on the route after designation.

Notwithstanding any finding under clause (b), the commissioner shall designate any route which is needed to provide

- (i) a connection between significant centers of population or commerce, or between other designated routes; or
- (ii) access to a transportation terminal; or
- (iii) temporary emergency service to a particular shipping or receiving point on the route.

The commissioner may undesignate any route when continued designation is inconsistent with the provisions of this subdivision, subject to the approval of any local authority having jurisdiction over the route.

Any route designation or undesignation shall be effective when adopted. The commissioner may designate or undesignate any route when requested by any local authority having jurisdiction over the route.

Sec. 7. Minnesota Statutes 1984, section 169.832, is amended by adding a subdivision to read:

*Subd. 13. [RESTRICTIONS ON TRUNK HIGHWAYS.]*

*(a) For purposes of this section a "market artery" is a trunk highway or segment thereof which:*

- (i) provides a connection between significant centers of population or commerce;*
- (ii) provides a connection between highways described in clause (a);*
- (iii) provides access to a transportation terminal; or*
- (iv) provides temporary emergency service to a particular shipping or receiving point on a market artery.*

*(b) The commissioner may impose seasonal load restrictions under section 169.87 on a trunk highway which is a market artery only after giving notice of intention to do so to the chairs of the transportation and appropriations committees of the house of representatives, and the chairs of the transportation and finance committees of the senate. The commissioner shall provide with each notice a plan for the improvement of the highway to a level at which seasonal weight limits will not be necessary on it.*

*(c) The commissioner shall, by rule promulgated under chapter 14, the administrative procedure act, define "significant centers of population and commerce" for purposes of this section. In drafting the rule the commissioner shall consult with major highway users, representatives of manufacturing, retail trade and agriculture, local government and regional develop-*

*ment commissions. The commissioner shall consider the importance of manufacturing, retailing, agriculture and natural resources in promulgating the rule, and shall hold at least four public hearings in various parts of the state prior to preparing the final draft of the rule. From the effective date of this act to the effective date of the rule "significant centers of population and commerce" include all cities which had total retail sales of at least \$50,000,000 as reported in the 1982 census of retail trade of the United States department of commerce.*

Sec. 8. Minnesota Statutes 1985 Supplement, section 296.01, subdivision 7, is amended to read:

Subd. 7. [TAX REDUCTION FOR AGRICULTURAL ALCOHOL GASOLINE.] A distributor shall be allowed a credit on each gallon of fuel grade alcohol commercially blended with gasoline or blended in a tank trunk with gasoline on which the tax imposed by subdivision 1 is due and payable. The amount of the credit is (40) 20 cents for every gallon of fuel-grade alcohol blended with gasoline to produce agricultural alcohol gasoline. The credit allowed a distributor must not exceed the total tax liability under subdivision 1. The tax credit received by a distributor on alcohol blended with motor fuels shall be passed on to the retailer. *No credit may be allowed under this subdivision after June 30, 1992.*

Sec. 9. Minnesota Statutes 1985 Supplement, section 296.01, subdivision 25, is amended to read:

Subd. 25. [(ANNUAL COMPRESSED NATURAL GAS USER) ALTERNATE FUEL PERMIT.] "(ANNUAL COMPRESSED NATURAL GAS USER) *Alternate fuel permit*" means a permit issued annually to a person owning a motor vehicle propelled by compressed natural gas or propane for a fee imposed in lieu of payment of the gasoline excise tax imposed by sections 296.02 and 296.025.

Sec. 10. Minnesota Statutes 1985 Supplement, section 296.02, subdivision 1a, is amended to read:

Subd. 1a. [EXCEPTIONS.] The provisions of subdivision 1 do not apply to gasoline purchased by a transit system owned by one or more statutory or home rule charter cities or towns or to sales of (SPECIAL FUEL) *compressed natural gas or propane* for use in vehicles (PROPELLED BY COMPRESSED NATURAL GAS AND) displaying a valid annual (COMPRESSED NATURAL GAS USER) *alternate fuel permit*.

Sec. 11. Minnesota Statutes 1984, section 296.02, subdivision 1b, is amended to read:

Subd. 1b. [RATES IMPOSED.] The gasoline excise tax is imposed at the (FOLLOWING RATES:)

((A) FOR THE PERIOD BEGINNING ON THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH OF FINAL ENACTMENT OF LAWS 1983, CHAPTER 17, OR ON THE FIRST DAY OF THE SECOND MONTH FOLLOWING THE MONTH OF FINAL ENACTMENT OF LAWS 1983, CHAPTER 17 IF THE DATE OF FINAL ENACTMENT OF LAWS 1983, CHAPTER 17 IS WITHIN 15 DAYS OF THE END OF THE MONTH, AND ENDING DECEMBER 31, 1983, GASOLINE IS TAXED AT THE RATE OF 16 CENTS PER GALLON) *rate of 19 cents per gallon until June 30, 1987, and 17 cents per gallon thereafter.*

((B) FOR THE PERIOD ON AND AFTER JANUARY 1, 1984, GASOLINE IS TAXED AT THE RATE OF 17 CENTS PER GALLON.)

Sec. 12. Minnesota Statutes 1985 Supplement, section 296.-025, subdivision 1a, is amended to read:

Subd. 1a. [EXCEPTIONS.] The provisions of subdivision 1 do not apply to special fuel purchased by a transit system owned by one or more statutory or home rule charter cities or towns or to sales of (SPECIAL FUEL) *compressed natural gas or propane* for use in vehicles (PROPELLED BY COMPRESSED NATURAL GAS AND) displaying a valid annual (COMPRESSED NATURAL GAS USER) *alternate fuel* permit.

Sec. 13. Minnesota Statutes 1985 Supplement, section 296.-026, is amended to read:

296.026 [(SPECIAL FUEL;) ANNUAL (COMPRESSED NATURAL GAS USER) PERMIT FOR VEHICLES USING COMPRESSED NATURAL GAS OR PROPANE.]

Subdivision 1. [(COMPRESSED NATURAL GAS) ANNUAL (USER) *ALTERNATE FUEL* PERMIT.] Any person owning a motor vehicle propelled by compressed natural gas or propane shall obtain an annual (COMPRESSED NATURAL GAS USER) permit for each such vehicle. The period for which (A COMPRESSED NATURAL GAS USER) *the alternate fuel* permit is valid must coincide with the motor vehicle registration period of the vehicle. A person shall obtain all required (COMPRESSED NATURAL GAS USER) permits within 30 days of becoming a (COMPRESSED NATURAL GAS) user of *compressed natural gas or propane*.

Subd. 2. [PERMIT FEES IMPOSED.] The fees for annual (COMPRESSED NATURAL GAS USER) *alternate fuel* permits are based on each vehicle's mileage in the preceding year and are as follows:

Gross Vehicle Weight	Fee
Under 6,000 pounds	\$8.50 per 1,000 miles
6,001 - 12,000 pounds	\$(9) 10 per 1,000 miles



12,001 - 18,000 pounds	\$(16) 18 per 1,000 miles
18,001 - 26,000 pounds	\$(23) 26 per 1,000 miles
26,001 - 36,000 pounds	\$(27) 30 per 1,000 miles
Over 36,000 pounds	\$(34) 38 per 1,000 miles

(THE MAXIMUM FEE FOR AN ANNUAL COMPRESSED NATURAL GAS USER PERMIT FOR VEHICLES IN ALL GROSS VEHICLE WEIGHT CLASSES SHALL NOT EXCEED THE FEE CHARGED FOR 22,000 ACTUAL MILES DRIVEN.) If no true cumulative mileage figures are available for the preceding year, the fee charged under this section (SHALL) *must* be based on 15,000 miles driven.

The fee for a permit required by this section must be calculated based on the number of unexpired months remaining in the registration year of the vehicle as measured from the date of the occurrence of the event requiring the permit.

Subd. 3. [PERMIT APPLICATIONS.] A person shall apply for (A COMPRESSED NATURAL GAS USER) *an annual alternate fuel* permit for each motor vehicle specified in this section each time the vehicle is registered. The commissioner of public safety shall prescribe the form of the application. The form must require the applicant to provide the following information:

- (1) the name and address of the owner or person licensing the vehicle;
- (2) a description of the vehicle, including the mileage on the vehicle as of the date of registration, *and the type of fuel used*;
- (3) the true cumulative mileage registered on the odometer; and
- (4) other information necessary for the proper implementation of this section.

A completed application must be submitted to the department of public safety. The department of public safety shall issue (A COMPRESSED NATURAL GAS USER) *an alternate fuel* permit and collect the fee provided in this section.

Subd. 4. [PERMIT STICKERS.] The (COMPRESSED NATURAL GAS USER) *alternate fuel* permit required by this section must be a gummed sticker prepared by the department of public safety. The permit must be attached to the lower left corner of the windshield of the motor vehicle for which it was

issued. The permit must provide a space to enter the license number of the motor vehicle for which the permit is issued. The permit must show the year for which it is issued and the date of expiration of the permit.

Subd. 5. [PERMIT NOT TRANSFERABLE.] (A COMPRESSED NATURAL GAS USER) *An alternate fuel* permit is not transferable, either to a new vehicle or to a new owner. Upon the transfer of ownership of any motor vehicle (HAVING A COMPRESSED NATURAL GAS USER) *with a permit*, the department of public safety shall credit the transferor with the number of unexpired months remaining in the registration period, except that when such a vehicle is transferred within the same month in which acquired, no credit for the month is allowed. If (SUCH) a transferor acquires another motor vehicle for which (A SPECIAL) *an alternate fuel* (USER) permit is required at the time of transfer, the credit provided by this section must be applied toward payment of the (COMPRESSED NATURAL GAS USER) *alternate fuel* permit fee then due. Otherwise the transferor may file a claim for the amount of the credit with the commissioner upon a form prescribed by the commissioner. The department shall make payment of the claim from the undistributed (COMPRESSED NATURAL GAS USER) *alternate fuel* permit fees.

Subd. 6. [MOTOR VEHICLE CONVERSION REPORT.] (ANY) A person who installs equipment in a motor vehicle to permit it to be powered by compressed natural gas *or propane* shall report the installation to the department of public safety within 30 days. The report must include the name and address of the owner of the vehicle, the make, model, and serial number of the vehicle, the type of fuel that the vehicle was equipped to use prior to the installation, the true cumulative mileage registered on the odometer, and, if the vehicle is registered, the license plate number of the vehicle.

Subd. 7. [FEES IN LIEU OF GAS TAX.] The permit fees collected under subdivision 2 are in lieu of the gasoline excise tax imposed by sections 296.02 and 296.025. Compressed natural gas *or propane* sold as (A) fuel for motor vehicles displaying valid annual (COMPRESSED NATURAL GAS) *alternate fuel* permit stickers is not subject to any additional tax at the time of sale. All (COMPRESSED NATURAL GAS USER) *alternate fuel permit* fees collected by the department of public safety must be deposited in the state treasury and credited to the highway user tax distribution fund.

Sec. 14. Minnesota Statutes 1985 Supplement, section 296.028, is amended to read:

296.028 [REPORT TO THE LEGISLATURE.]

The commissioner of public safety, in cooperation with the commissioner of revenue, the commissioner of transportation,

and the director of the department of public service, shall report to the legislature by October 1, 1988, on the number of annual (COMPRESSED NATURAL GAS USER) *alternate fuel* permits issued; the impact of fees collected under section 296.026 on the highway user tax distribution fund; the percentage (OF USAGE) of compressed natural gas (AND GASOLINE) *or propane* used by vehicles (UTILIZING)  *fueled by both gasoline and one of the alternate fuels*; the impact of consumption of compressed natural gas on natural gas rates charged by regulated public utilities; and the costs to utilities of expenses incurred for equipment and marketing compressed natural gas *or propane* as a motor vehicle fuel.

Sec. 15. [DEPARTMENT OF TRANSPORTATION COMPLEMENT.]

*The complement of the department of transportation for the fiscal year ending June 30, 1987, as provided in Laws 1985, First Special Session chapter 10, section 2, subdivision 1, is reduced by 206 positions. This reduction is from the complement funded from the trunk highway fund.*

Sec. 16. [EFFECTIVE DATE.]

*Section 8 is effective July 1, 1986. Section 11 is effective July 1, 1986, and applies to all gasoline in distributor storage on that date. Section 15 is effective July 1, 1987."*

Delete the title and insert:

"A bill for an act relating to transportation; providing for use of county state-aid highway funds on highways providing access to outdoor recreation areas; providing that motor vehicles do not exceed length restrictions, whether unladen or with load; defining tandem axles; providing for weight restrictions on highways including market arteries; exempting from gasoline excise tax propane fuel for vehicles operating under permit and changing permit fees; temporarily increasing tax on gasoline and special fuel; reducing complement of department of transportation; reducing and sunseting the tax reduction for agricultural alcohol gasoline; amending Minnesota Statutes 1984, sections 162.06, subdivision 5; 169.81, subdivision 2; 169.825, subdivisions 8, 10, and by adding a subdivision; 169.832, subdivision 11, and by adding a subdivision; and 296.02, subdivision 1b; and Minnesota Statutes 1985 Supplement, sections 296.01, subdivisions 7 and 25; 296.02, subdivision 1a; 296.025, subdivision 1a; 296.026; and 296.028."

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1015, 1765, 1894 and 2248 were read for the second time.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1800, A bill for an act relating to local government; authorizing the counties of Becker, Grant, Hubbard, Otter Tail, Stevens, Todd, Traverse, Wadena, and Wilkin to enter into contracts and agreements for solid waste management.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Anderson, R., moved that the House concur in the Senate amendments to H. F. No. 1800 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1800, A bill for an act relating to local government; authorizing the counties of Becker, Grant, Hubbard, Otter Tail, Stevens, Todd, Traverse, Wadena, and Wilkin to enter into contracts and agreements for solid waste management.

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 110 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brandl	Erickson	Heap	Krueger
Anderson, R.	Brown	Fjoslien	Jacobs	Levi
Backlund	Burger	Frederick	Jennings, L.	Lieder
Battaglia	Carlson, L.	Frerichs	Johnson	Long
Beard	Clark	Greenfield	Kahn	Marsh
Becklin	Clausnitzer	Gruenes	Kalis	McLaughlin
Begich	Cohen	Gutknecht	Kelly	McPherson
Bennett	Dimler	Halberg	Kiffmeyer	Miller
Bishop	Dyke	Hartinger	Knickerbocker	Munger
Blatz	Elioff	Hartle	Knuth	Murphy
Boo	Ellingson	Haukoos	Kostohryz	Nelson, D.

Nelson, K.	Pappas	Rice	Skoglund	Tunheim
Neuenschwander	Pauly	Richter	Solberg	Uphus
Norton	Peterson	Riveness	Sparby	Valento
Ogren	Piepho	Rodosovich	Stanius	Vanasek
Olson, S.	Piper	Rose	Staten	Vellenga
Olson, E.	Poppenhagen	Schafer	Svigum	Voss
Omann	Price	Seaberg	Thiede	Waltman
Onnen	Quinn	Segal	Thorson	Welle
Osthoff	Quist	Shaver	Tjornhom	Wenzel
Otis	Redalen	Sherman	Tomlinson	Wynia
Ozment	Rees	Simoneau	Tompkins	Spk. Jennings, D.

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

#### CALL OF THE HOUSE

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

Anderson, G.	Fjoslien	Levi	Piepho	Solberg
Anderson, R.	Frederick	Lieder	Piper	Sparby
Backlund	Frerichs	Long	Poppenhagen	Staten
Battaglia	Greenfield	Marsh	Price	Svigum
Beard	Gruenes	McLaughlin	Quinn	Thiede
Becklin	Gulkecht	McPherson	Quist	Thorson
Begich	Halberg	Miller	Redalen	Tjornhom
Bishop	Hartinger	Minne	Rees	Tomlinson
Blatz	Hartie	Murphy	Rest	Tompkins
Boo	Haukoos	Nelson, D.	Rice	Tunheim
Burger	Heap	Nelson, K.	Richter	Uphus
Carlson, L.	Jennings, L.	Neuenschwander	Rodosovich	Valento
Clark	Johnson	Norton	Rose	Vanasek
Clausnitzer	Kalis	Olson, E.	Schoenfeld	Vellenga
Cohen	Kelly	Onnen	Seaberg	Voss
Dimler	Kiffmeyer	Osthoff	Segal	Waltman
Dyke	Knickerbocker	Otis	Shaver	Welle
Elioff	Knuth	Ozment	Sherman	Wenzel
Ellingson	Kostohryz	Pappas	Simoneau	Wynia
Erickson	Krueger	Peterson	Skoglund	Spk. Jennings, D.

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

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. 671, A bill for an act relating to financial institutions; authorizing interstate acquisition and formation of banks between this state and certain states on a reciprocal basis; proposing coding for new law in Minnesota Statutes, chapter 48.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Knickerbocker moved that the House concur in the Senate amendments to H. F. No. 671 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

The question was taken on the Knickerbocker motion and the roll was called.

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

There were 77 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Backlund	Forsythe	Levi	Pauly	Svigum
Beard	Frerichs	Lieder	Piepho	Thiede
Bennett	Greenfield	Long	Poppenhagen	Thorson
Bishop	Halberg	Marsh	Price	Tjornhom
Blatz	Hartinger	McKasy	Quinn	Tomlinson
Boo	Hartle	McLaughlin	Redalen	Valento
Brandl	Haukoos	McPherson	Rest	Vanasek
Burger	Heap	Miller	Rose	Vellenga
Carlson, D.	Himle	Murphy	Schreiber	Voss
Carlson, J.	Jennings, L.	Nelson, K.	Seaberg	Waltman
Carlson, L.	Johnson	Neuenschwander	Segal	Welle
Clausnitzer	Kahn	Norton	Sherman	Wynia
Cohen	Kelly	Olsen, S.	Simoneau	Spk. Jennings, D.
Dempsey	Kiffmeyer	Osthoff	Skoglund	
Dimler	Knickerbocker	Otis	Sparby	
Ellingson	Knuth	Pappas	Staten	

Those who voted in the negative were:

Anderson, G.	Elioff	Kvam	Quist	Stanis
Anderson, R.	Erickson	Minne	Rees	Tompkins
Battaglia	Fjoslien	Munger	Rice	Tunheim
Becklin	Frederick	Olson, E.	Richter	Uphus
Begich	Gruenes	Onnen	Rodosovich	Valan
Brown	Kalis	Ozment	Schafer	Wenzel
DenOuden	Kostohryz	Peterson	Schoenfeld	
Dyke	Krueger	Piper	Solberg	

The motion prevailed.

H. F. No. 671, A bill for an act relating to financial institutions; authorizing interstate acquisition and formation of banks between this state and certain states on a reciprocal basis; amending Minnesota Statutes 1984, sections 46.044; and 48.512; proposing coding for new law in Minnesota Statutes, chapters 48 and 51A.

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.

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

There were 82 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Backlund	Forsythe	Levi	Pauly	Stanius
Beard	Frerichs	Lieder	Piepho	Staten
Becklin	Greenfield	Long	Poppenhagen	Sviggunn
Bennett	Gutknecht	Marsh	Price	Thiede
Bishop	Halberg	McDonald	Quinn	Thorson
Blatz	Hartinger	McKasy	Redalen	Tjornhom
Boo	Hartle	McLaughlin	Rest	Tomlinson
Brandl	Haukoos	McPherson	Riveness	Valento
Burger	Heap	Miller	Rose	Vellenga
Carlson, D.	Himle	Murphy	Schreiber	Voss
Carlson, J.	Jennings, L.	Nelson, K.	Seaberg	Waltman
Carlson, L.	Johnson	Neuenschwander	Segal	Welle
Clausnitzer	Kahn	Norton	Shaver	Wynia
Cohen	Kelly	Olsen, S.	Sherman	Spk. Jennings, D.
Dempsey	Kiffmeyer	Osthoff	Simoneau	
Dimler	Knickerbocker	Otis	Skoglund	
Ellingson	Knuth	Pappas	Sparby	

Those who voted in the negative were:

Anderson, G.	Dyke	Krueger	Ozment	Schafer
Anderson, R.	Elioff	Kvam	Peterson	Solberg
Battaglia	Erickson	Minne	Piper	Tompkins
Begich	Fjoslien	Munger	Quist	Tunheim
Boerboom	Frederick	Nelson, D.	Rees	Uphus
Brown	Gruenes	Olson, E.	Rice	Valan
Clark	Kalis	Omann	Richter	Vanasek
DenOuden	Kostohryz	Onnen	Rodosovich	Wenzel

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

## MOTIONS AND RESOLUTIONS

Heap moved that the name of Wenzel be added as an author on H. F. No. 1945. The motion prevailed.

Clausnitzer moved that the name of Tjornhom be added as an author on H. F. No. 2089. The motion prevailed.

Stanis moved that S. F. No. 1810 be recalled from the Committee on Health and Human Services and together with H. F. No. 2489, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

## MOTION TO TAKE FROM THE TABLE

Dempsey moved that H. F. No. 418 be taken from the table, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Sherman moved that H. F. No. 2492 be returned to its author. The motion prevailed.

Segal; Kahn; Cohen; Jennings, D., and Norton introduced:

House Concurrent Resolution No. 15, A house concurrent resolution establishing days of remembrance of the victims of the Holocaust.

## SUSPENSION OF RULES

Segal moved that the rules be so far suspended that House Concurrent Resolution No. 15 be now considered and be placed upon its adoption. The motion prevailed.

## HOUSE CONCURRENT RESOLUTION NO. 15

A house concurrent resolution establishing days of remembrance of the victims of the Holocaust.

*Whereas*, from 1933 to 1945, 6,000,000 Jews were murdered in the Nazi Holocaust as part of a systematic program of genocide, and millions of other people perished as victims of Nazism;

*Whereas*, the people of the State of Minnesota should always remember the atrocities committed by the Nazis so that such horrors never be repeated;

*Whereas*, the people of the State of Minnesota should continually rededicate themselves to the principle of equal justice for all people;

*Whereas*, the people of the State of Minnesota should remain eternally vigilant against all tyranny, and recognize that bigotry provides a breeding ground for tyranny to flourish;

*Whereas*, May 6 has been designated pursuant to an Act of Congress and internationally as a Day of Remembrance of Victims of the Nazi Holocaust known as Yom Hoshuah; and

*Whereas*, it is appropriate for the people of the State of Minnesota to join in the international commemoration; *Now, Therefore*,



*Be It Resolved by* the House of Representatives of the State of Minnesota, the Senate concurring therein that, in memory of the victims of the Holocaust, and in the hope that we will strive always to overcome prejudice and inhumanity through education, vigilance, and resistance, the week of May 6 through May 11, 1986, is hereby designated as the Days of Remembrance of the Victims of the Holocaust.

Segal moved that House Concurrent Resolution No. 15 be now adopted. The motion prevailed and House Concurrent Resolution No. 15 was adopted.

#### ADJOURNMENT

Levi moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, March 12, 1986. The motion prevailed.

Levi moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, March 12, 1986.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

