

STATE OF MINNESOTA

SEVENTY-FOURTH SESSION - 1986

EIGHTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, MARCH 15, 1986

The House of Representatives convened at 11:00 a.m. and was called to order by David M. Jennings, Speaker of the House.

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

The roll was called and the following members were present:

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

A quorum was present.

Kahn was excused until 2:10 p.m. Ellingson was excused until 5:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Carlson, L., 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.

Blatz; Boerboom; Carlson, D.; Carlson, J.; DenOuden; Forsythe; Frederickson; Halberg; Kalis; McDonald; Olsen, S.; Poppenhagen; Schoenfeld and Valan were excused while in conference.

MOTION FOR RECONSIDERATION

Bennett moved that the vote on Friday, March 14, 1986, whereby the House refused to adopt the Conference Committee Report on S. F. No. 5 and request new conferees on the part of the House be now reconsidered.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

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

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

The question recurred on the Bennett motion and the roll was called.

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

There were 77 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dimler	Kelly	Otis	Stanius
Backlund	Dyke	Kiffmeyer	Pauly	Staten
Battaglia	Elioff	Knickerbocker	Piepho	Sviggum
Beard	Erickson	Knuth	Poppenhagen	Thorson
Becklin	Fjoslien	Kvam	Price	Tjornhom
Bennett	Forsythe	Levi	Quist	Tomlinson
Blatz	Frederick	Lieder	Redalen	Tompkins
Boerboom	Frederickson	Marsh	Rees	Uphus
Boo	Frerichs	McDonald	Rest	Valan
Burger	Gutknecht	McKasy	Richter	Valento
Carlson, J.	Hartinger	McPherson	Rose	Waltman
Carlson, L.	Hartle	Munger	Schafer	Zaffke
Clausnitzer	Haukoos	Nelson, D.	Schreiber	Spk. Jennings, D.
Cohen	Heap	Nelson, K.	Seaberg	
Dempsey	Himle	Olsen, S.	Segal	
DenOuden	Johnson	Onnen	Shaver	

Those who voted in the negative were:

Anderson, G.	Jaros	Murphy	Rice	Sparby
Begich	Jennings, L.	Neuenschwander	Riveness	Thiede
Bishop	Kostohryz	Norton	Rodosovich	Tunheim
Brandl	Krueger	O'Connor	Sarna	Vanasek
Brinkman	McEachern	Ogren	Schoenfeld	Vellenga
Clark	McLaughlin	Olson, E.	Sherman	Voss
Greenfield	Metzen	Omann	Simoneau	Welle
Gruenes	Miller	Peterson	Skoglund	Wenzel
Jacobs	Minne	Piper	Solberg	Wynia

The motion prevailed.

The Conference Committee Report on S. F. No. 5 was reported to the House.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 5

A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, purchase, consumption, possession, and furnishing of alcoholic beverages; establishing programs for education on avoidable health risks related to alcohol and other drugs; increasing the fee for the reinstatement of drivers licenses revoked for alcohol-related violations; appropriating money; amending Minnesota Statutes 1984, sections 171.29, subdivision 2; 340.02, subdivision 8; 340.035, subdivision 1; 340.039; 340.119, subdivision 2; 340.13, subdivision 12; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.732; 340.79; and 340.80.

March 12, 1986

The Honorable Jerome M. Hughes
President of the Senate

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

We, the undersigned conferees for S. F. No. 5, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 5 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 171.06, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF APPLICATION.] Every application shall state the full name, date of birth, sex and residence address of the applicant, a description of the applicant in such manner as the commissioner may require, and shall state whether or not the applicant has theretofore been licensed as a driver; and, if so, when and by what state or country and whether any such license has ever been suspended or revoked, or whether an application has ever been refused; and, if so, the date of and reason for such suspension, revocation, or refusal, together with such facts pertaining to the applicant and his ability to operate a motor vehicle with safety as may be required by the commissioner. The application form shall contain a notification to the applicant of the availability of the donor document provided pursuant to section 171.07, subdivision 5, and shall contain spaces where the applicant must indicate a desire to receive or not to receive the donor document. The application shall be in the form prepared by the commissioner.

The application form must be accompanied by a pamphlet containing relevant facts relating to:

- (1) the effect of alcohol on driving ability;*
- (2) the effect of mixing alcohol with drugs;*
- (3) the laws of Minnesota relating to operation of a motor vehicle while under the influence of alcohol or a controlled substance; and*
- (4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for alcohol-related violations.*

Sec. 2. Minnesota Statutes 1984, section 171.13, is amended by adding a subdivision to read:

Subd. 1b. [DRIVER'S MANUAL.] *The commissioner shall include in each edition of the driver's manual published by the*

department a chapter relating to the effect of alcohol consumption on highway safety and on the ability of drivers to safely operate motor vehicles and a summary of the laws of Minnesota on operating a motor vehicle while under the influence of alcohol or a controlled substance.

Sec. 3. Minnesota Statutes 1985 Supplement, section 171.29, subdivision 2, is amended to read:

Subd. 2. (a) A person whose drivers license has been revoked as provided in subdivision 1, except under section 169.121 or 169.123, shall pay a \$30 fee before his drivers license is reinstated.

(b) A person whose drivers license has been revoked as provided in subdivision 1 under section 169.121 or 169.123 shall pay a \$150 fee before his or her drivers license is reinstated (;) to be credited as follows:

(1) 50 percent (OF THIS FEE) shall be credited to the trunk highway fund (AND 50);

(2) 25 percent shall be credited to a separate account to be known as the county probation reimbursement account. Money in this account is appropriated to the commissioner of corrections for the costs that counties assume under Laws 1959, chapter 698, of providing probation and parole services to wards of the commissioner of corrections. This money is provided in addition to any money which the counties currently receive under section 260.311, subdivision 5; and

(3) 25 percent shall be credited to a separate account to be known as the alcohol impaired driver education account. Money in the account is appropriated to the commissioner of education for grants to develop alcohol impaired driver education programs in elementary, secondary, and post-secondary schools. The state board of education shall establish guidelines for the distribution of the grants. The commissioner of education shall report to the legislature by January 15, 1988, on the expenditure of grant funds under this clause.

Sec. 4. Minnesota Statutes 1985 Supplement, section 340A.-301, subdivision 2, is amended to read:

Subd. 2. [PERSONS ELIGIBLE.] Licenses under this section may be issued only to a person who:

- (1) is a citizen of the United States or a resident alien;
- (2) is of good moral character and repute;
- (3) is (19) 21 years of age or older;

(4) has not had a license issued under this chapter revoked within five years of the date of license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; and

(5) has not been convicted within five years of the date of license application of a felony, or of a willful violation of a federal or state law, or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of alcoholic beverages.

Sec. 5. Minnesota Statutes 1985 Supplement, section 340A.402, is amended to read:

340A.402 [PERSONS ELIGIBLE.]

No retail license may be issued to:

(1) a person not a citizen of the United States or a resident alien;

(2) a person under (19) 21 years of age;

(3) a person who within five years of the license application has been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution, of intoxicating or nonintoxicating malt liquors;

(4) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; or

(5) a person not of good moral character and repute.

Sec. 6. Minnesota Statutes 1985 Supplement, section 340A.503, is amended to read:

340A.503 [PERSONS UNDER (19) 21; ILLEGAL ACTS.]

Subdivision 1. [CONSUMPTION.] It is unlawful for any:

(1) retail intoxicating liquor or nonintoxicating liquor licensee or bottle club permit holder under section 340A.414, to permit any person under the age of (19) 21 years to consume alcoholic beverages on the licensed premises; or

(2) person under the age of (19) 21 years to consume any alcoholic beverages unless in the household of the person's parent or guardian and with the consent of the parent or guardian.

Subd. 2. [PURCHASING.] It is unlawful for any person:

(1) to sell, barter, furnish, or give alcoholic beverages to a person under (19) 21 years of age, except that a parent or guardian of a person under the age of (19) 21 years may give or furnish alcoholic beverages to that person solely for consumption in the household of the parent or guardian;

(2) under the age of (19) 21 years to purchase or attempt to purchase any alcoholic beverage; or

(3) to induce a person under the age of (19) 21 years to purchase or procure any alcoholic beverage.

Subd. 3. [POSSESSION.] It is unlawful for a person under the age of (19) 21 years to possess any alcoholic beverage with the intent to consume it at a place other than the household of the person's parent or guardian. Possession at a place other than the household of the parent or guardian is prima facie evidence of intent to consume it at a place other than the household of the parent or guardian.

Subd. 4. [ENTERING LICENSED PREMISES.] (a) It is unlawful for a person under the age of (19) 21 years to enter an establishment licensed for the sale of alcoholic beverages or any municipal liquor store for the purpose of purchasing or having served or delivered any alcoholic beverage.

(b) *Notwithstanding section 340A.509, no ordinance enacted by a statutory or home rule charter city may prohibit a person 18, 19, or 20 years old from entering an establishment licensed under this chapter to:*

(1) *perform work for the establishment, including the serving of alcoholic beverages, unless otherwise prohibited by section 340A.412, subdivision 10;*

(2) *consume meals; and*

(3) *attend social functions that are held in a portion of the establishment where liquor is not sold.*

Subd. 5. [MISREPRESENTATION OF AGE.] It is unlawful for a person under the age of (19) 21 years to misrepresent his or her age for the purpose of purchasing alcoholic beverages.

Subd. 6. [PROOF OF AGE.] Proof of age for purchasing or consuming alcoholic beverages may be established only by a valid drivers license or Minnesota identification card, or in the case of a foreign national by a valid passport.

Subd. 7. [RECORD OF VIOLATION.] *If a person who is 18, 19, or 20 years old is convicted of a violation under this section, none of the records of the court, including legal records, shall be open to public inspection or their contents disclosed except by order of the court.*

Sec. 7. Minnesota Statutes 1985 Supplement, section 340A.-507, is amended by adding a subdivision to read:

Subd. 4. [CAMPUS CONTESTS RESTRICTED.] *No manufacturer, wholesaler, or retailer of alcoholic beverages, whether holding a license in Minnesota or not, may conduct, sponsor, or contribute financially to events or activities that are held on the campuses or other property of a post-secondary institution of learning, and involve the consumption or sale of alcoholic beverages. This subdivision does not affect on-campus, licensed retailers of alcoholic beverages.*

Sec. 8. [CERTAIN PERSONS EXCEPTED.]

A person who was born on or before September 1, 1967, may continue to purchase and consume alcoholic beverages and shall be treated for purposes of Minnesota Statutes, chapter 340A, as a person who is 21 years old.

Sec. 9. [EFFECTIVE DATE.]

Sections 1, 2, and 4 to 8 are effective September 1, 1986. Section 3 is effective July 1, 1987."

Delete the title and insert:

"A bill for an act relating to liquor; increasing the age for licensing, consumption, furnishing, purchasing, or possessing liquor or entering a licensed establishment; requiring information on alcohol and driving; providing that 25 percent of drivers license reinstatement fee is credited to the alcohol impaired driver education account; providing that records of liquor-related convictions of 18, 19, and 20-year-olds are confidential; providing that local governments may not presume intent to consume liquor; providing that persons under 21 may enter liquor establishments for certain purposes; prohibiting certain on-campus events sponsored by manufacturers, wholesalers, and retailers of alco-

holic beverages; providing that persons born on or before September 1, 1967, are treated as 21-year-olds for purposes of the liquor laws; appropriating money; amending Minnesota Statutes 1984, sections 171.06, subdivision 3; and 171.13, by adding a subdivision; and Minnesota Statutes 1985 Supplement, sections 171.29, subdivision 2; 340A.301, subdivision 2; 340A.402; 340A.503; and 340A.507, by adding a subdivision."

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

Senate Conferees: A. W. "BILL" DIESSNER, CLARENCE M. PURFEERST and DEAN E. JOHNSON.

House Conferees: GARY L. SCHAFER, GIL GUTKNECHT and RANDY C. KELLY.

Schafer moved that the report of the Conference Committee on S. F. No. 5 be adopted and that the bill be repassed as amended by the Conference Committee.

Bishop moved that the House refuse to adopt the Conference Committee report on S. F. No. 5, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Bishop motion and the roll was called.

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

There were 52 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Minne	Piper	Sparby
Backlund	Jacobs	Munger	Quinn	Tunheim
Battaglia	Jaros	Murphy	Riveness	Vanasek
Begich	Jennings, L.	Neuenschwander	Rodosovich	Vollenga
Bishop	Kostohryz	Norton	Sarna	Voss
Brandl	Krueger	O'Connor	Scheid	Welle
Brinkman	Lieder	Ogren	Schoenfeld	Wenzel
Brown	Long	Olson, E.	Sherman	Wynia
Clark	McEachern	Osthoff	Simoneau	
Cohen	McLaughlin	Pappas	Skoglund	
Elioff	Metzen	Peterson	Solberg	

Those who voted in the negative were:

Anderson, R.	Burger	Dempsey	Fjoslien	Gutknecht
Beard	Carlson, D.	DenOuden	Forsythe	Hartinger
Becklin	Carlson, J.	Dimler	Frederick	Hartle
Bennett	Carlson, L.	Dyke	Frerichs	Haukoos
Boo	Clausnitzer	Erickson	Gruenes	Heap

Himle	McKasy	Piepho	Schreiber	Tompkins
Johnson	McPherson	Price	Seaberg	Uphus
Kelly	Nelson, D.	Quist	Segal	Valento
Kiffmeyer	Nelson, K.	Redalen	Shaver	Waltman
Knickerbocker	Olsen, S.	Rees	Stanius	Zaffke
Knuth	Omann	Rest	Staten	Spk. Jennings, D.
Kvam	Onnen	Rice	Swiggum	
Levi	Otis	Richter	Thorson	
Marsh	Ozment	Rose	Tjornhom	
McDonald	Pauly	Schafer	Tomlinson	

The motion did not prevail.

The question recurred on the Schafer motion and the roll was called.

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

There were 69 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dimler	Kelly	Otis	Segal
Battaglia	Dyke	Kiffmeyer	Ozment	Stanius
Beard	Elioff	Knickerbocker	Pauly	Staten
Becklin	Erickson	Knuth	Price	Thorson
Bennett	Fjoslien	Kvam	Quist	Tjornhom
Boo	Frederick	Levi	Redalen	Tomlinson
Burger	Frerichs	Marsh	Rees	Tompkins
Carlson, D.	Gutknecht	McKasy	Rest	Tunheim
Carlson, J.	Hartinger	McPherson	Rice	Uphus
Carlson, L.	Hartle	Nelson, D.	Richter	Valento
Clausnitzer	Haukoos	Nelson, K.	Rose	Waltman
Cohen	Heap	Olsen, S.	Schafer	Zaffke
Dempsey	Himle	Omann	Schreiber	Spk. Jennings, D.
DenOuden	Johnson	Onnen	Seaberg	

Those who voted in the negative were:

Anderson, G.	Jaros	Minne	Quinn	Sparby
Begich	Jennings, L.	Munger	Riveness	Vanasek
Bishop	Kostohryz	Murphy	Rodosovich	Vellenga
Brandl	Krueger	Norton	Sarna	Voss
Brinkman	Lieder	Ogren	Scheid	Welle
Brown	Long	Osthoft	Schoenfeld	Wenzel
Clark	McEachern	Pappas	Sherman	Wynia
Greenfield	McLaughlin	Peterson	Simoneau	
Gruenes	Metzen	Piepho	Skoglund	
Jacobs	Miller	Piper	Solberg	

The motion prevailed.

S. F. No. 5, A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, purchase, consumption, possession, and furnishing of alcoholic beverages; establishing programs for education on avoidable health risks related to alcohol and other drugs; increasing the fee for the reinstatement of

drivers licenses revoked for alcohol-related violations; appropriating money; amending Minnesota Statutes 1984, sections 171.29, subdivision 2; 340.02, subdivision 8; 340.035, subdivision 1; 340.-039; 340.119, subdivision 2; 340.13, subdivision 12; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.732; 340.79; and 340.80.

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

The question was taken on the repassage of the bill and the roll was called. There were 68 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dyke	Knickerbocker	Price	Sviggunn
Backlund	Erickson	Knuth	Quist	Thiede
Beard	Fjoslien	Krueger	Redalen	Thorson
Becklin	Forsythe	Kvam	Rees	Tjornhom
Blatz	Frederickson	Lieder	Rest	Tomlinson
Boo	Gutknecht	McDonald	Richter	Tompkins
Burger	Hartinger	McKasy	Rose	Tunheim
Carlson, D.	Hartle	McPherson	Schafer	Valan
Carlson, J.	Haukoos	Nelson, D.	Schreiber	Valento
Carlson, L.	Heap	Nelson, K.	Seaberg	Vellenga
Clausnitzer	Johnson	Olsen, S.	Segal	Waltman
Cohen	Kalis	Onnen	Shaver	Zaffke
DenOuden	Kelly	Pauly	Stanisus	
Dimler	Kiffmeyer	Poppenhagen	Staten	

Those who voted in the negative were:

Anderson, G.	Frerichs	McLaughlin	Otis	Sherman
Battaglia	Kostohryz	Metzen	Ozment	Simoneau
Begich	Greenfield	Miller	Pappas	Skoglund
Bennett	Gruenes	Minne	Peterson	Solberg
Bishop	Halberg	Munger	Piepho	Sparby
Boerboom	Himle	Murphy	Piper	Uphus
Brandl	Jacobs	Neuenschwander	Quinn	Vanasek
Brinkman	Jaros	Norton	Rice	Voss
Brown	Jennings, L.	O'Connor	Rivenness	Welle
Clark	Levi	Ogren	Rodosovich	Wenzel
Dempsey	Long	Olson, E.	Sarna	Wynia
Elioff	Marsh	Omann	Scheid	Spk. Jennings, D.
Frederick	McEachern	Osthoff	Schoenfeld	

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

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1952, 2138, 2356, 2210, 1873 and 1968 and S. F. Nos. 707, 1065, 1930, 1702, 1966, 2262, 1515, 1745, 2014, 2222, 1814, 2054, 2102, 1868, 2147, 164, 2101, 2098, 2135, 2280, 1151, 2171, 2153, 2127, 1648, 1734, 1744, 1956, 2067, 2255, 1584, 1703, 2129 and 1910 have been placed in the members' files.

S. F. No. 2147 and H. F. No. 2297, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Frerichs moved that S. F. No. 2147 be substituted for H. F. No. 2297 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2067 and H. F. No. 2131, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Seaberg moved that S. F. No. 2067 be substituted for H. F. No. 2131 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1734 and H. F. No. 1762, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Anderson, R., moved that S. F. No. 1734 be substituted for H. F. No. 1762 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2127 and H. F. No. 2328, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

McDonald moved that S. F. No. 2127 be substituted for H. F. No. 2328 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1151 and H. F. No. 1247, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Quist moved that S. F. No. 1151 be substituted for H. F. No. 1247 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2102 and H. F. No. 2243, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clausnitzer moved that the rules be so far suspended that S. F. No. 2102 be substituted for H. F. No. 2243 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1930 and H. F. No. 2078, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Bishop moved that the rules be so far suspended that S. F. No. 1930 be substituted for H. F. No. 2078 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2171 and H. F. No. 2350, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Frerichs moved that the rules be so far suspended that S. F. No. 2171 be substituted for H. F. No. 2350 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 164 and H. F. No. 1459, 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. 164 be substituted for H. F. No. 1459 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1745 and H. F. No. 2200, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Brinkman moved that the rules be so far suspended that S. F. No. 1745 be substituted for H. F. No. 2200 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2129 and H. F. No. 2248, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Kelly moved that the rules be so far suspended that S. F. No. 2129 be substituted for H. F. No. 2248 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2014 and H. F. No. 2137, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Rose moved that the rules be so far suspended that S. F. No. 2014 be substituted for H. F. No. 2137 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2054 and H. F. No. 2206, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Quinn moved that the rules be so far suspended that S. F. No. 2054 be substituted for H. F. No. 2206 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2098 and H. F. No. 2339, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Rest moved that the rules be so far suspended that S. F. No. 2098 be substituted for H. F. No. 2339 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2101 and H. F. No. 2315, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Murphy moved that the rules be so far suspended that S. F. No. 2101 be substituted for H. F. No. 2315 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1648 and H. F. No. 1732, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Shaver moved that the rules be so far suspended that S. F. No. 1648 be substituted for H. F. No. 1732 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1832 and H. F. No. 2073, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Minne moved that the rules be so far suspended that S. F. No. 1832 be substituted for H. F. No. 2073 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1868 and H. F. No. 2093, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clausnitzer moved that the rules be so far suspended that S. F. No. 1868 be substituted for H. F. No. 2093 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1814 and H. F. No. 1932, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Onnen moved that the rules be so far suspended that S. F. No. 1814 be substituted for H. F. No. 1932 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 707 and H. F. No. 1007, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Knickerbocker moved that the rules be so far suspended that S. F. No. 707 be substituted for H. F. No. 1007 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1703 and H. F. No. 1852, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Bennett moved that the rules be so far suspended that S. F. No. 1703 be substituted for H. F. No. 1852 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2135 and H. F. No. 2392, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Stanis moved that the rules be so far suspended that S. F. No. 2135 be substituted for H. F. No. 2392 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1515 and H. F. No. 1611, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Knuth moved that the rules be so far suspended that S. F. No. 1515 be substituted for H. F. No. 1611 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Forsythe from the Committee on Appropriations to which was referred:

H. F. No. 2062, A bill for an act relating to highways; providing for transfers of ownership of certain highways between the commissioner of transportation and Hennepin county; adding new routes to the trunk highway system in substitution of existing routes; deleting routes from the trunk highway system; authorizing the commissioner of transportation to add certain routes to the trunk highway system; amending Minnesota Statutes 1984, section 161.117.

Reported the same back with the following amendments:

Page 6, line 18, delete "*Central Avenue*" and insert "*marked Interstate Highway No. 35W*"

Page 6, line 25, delete "*Broadway Street Northeast*" and insert "*marked Interstate Highway No. 35W*"

Page 6, line 32, after "*county*" insert "*except that portion marked Trunk Highway No. 101 from its intersection with marked Trunk Highway No. 12 to marked county road No. 5 until reconstruction or replacement of the marked Trunk Highway No. 101 bridge on Bushaway Road across the right-of-way of the Burlington Northern railroad and the marked Trunk Highway No. 101 bridge across Grays Bay*"

Page 7, line 5, delete "*Rogers*" and insert "*Dayton*"

Page 7, line 29, delete "*Subdivision 1.* [TURNBACKS.]"

Page 7, delete lines 32 to 35

With the recommendation that when so amended the bill pass.

The report was adopted.

Pursuant to rule 1.16, H. F. No. 2062 was re-referred to the Committee on Rules and Legislative Administration.

Schreiber from the Committee on Taxes to which was referred:

H. F. No. 2257, A bill for an act relating to horse racing; modifying certain set-asides for purses; modifying certain tax provisions; amending Minnesota Statutes 1984, section 240.15, subdivision 1; Minnesota Statutes 1985 Supplement, section 240.13, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1985 Supplement, section 240.13, subdivision 5, is amended to read:

Subd. 5. [PURSES.] (a) From the amounts deducted from all pari-mutuel pools by a licensee *which is not located in the seven-county metropolitan area*, an amount equal to not less than five percent of all money in all pools must be set aside by the licensee and used for purses for races conducted by him.

(b) *From the amounts deducted for all pari-mutuel pools by a licensee which is located in the seven-county metropolitan area, an amount equal to seven percent of all money in all pools must be set aside by the licensee and used for purses for races conducted by it.*

(c) The commission may by rule provide for the administration and enforcement of this subdivision.

Sec. 2. Minnesota Statutes 1985 Supplement, section 240.14, subdivision 3, is amended to read:

Subd. 3. [COUNTY FAIR RACING DAYS.] The commission may assign to a class D licensee the following racing days:

(1) those racing days, not to exceed ten racing days, that coincide with the days on which the licensee's county fair is running; and

(2) additional racing days, not to exceed ten racing days, immediately before or after the days on which the licensee's county fair is running.

In no event shall the number of racing days assigned by the commission exceed 20 days.

The commission may not assign any days before July 1, (1989) 1987, as racing days to a class D licensee.

Sec. 3. Minnesota Statutes 1984, section 240.15, subdivision 1, is amended to read:

Subdivision 1. [TAXES IMPOSED.] (a) There is imposed on the total amount bet on all pari-mutuel pools on each racing day a tax at the following rates:

(1) For each racing day in a calendar year at a licensed racetrack located outside the seven-county metropolitan area on which the total amount bet, together with the total amount bet at the same licensed racetrack in all previous racing days in the same calendar year does not exceed \$48,000,000, (1-3/4) one-half percent of the total amount bet in all pari-mutuel pools.

(2) For each racing day in a calendar year at a licensed racetrack located outside the seven-county metropolitan area on which the total amount bet, together with the total amount bet at the same licensed racetrack in all previous racing days in the same calendar year exceeds \$48,000,000 but does not exceed \$150,000,000, 2-1/2 percent of the total amount bet in all pari-mutuel pools.

(3) For each racing day in a calendar year at a licensed racetrack located outside the seven-county metropolitan area after the racing day on which the total amount bet in all pari-mutuel pools at the same licensed racetrack in the same calendar year exceeds (\$48,000,000) \$150,000,000, six percent of the total amount bet in all pari-mutuel pools.

(5) For a licensed racetrack located within the seven-county metropolitan area:

(a) for each racing day in a calendar year on which the total amount bet, together with the total amount bet at the same licensed racetrack in all previous racing days in the same fiscal year does not exceed \$150,000,000, 2-1/2 percent of the total amount bet in all pari-mutuel pools;

(b) for each racing day in a calendar year on which the total amount bet, together with the total amount bet at the same licensed racetrack in all previous racing days in the same fiscal year, exceeds \$150,000,000, four percent of the total amount bet in all pari-mutuel pools.

In addition to the above tax, the licensee *in the seven-county metropolitan area* must designate and pay to the commission a tax for deposit in the Minnesota breeders fund (, AT THE FOL-
LOWING RATES:)

((1) FOR RACING DAYS ON WHICH THE STATE TAX UNDER CLAUSE (A)(1) IS 1-3/4 PERCENT, ONE-HALF PERCENT OF THE TOTAL AMOUNT BET IN ALL PARI-MUTUEL POOLS.)

((2) FOR RACING DAYS ON WHICH THE STATE TAX UNDER CLAUSE (A)(2) IS SIX PERCENT, ONE PERCENT OF THE TOTAL AMOUNT BET IN ALL PARI-MUTUEL POOLS) *of one percent of the total amount bet on each day, and a licensee which is not in the seven-county metropolitan area must designate and pay to the commission a tax for deposit in the Minnesota breeders fund of one-half percent on the total amount bet on each day.*

The taxes imposed by this clause must be paid from the amounts permitted to be withheld by a licensee under section 240.13, subdivision 4.

(b) The commission shall impose on each paid admission to each licensed racetrack on a racing day a tax of 40 cents. It may impose an additional admissions tax of not more than ten cents at any licensed racetrack if:

(1) the additional tax is requested by a local unit of government within whose borders the track is located;

(2) a public hearing is held on the request; and

(3) the commission finds that the local unit of government requesting the additional tax is in need of its revenue to meet extraordinary expenses caused by the racetrack.

Sec. 4. Minnesota Statutes 1984, section 240.15, subdivision 2, is amended to read:

Subd. 2. [PAYMENT.] The licensee must remit the tax to the commission or its representative within seven days of the day on which it was collected. In addition to the tax and at that time the licensee must pay to the commission or its representative a sum equal to one-half the total breakage for each racing day during the period for which the tax is paid *except that no part*

of the breakage need be so paid for each racing day on which the total amount bet, together with the total amount bet at the same licensed racetrack on all previous racing days in the same calendar year, exceeds \$150,000,000. The payments must be accompanied by a detailed statement of the remittance on a form the commission prescribes. The commission may by rule provide for the direct deposit of required payments in the commission's account in a financial institution within the state and for determining the time of applicability of different tax rates under subdivision 1.

In addition to the above payments, for each racing day on which a licensee is not required to pay one-half of the total breakage to the commission or its representative the licensee must set aside one-half of the total breakage for all races by a particular breed for that racing day and use that amount to pay its obligations under written contract with organizations representing a majority of the owners and trainers of breeds at that meet for the providing and administering of insurance and welfare programs, spiritual and recreational programs for the benefit of backstretch personnel, and for promotion of the horse industry in Minnesota. After the licensee has paid these obligations the licensee must use the remainder of the amount so set aside for purses for races at that racetrack for that breed.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective January 1, 1987."

Amend the title as follows:

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

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

Page 1, line 6, before the period insert "; and 240.14, subdivision 3."

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.

Forsythe from the Committee on Appropriations 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 to 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. Minnesota Statutes 1985 Supplement, section 116J.951, subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of (ENERGY AND ECONOMIC DEVELOPMENT) *agriculture*.

Sec. 5. Minnesota Statutes 1985 Supplement, section 116J.955, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The rural rehabilitation revolving fund is established as an account in the state treasury. The money transferred to the state as a result of liquidating the rural rehabilitation corporation trust, and money derived from transfer of the trust to the state, must be credited to the rural rehabilitation revolving fund. The principal amount of the rural rehabilitation revolving fund (, \$9,300,000,) may not be spent and must be invested by the state investment board. The income attributable to investment of the principal is appropriated to the commissioner for the activities of the rural development council.

Sec. 6. Minnesota Statutes 1985 Supplement, section 116J.955, subdivision 2, is amended to read:

Subd. 2. [EXPENDITURE OF INVESTMENT INCOME.] The commissioner may only use the income from the investment of the rural rehabilitation revolving fund for the purposes that are allowed under the Minnesota rural rehabilitation corporation's charter and agreement with the United States Secretary of Agriculture as provided in Public Law Number 499, 81st Congress, enacted May 3, 1950 and as allowed under section 116J.961, subdivision 8. Not more than (THREE) *five* percent of the book value of the Minnesota rural rehabilitation corporation's assets may be used for administrative purposes in a year without approval of the United States Secretary of Agriculture.

Sec. 7. Minnesota Statutes 1985 Supplement, section 116J.961, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The governor's rural development council is established in the department of (ENERGY AND ECONOMIC DEVELOPMENT) *agriculture*. The council shall consist of one representative from each of the state's development regions, including the seven-county metropolitan area, and the commissioner.

Sec. 8. [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 multimunicipal 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. 9. [116N.01] [CITATION.]

Sections 10 to 20 may be cited as the "greater Minnesota corporation act."

Sec. 10. [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. 11. [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 12.

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 17.

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 10 to 20, or any combination of them.

Sec. 12. [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 10 to 20.*

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 nonpublic 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 10 to 20, 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 investigative data obtained by the board or employees of the corporation in relation to the assistance under sections 10 to 20;*

(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 10 to 20.*

Sec. 13. [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. 14. [116N.06] [CORPORATE POWERS.]

The corporation shall have all powers necessary to accomplish the purposes of sections 10 to 20 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 10 to 20;

(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 10 to 20 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 noteholders 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 10 to 20, 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 10 to 20;

(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 10 to 20.

Sec. 15. [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 10 to 20, 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 10 to 20.

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. 16. [116N.08] [INTEREST REDUCTION ASSISTANCE.]

To accomplish the purposes of sections 10 to 20, 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 14, clauses (9) and (10);

(2) *pay any or all of the interest on bonds issued pursuant to sections 14, clause (13), and 15, 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. 17. [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 10 to 20. The corporation may use the powers granted in sections 10 to 20 and up to 25 percent of any funds deposited in the fund to provide economic assistance pursuant to sections 10 to 20 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. 18. [116N.10] [ACTIVITIES.]

Subdivision 1. [GRANTS.] Pursuant to the powers granted to the corporation under section 14, 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 14, 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. 19. [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. 20. [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. 21. [SUPPLEMENTAL GRANTS TO RURAL FAMILIES.]

Subdivision 1. [PROGRAM; ELIGIBILITY.] The higher education coordinating board, with the assistance of the commis-

sioner of jobs and training, shall establish and administer the state supplemental education grant program to assist families in rural areas of the state in paying the costs of attending public post-secondary educational institutions. 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.

Minnesota residents are eligible to apply if they meet the conditions in either (a) or (b).

(a) Displaced rural workers who are enrolled in adult farm management programs or enrolled in a program designed to train people for employment and who demonstrate financial need in accordance with policies and procedures established by the higher education coordinating board. In developing eligibility policies, the board shall consider criteria for participation in state and federal programs designed to serve economically dislocated workers.

(b) Students from families that are unable to contribute to the student's education due to the distressed sale of a farm. Grants under this provision can be used to replace expected parental contributions where the expected contribution does not accurately reflect the family's ability to contribute because the income or gain resulted from (1) the sale of agricultural production property, including real property, and equipment used in a farm business that was owned and operated by the taxpayer as his principal business, if the taxpayer had a debt-to-asset-ratio of at least 70 percent at the time of the sale and at least 70 percent of the proceeds of the sale were used solely to discharge indebtedness secured by a mortgage, lien, or other security interest on the property sold, or (2) the discharge of farm business indebtedness of a farmer who owns and operates a farm business if at the time of the discharge the taxpayer had a debt-to-asset-ratio of at least 70 percent; if the gain is long term capital gain for federal income tax purposes, the part not to be counted is limited to 40 percent of the gain.

The development of policies and procedures in accordance with this subdivision is not subject to 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. 22. 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. 23. 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. 24. [SUPPLEMENTAL EDUCATIONAL GRANT PROGRAM FUNDING.]

Up to \$250,000 is available for the state supplemental education grant program established in section 21 from the appropriation in Laws 1985, First Special Session chapter 11, section 3, subdivision 3, for the fiscal year ending June 30, 1987.

Sec. 25. [MINNESOTA RESOURCES FUND APPROPRIATION.]

The legislative commission on Minnesota resources shall recommend up to \$8,000,000 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 non-state spending shares.

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

Sec. 26. [APPROPRIATION.]

Subdivision 1. [MINERAL RESOURCES PLAN.] \$500,000 is appropriated from the rural rehabilitation revolving fund to the commissioner of natural resources for implementation of section 1, to be available until June 30, 1987.

Subd. 2. [FORESTRY MANAGEMENT.] \$1,000,000 is appropriated from the rural rehabilitation revolving 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. 27. [APPROPRIATION.]

\$250,000 is appropriated from the rural rehabilitation revolving fund to the higher education coordinating board for the state supplemental education grant program established in section 21, to be available until expended.

Sec. 28. [APPROPRIATION.]

\$3,500,000 is appropriated from the rural rehabilitation revolving fund to the greater Minnesota corporation created under section 12. An amount not to exceed \$200,000 may be used in any fiscal year for operating and other expenses of the corporation that are not directly chargeable to any project.

Sec. 29. [FUNDING FOR REORGANIZATION.]

Subdivision 1. The commissioner of finance shall transfer, after approval by the legislative commission on Minnesota resources, up to \$900,000 from the Minnesota resources fund to the department of natural resources for development of the plan of

any reorganization of the department as mandated by the 1986 legislature.

Subd. 2. The legislative commission on Minnesota resources may recommend an appropriation from the Minnesota resources fund for fiscal years 1988 to 1989 up to \$2,300,000 million to the department of natural resources for implementation of the reorganization plan.

Subd. 3. The legislative commission on Minnesota resources shall monitor the implementation of the reorganization of the department of natural resources if it occurs and report within three months after implementation date, if implemented.

Sec. 30. [REPEALER.]

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

Sec. 31. [EFFECTIVE DATE.]

Sections 1 to 20 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 enterprise 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; 116J.951, subdivision 2; 116J.955, subdivisions 1 and 2; 116J.961, subdivision 1; and 273.1314, subdivision 8; proposing coding for new law in Minnesota Statutes, chapters 84; and 116K; 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.

The report was adopted.

Pursuant to rule 1.16, S. F. No. 1790 was re-referred to the Committee on Rules and Legislative Administration.

MOTION FOR RECONSIDERATION

Cohen moved that the vote whereby S. F. No. 5, as amended by Conference, was repassed earlier today be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Cohen motion and the roll was called.

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

There were 52 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jacobs	Murphy	Quinn	Staten
Battaglia	Jaros	Neuenschwander	Rice	Sviggum
Begich	Jennings, L.	Norton	Riveness	Tunheim
Bishop	Kostohryz	O'Connor	Rodosovich	Vanasek
Brandl	Krueger	Ogren	Sarna	Voss
Brinkman	Lieder	Olson, E.	Scheid	Welle
Brown	Long	Osthoff	Sherman	Wenzel
Clark	McEachern	Otis	Simoneau	Wynia
Cohen	McLaughlin	Pappas	Skoglund	
Elioff	Metzen	Peterson	Solberg	
Greenfield	Minne	Piper	Sparby	

Those who voted in the negative were:

Anderson, R.	Erickson	Knickerbocker	Piepho	Stanius
Beard	Fjoslien	Knuth	Price	Thiede
Becklin	Forsythe	Kvam	Quist	Thorson
Bennett	Frederick	Levi	Redalen	Tjornhom
Boo	Frerichs	Marsh	Rees	Tomlinson
Burger	Gutknecht	McKasy	Rest	Tompkins
Carlson, D.	Hartinger	McPherson	Richter	Uphus
Carlson, L.	Hartle	Nelson, D.	Rose	Valan
Clausnitzer	Haukoos	Nelson, K.	Schafer	Valento
Dempsey	Heap	Olsen, S.	Schreiber	Vellenga
DenOuden	Johnson	Onnen	Seaberg	Waltman
Dimler	Kelly	Ozment	Segal	Spk. Jennings, D.
Dyke	Kiffmeyer	Pauly	Shaver	

The motion to reconsider the vote on repassage of S. F. No. 5, as amended by Conference, did not prevail.

SECOND READING OF SENATE BILLS

S. F. Nos. 2147, 2067, 1734, 2127, 1151, 2102, 1930, 2171, 164, 1745, 2129, 2014, 2054, 2098, 2101, 1648, 1832, 1868, 1814, 707 and 1703 were read for the second time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Bennett moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1703 be given its third reading and be placed upon its final passage. The motion prevailed.

Bennett moved that the rules of the House be so far suspended that S. F. No. 1703 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 1703, A bill for an act relating to commerce; regulating those who package soft drinks and other nonalcoholic beverages; increasing certain vending machine inspection fees; clarifying authority to inspect vending machines; clarifying rulemaking authority of commissioner of agriculture; amending Minnesota Statutes 1984, sections 28A.05; 28A.09, subdivision 1; 34.03; and 34.09; repealing Minnesota Statutes 1984, section 34.05.

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 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dyke	Kostohryz	Olson, E.	Rose
Anderson, R.	Elioff	Krueger	Omann	Sarna
Backlund	Erickson	Kvam	Onnen	Schafer
Battaglia	Fjoslien	Levi	Osthoff	Scheid
Beard	Forsythe	Lieder	Otis	Schoenfeld
Becklin	Frerichs	Long	Ozment	Schreiber
Begich	Greenfield	Marsh	Pappas	Seaberg
Bennett	Gulkecht	McEachern	Pauly	Segal
Boo	Hartinger	McKasy	Peterson	Shaver
Brandl	Hartle	McLaughlin	Piepho	Sherman
Brinkman	Haukoos	McPherson	Piper	Simoneau
Brown	Heap	Metzen	Price	Skoglund
Burger	Himle	Miller	Quinn	Solberg
Carlson, D.	Jacobs	Minne	Quist	Sparby
Carlson, L.	Jaros	Munger	Redalen	Stanius
Clark	Jennings, L.	Murphy	Rees	Staten
Clausnitzer	Johnson	Nelson, D.	Rest	Swiggum
Cohen	Kelly	Neuenschwander	Rice	Thiede
Dempsey	Kiffmeyer	Norton	Richter	Thorson
DenOuden	Knickerbocker	Ogren	Riveness	Tjornhom
Dimler	Knuth	Olsen, S.	Rodosovich	Tomlinson

Tompkins
Tunheim
Uphus

Valan
Valento
Vanasek

Vellenga
Waltman

Welle
Wenzel

Wynia
Spk. Jennings, D.

The bill was passed and its title agreed to.

SECOND READING OF SENATE BILLS, Continued

S. F. No. 2135 was read for the second time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Stanius moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2135 be given its third reading and be placed upon its final passage. The motion prevailed.

Stanius moved that the rules of the House be so far suspended that S. F. No. 2135 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 2135, A bill for an act relating to liability; limiting the civil liability of practitioners for the violent acts of patients; providing immunity from liability for disclosure; amending Minnesota Statutes 1985 Supplement, section 626.556, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 148.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.
Anderson, R.
Backlund
Battaglia
Beard
Becklin
Begich
Bennett
Bishop
Blatz

Boo
Brandl
Brinkman
Brown
Burger
Carlson, L.
Clark
Clausnitzer
Cohen
Dempsey

DenOuden
Dimler
Dyke
Elioff
Erickson
Fjoslien
Forsythe
Frederick
Frerichs
Greenfield

Gruenes
Gutknecht
Hartinger
Hartle
Haukoos
Himle
Jacobs
Jaros
Jennings, L.
Johnson

Kelly
Kliffmeyer
Knickerbocker
Knuth
Kostohryz
Krueger
Kvam
Levi
Lieder
Long

Marsh	Ogren	Redalen	Shaver	Uphus
McDonald	Olsen, S.	Rees	Sherman	Valan
McEachern	Olson, E.	Rest	Simoneau	Valento
McKasy	Onnen	Rice	Skoglund	Vanasek
McLaughlin	Osthoff	Richter	Solberg	Vellenga
McPherson	Otis	Riveness	Sparby	Voss
Metzen	Ozment	Rodosovich	Stanlius	Waltman
Miller	Pappas	Rose	Staten	Welle
Minne	Pauly	Sarna	Svigum	Wenzel
Munger	Peterson	Schafer	Thiede	Wynia
Murphy	Piepho	Scheid	Thorson	Spk. Jennings, D.
Nelson, D.	Piper	Schoenfeld	Tjornhom	
Nelson, K.	Price	Schreiber	Tomlinson	
Neuenschwander	Quinn	Seaberg	Tompkins	
Norton	Quist	Segal	Tunheim	

The bill was passed and its title agreed to.

SECOND READING OF SENATE BILLS, Continued

S. F. No. 1515 was read for the second time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Knuth moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1515 be given its third reading and be placed upon its final passage. The motion prevailed.

Knuth moved that the rules of the House be so far suspended that S. F. No. 1515 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 1515, A bill for an act relating to Ramsey county; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement; providing for an appointed county abstract clerk; proposing coding for new law in Minnesota Statutes, chapter 383A; repealing Minnesota Statutes 1984, section 383A.38.

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 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Poppenhagen and Frederick introduced:

H. F. No. 2569, A bill for an act relating to taxation; income; providing a personal credit for mentally retarded persons; amending Minnesota Statutes 1985 Supplement, section 290.06, subdivision 3f.

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

Brandl introduced:

H. F. No. 2570, A bill for an act relating to utilities; requiring recorded telephone solicitation devices to disconnect from the telephone line when the person called hangs up; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 237.

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

Staten introduced:

H. F. No. 2571, A bill for an act relating to housing; appropriating money to the Minnesota housing finance agency for low interest housing loans.

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

Wenzel, Wynia, Kahn, Scheid and Olsen, S., introduced:

H. F. No. 2572, A bill for an act relating to education; naming state scholarships the Christa McAuliffe Minnesota State Scholarships; amending Minnesota Statutes 1985 Supplement, section 136A.09.

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

Staten introduced:

H. F. No. 2573, A bill for an act relating to the legislature; requiring each body to prepare a set of standards by which the ethical conduct of its members will be judged.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Stanius introduced:

H. F. No. 2574, A bill for an act relating to government data; classifying reports and records collected or maintained by the medical examiners board; providing a physician under investigation with access to certain board records; amending Minnesota Statutes 1985 Supplement, sections 147.01, subdivision 4; 147.121, subdivision 1; and 147.131.

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

Wenzel, Marsh, Beard, Hartinger and Blatz introduced:

H. F. No. 2575, A bill for an act relating to crimes; prohibiting waiver of certain mandatory minimum sentencing provisions; repealing Minnesota Statutes 1984, section 609.11, subdivision 8.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

Wenzel, Marsh, Beard, Hartinger and Blatz introduced:

H. F. No. 2576, A bill for an act relating to crimes; increasing penalties and imposing mandatory minimum sentences for certain criminal sexual conduct crimes; amending Minnesota Statutes 1985 Supplement, sections 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; and 609.345, subdivision 2.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

Segal, Greenfield and Pappas introduced:

H. F. No. 2577, A bill for an act relating to child abuse; creating a child abuse prevention fund to be used for the training of peace officers and child protection workers; increasing the birth certificate filing fee for the purpose of funding the child abuse prevention fund; appropriating money; amending Minnesota Statutes 1984, section 144.226; proposing coding for new law in Minnesota Statutes, chapter 626.

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

Boo, Stanius, Greenfield, Blatz and Piper introduced:

H. F. No. 2578, A bill for an act relating to human services; establishing a board of social work examiners; licensing and regulating social workers; providing penalties; appropriating money; amending Minnesota Statutes 1984, sections 214.01, subdivision 2; and 595.02, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 148A.

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

Wenzel, Marsh, Hartinger, Dempsey and Blatz introduced:

H. F. No. 2579, A bill for an act relating to crimes; increasing penalties and imposing mandatory minimum sentences for certain homicides; amending Minnesota Statutes 1984, sections 244.05, subdivision 4; 609.19; 609.195; and 609.20.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

Wenzel, Dempsey, Beard, Hartinger and Blatz introduced:

H. F. No. 2580, A bill for an act relating to crimes; clarifying the elements of manslaughter in the first degree; increasing penalties for certain crimes committed against children; amending Minnesota Statutes 1984, sections 609.20; 609.221; 609.223; 609.255, subdivision 3; and 609.377; and Minnesota Statutes 1985 Supplement, section 609.224.

The bill was read for the first time and referred to the Committee on Crime and Family Law.

HOUSE ADVISORIES

The following House Advisories were introduced:

Pappas introduced:

H. A. No. 88, A proposal to study the effectiveness of the Veterans' Preference Laws.

The advisory was referred to the Committee on General Legislation and Veterans Affairs.

Onnen introduced:

H. A. No. 89, A proposal to study welfare reform.

The advisory was referred to the Committee on Health and Human Services.

Omann introduced:

H. A. No. 90, A proposal to study the effects of stray electricity.

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

Redalen, Gruenes, Omann and Jacobs introduced:

H. A. No. 91, A proposal to study various problems in the area of energy-efficiency in housing.

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

Staten, Tomlinson, Greenfield, Kahn and Pappas introduced:

H. A. No. 92, A proposal for the development of ethical standards for house members.

The advisory was referred to the Committee on Rules and Legislative Administration.

Kvam, Dyke, Redalen, Frederickson and McDonald introduced:

H. A. No. 93, A proposal to study issues relating to the various state and federal agricultural liens.

The advisory was referred to the Committee on Financial Institutions and Insurance.

Redalen, Gruenes, Omann and Jacobs introduced:

H. A. No. 94, A proposal to consider the recodification of Chapter 237, relating to telecommunications regulation.

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

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. 1844, A bill for an act relating to crimes; creating certain crimes against an unborn child; prohibiting acts which cause the death of or injury to an unborn child; imposing penalties; amending Minnesota Statutes 1984, sections 609.035; 609.18; and 609.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2294, A bill for an act relating to labor; independent school district No. 709, Duluth; removing certain educational assistants from civil service; amending Laws 1967, chapter 252, section 2, as amended.

The Senate has appointed as such Committee Messrs. Solon, Dicklich and Gustafson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2331, A bill for an act relating to taxation; providing for the taxation of lawful gambling; providing for identification cards for employees of distributors of gambling equipment; providing for the registration of manufacturers of gambling equipment; providing for maximum prizes for pull-tabs; allowing local investigation fees; making unlicensed wholesaling of gambling equipment a felony; regulating off-track betting; exempting certain lawful gambling from licensing and taxation; providing for notification to town boards of license applications; providing a penalty; amending Minnesota Statutes 1984, sections 240.25, subdivision 2; 240.26, subdivisions 1 and 2; 349.12, by adding a subdivision; 349.161, by adding subdivisions; 349.19, subdivision 5; 349.211, by adding a subdivision; 349.212, by adding a subdivision; 349.213, subdivision 2; 349.214, subdivision 2, and by adding a subdivision; 349.22; 349.31, subdivision 1; and 609.761; Minnesota Statutes 1985 Supplement, section 349.212, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 349.

The Senate has appointed as such Committee Messrs. Dieterich, Novak and Peterson, D. L.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 2280, A bill for an act relating to taxation; imposing levy limits on certain towns and cities; altering provisions gov-

erning distribution of certain taconite tax proceeds; reducing the taconite railroad gross earnings tax rate; reducing occupation and royalty tax rates; providing for the deduction of taconite production taxes and transportation costs; appropriating money; amending Minnesota Statutes 1984, sections 275.125, subdivision 9; 275.50, subdivision 2; 275.51, subdivision 3f; 298.225, by adding a subdivision; and 298.24, subdivision 1; Minnesota Statutes 1985 Supplement, sections 294.22; 298.01, subdivision 1; 298.03; 298.225, subdivision 1; 298.28, subdivision 1; and 299.01, subdivision 1.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Johnson, D. J.; Dicklich and Frederick.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

McKasy moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2280. The motion prevailed.

Mr. Speaker:

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

S. F. No. 1725, A bill for an act relating to the city of East Grand Forks; permitting the establishment of a port authority; authorizing the port authority to exercise the powers of a municipal housing and redevelopment authority.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Moe, R. D.; Pogemiller and Johnson, D. J.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Lieder moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1725. The motion prevailed.

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted.

Senate Concurrent Resolution No. 21, A Senate Concurrent Resolution relating to legislature; requiring a study of a legislative public affairs broadcasting network.

PATRICK E. FLAHAVEN, Secretary of the Senate

The resolution was referred to the Committee on Rules and Legislative Administration.

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. 651, A bill for an act relating to health; authorizing inclusion of physical fitness therapies in grant programs for the mentally ill; providing for study of the administration of mental health services; amending Minnesota Statutes 1984, sections 245.73, by adding a subdivision; and 256E.12, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Segal moved that the House concur in the Senate amendments to H. F. No. 651 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 651, A bill for an act relating to health; authorizing inclusion of physical fitness therapies in grant programs for the mentally ill; providing for study of the administration of mental health services; requiring a report to the legislature; amending Minnesota Statutes 1984, sections 245.73, by adding a subdivision; and 256E.12, subdivision 1.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1984, A bill for an act relating to commerce; regulating securities; regulating the assignment of certain real property loans and the administration of certain escrow accounts; providing certain exemptions; regulating real estate brokers and salespersons; modifying re-examination requirements; providing trust account requirements for licensees acting as principals; granting certain enforcement powers to the commissioner; providing certain remedies; requiring storage of abstracts of title within Minnesota; amending Minnesota Statutes 1984, sections 47.20, subdivision 9; 80A.14, subdivision 18; 80A.15, subdivision 1; 82.17, subdivision 4; 82.22, subdivisions 3, 6, and 13; 82.24, subdivision 2; 82.26; 82.27, subdivision 1; 82.33, subdivision 2; 386.375; Minnesota Statutes 1985 Supplement, section 80A.15, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 47.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Marsh moved that the House concur in the Senate amendments to H. F. No. 1984 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1984, A bill for an act relating to commerce; regulating securities; regulating the assignment of certain real property loans and the administration of certain escrow accounts; providing certain exemptions; regulating real estate brokers and salespersons; modifying re-examination requirements; providing trust account requirements for licensees acting as principals; granting certain enforcement powers to the commissioner; providing certain remedies; requiring storage of abstracts of title within Minnesota; amending Minnesota Statutes 1984, sections 47.20, subdivision 9; 80A.14, subdivision 18; 80A.15, subdivision 1; 82.17, subdivision 4; 82.22, subdivisions 3, 6, and 13; 82.24, subdivision 2; 82.26; 82.27, subdivision 1; 82.33, subdivision 2; 386.375; and Minnesota Statutes 1985 Supplement, sections 80A.13, subdivision 1; and 80A.15, subdivision 2; and 82.19, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 47.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Tomlinson
Tompkins
Tunheim

Uphus
Valento
Vanasek

Vellenga
Voss
Waltman

Welle
Wenzel
Wynia

Zaffke
Spk. Jennings, D.

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2351, A bill for an act relating to state real estate; permitting the sale of the old Shakopee correctional facility to the local government units.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Dimler moved that the House concur in the Senate amendments to H. F. No. 2351 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2351, A bill for an act relating to state real estate; permitting the sale of the old Shakopee correctional facility to the local government units.

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 120 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.
Anderson, R.
Battaglia
Beard
Becklin
Begich
Bennett
Bishop
Blatz
Boo

Brandl
Brinkman
Brown
Burger
Carlson, D.
Carlson, L.
Clark
Clausnitzer
Cohen
Dempsey

Dimler
Dyke
Elioff
Erickson
Fjoslien
Frederick
Frederickson
Frerichs
Greenfield
Gruenes

Gutknecht
Hartinger
Hartle
Haukoos
Heap
Himle
Jacobs
Jaros
Jennings, L.
Johnson

Kelly
Kiffmeyer
Knickerbocker
Knuth
Kostohryz
Krueger
Kvam
Levi
Lieder
Long

Marsh	O'Connor	Quinn	Schreiber	Tomlinson
McEachern	Ogren	Quist	Segal	Tompkins
McKasy	Olsen, S.	Redalen	Shaver	Tunheim
McLaughlin	Omann	Rees	Sherman	Uphus
McPherson	Onnen	Rest	Simoneau	Valento
Metzen	Osthoff	Rice	Skoglund	Vanasek
Miller	Otis	Richter	Solberg	Vellenga
Minne	Ozment	Riveness	Sparby	Voss
Munger	Pappas	Rodosovich	Stanis	Waltman
Murphy	Pauly	Rose	Staten	Welle
Nelson, D.	Peterson	Sarna	Sviggum	Wenzel
Nelson, K.	Piepho	Schafer	Thiede	Wynia
Neuenschwander	Piper	Scheid	Thorson	Zaffke
Norton	Price	Schoenfeld	Tjornhom	Spk. Jennings, D.

Those who voted in the negative were:

DenOuden

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2344, A bill for an act relating to St. Louis county; making certain offices appointive; allowing the county board to assign certain offices to the unclassified service; amending Minnesota Statutes 1984, sections 375A.06, subdivision 5; 383C.035 and 383C.136.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Boo moved that the House concur in the Senate amendments to H. F. No. 2344 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2344, A bill for an act relating to St. Louis county; making certain offices appointive; allowing the county board to assign certain offices to the unclassified service; amending Minnesota Statutes 1984, sections 375A.06, subdivision 5; 383C.035 and 383C.136.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2068, A bill for an act relating to the city of Litchfield; permitting certain investments of municipal power agency funds.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kvam moved that the House concur in the Senate amendments to H. F. No. 2068 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2068, A bill for an act relating to the city of Litchfield; permitting certain investments of municipal power agency funds.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

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

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

McKasy moved that the House concur in the Senate amendments to H. F. No. 839 and that the bill be repassed as amended by the Senate. The motion prevailed.

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

The bill was read for the third time, as amended 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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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 House File, herewith returned, as amended by the Senate, in

which amendment the concurrence of the House is respectfully requested:

H. F. No. 2216, A bill for an act relating to land surveying; providing for the surveying of lands by a county board; providing for the establishment of an office of county surveyor and the assignment of its duties; providing a penalty; amending Minnesota Statutes 1984, sections 381.01; 381.02; 381.03; 381.04; 381.05; 381.06; 381.07; 381.08; 381.09; 381.10; 381.12; 381.13; 389.011; 389.02; 389.03; 389.04; 389.08; Minnesota Statutes 1985 Supplement, section 389.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 381; repealing Minnesota Statutes 1984, section 389.06.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Johnson moved that the House concur in the Senate amendments to H. F. No. 2216 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2216, A bill for an act relating to land surveying; providing for the surveying of lands by a county board; providing for the establishment of an office of county surveyor or the assignment of its duties; increasing the amount the Olmsted county board may appropriate annually for use as a contingent fund; providing a penalty; amending Minnesota Statutes 1984, sections 381.01; 381.02; 381.03; 381.04; 381.05; 381.06; 381.07; 381.08; 381.09; 381.10; 381.12; 381.13; 389.011; 389.02; 389.03; 389.04; 389.08; Minnesota Statutes 1985 Supplement, section 389.09, subdivision 1; Laws 1965, chapter 433, section 1, as amended; proposing coding for new law in Minnesota Statutes, chapter 381; repealing Minnesota Statutes 1984, section 389.06.

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 119 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.
Anderson, R.
Backlund

Battaglia
Beard
Becklin

Begich
Bennett
Bishop

Blatz
Boo
Brandl

Brinkman
Brown
Burger

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

Those who voted in the negative were:

Wynia

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1911, A bill for an act relating to natural resources; authorizing watershed management organizations to establish taxing districts within minor watershed units of watersheds; amending Minnesota Statutes 1984, sections 473.878, by adding a subdivision; 473.882, subdivision 3; and 473.883, subdivisions 2, 3, 6, and 7; Minnesota Statutes 1985 Supplement, section 473.882, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Levi moved that the House concur in the Senate amendments to H. F. No. 1911 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1911, A bill for an act relating to natural resources; authorizing watershed management organizations to establish taxing districts within minor watershed units of watersheds;

amending Minnesota Statutes 1984, section 473.878, by adding a subdivision; 473.882, subdivision 3; 473.883, subdivisions 2, 3, 6, and 7; Minnesota Statutes 1985 Supplement, section 473.882, subdivision 1.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2394, A bill for an act relating to veterans; requiring the POW-MIA flag to be flown on the capitol.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Fjoslien moved that the House concur in the Senate amendments to H. F. No. 2394 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2394, as amended by the Senate, was given its third reading.

MOTION FOR RECONSIDERATION

Norton moved that the action whereby H. F. No. 2394, as amended by the Senate, was given its third reading be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Norton motion and the roll was called. There were 57 yeas and 57 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, R.	Frederick	Marsh	Piepho	Thiede
Backlund	Frederickson	McDonald	Quist	Thorson
Becklin	Frerichs	McKasy	Redalen	Tjornhom
Bennett	Gruenes	McPherson	Rees	Tompkins
Boo	Gutknecht	Miller	Richter	Uphus
Burger	Hartinger	Neuenschwander	Rose	Valento
Carlson, J.	Hartle	Olson, E.	Schafer	Wenzel
Clausnitzer	Haukoos	Omann	Seaberg	Zaffke
Dempsey	Johnson	Onnen	Shaver	Spk. Jennings, D.
Dimler	Kiffmeyer	Osthoff	Sherman	
Erickson	Kvam	Ozment	Stanius	
Fjoslien	Levi	Pauly	Svigum	

The motion did not prevail.

H. F. No. 2394, A bill for an act relating to veterans; requiring the POW-MIA flag to be flown on the capitol; providing for use of department of veterans affairs resources by certain organiza-

tions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 196.

The bill, as amended by the Senate, was 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 98 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Elioff	Levi	Ozment	Simoneau
Anderson, R.	Erickson	Lieder	Pauly	Solberg
Backlund	Fjoslien	Long	Peterson	Sparby
Battaglia	Frederick	Marsh	Piepho	Stanis
Beard	Frederickson	McEachern	Piper	Swiggum
Becklin	Frerichs	McKasy	Price	Thiede
Begich	Gruenes	McPherson	Quinn	Thorson
Boo	Gutknecht	Metzen	Quist	Tjornhom
Brandl	Hartinger	Miller	Redalen	Tompkins
Brinkman	Hartle	Minne	Rees	Tunheim
Brown	Haukoos	Murphy	Rest	Uphus
Burger	Jacobs	Nelson, K.	Richter	Valento
Carlson, L.	Jennings, L.	Neuenschwander	Rodosovich	Vanasek
Clark	Johnson	Ogren	Rose	Waltman
Clausnitzer	Kiffmeyer	Olsen, S.	Sarna	Welle
Cohen	Knickerbocker	Olson, E.	Schafer	Wenzel
Dempsey	Knuth	Omann	Scheid	Zaffke
DenOuden	Kostohryz	Onnen	Schoenfeld	Spk. Jennings, D.
Dimler	Krueger	Osthoff	Seaberg	
Dyke	Kvam	Otis	Shaver	

Those who voted in the negative were:

Jaros	Munger	Pappas	Staten	Voss
Kelly	Norton	Rice	Tomlinson	Wynia
McLaughlin	O'Connor	Segal	Vellenga	

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Richter moved that the House concur in the Senate amendments to H. F. No. 1838 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1838, A bill for an act relating to agriculture; defining "milk," "skim milk," and "lowfat milk"; amending Minnesota Statutes 1984, section 32.391, subdivision 1.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2035, A bill for an act relating to retirement; police and firefighters' relief associations; standardizing auditing requirements; clarifying various duties and responsibilities in the management of local associations; auditing, financial reporting, and state aid for the Winona police relief association; amending Minnesota Statutes 1984, sections 3.85, subdivision 6; 6.72, subdivision 2; 69.011, subdivision 2; 69.021, subdivisions 4 and 7; 69.051; 69.77; 69.773, subdivision 2; 69.775; 69.80; and 424A.001, subdivision 4, and by adding a subdivision; Minnesota Statutes 1985 Supplement, sections 69.011, subdivision 1; 69.031, subdivision 1; and 356.216; proposing coding for new law in Minnesota Statutes, chapters 6 and 423A.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Gutknecht moved that the House concur in the Senate amendments to H. F. No. 2035 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2035, A bill for an act relating to retirement; police and firefighters' relief associations; standardizing auditing requirements; clarifying various duties and responsibilities in the management of local associations; auditing, financial reporting, and state aid for the Winona police relief association; amending Minnesota Statutes 1984, sections 3.85, subdivision 6; 6.72, subdivision 2; 69.011, subdivision 2; 69.021, subdivisions 4 and 7; 69.051; 69.77; 69.773, subdivision 2; 69.775; 69.80; and 424A.001, subdivision 4, and by adding a subdivision; Minnesota Statutes 1985 Supplement, sections 69.011, subdivision 1; 69.031, subdivision 1; and 356.216; and 423A.02, subdivision 1; Laws 1984, chapter 564, section 48; proposing coding for new law in Minnesota Statutes, chapters 6 and 423A.

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 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Bishop	Carlson, D.	DenOuden	Frederick
Backlund	Boo	Carlson, L.	Dimler	Frerichs
Battaglia	Brandl	Clark	Dyke	Greenfield
Beard	Brinkman	Clausnitzer	Elioff	Gruenes
Becklin	Brown	Cohen	Erickson	Gutknecht
Bennett	Burger	Dempsey	Fjoslien	Hartinger

Hartle	Long	Olsen, S.	Richter	Thiede
Haukoos	Marsh	Omann	Riveness	Thorson
Himle	McDonald	Onnen	Rodosovich	Tjornhom
Jacobs	McEachern	Osthoff	Rose	Tomlinson
Jaros	McLaughlin	Otis	Sarna	Tompkins
Jennings, L.	McPherson	Ozment	Schafer	Tunheim
Johnson	Metzen	Pappas	Scheid	Uphus
Kahn	Miller	Pauly	Schreiber	Valento
Kelly	Minne	Peterson	Seaberg	Vanasek
Kiffmeyer	Munger	Piepho	Shaver	Vellenga
Knickerbocker	Murphy	Piper	Sherman	Voss
Knuth	Nelson, D.	Price	Simoneau	Waltman
Kostohryz	Nelson, K.	Quist	Skoglund	Welle
Krueger	Neuenschwander	Redalen	Solberg	Wenzel
Kvam	Norton	Rees	Sparby	Wynia
Levi	O'Connor	Rest	Stanius	Zaffke
Lieder	Ogren	Rice	Svigum	Spk. Jennings, D.

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2017, A bill for an act relating to crimes; making certain videotaped statements admissible in proceedings involving physical or sexual abuse against a child; amending Minnesota Statutes 1984, section 595.02, by adding a subdivision; Minnesota Statutes 1985 Supplement, sections 260.156; and 595.02, subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Nelson, K., moved that the House concur in the Senate amendments to H. F. No. 2017 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2017, A bill for an act relating to crimes; opening juvenile court hearings to the public in certain circumstances; making certain videotaped statements admissible in proceedings involving physical or sexual abuse against a child; amending Minnesota Statutes 1984, sections 260.155, subdivision 1; and 595.02, by adding a subdivision; Minnesota Statutes 1985 Supplement, sections 260.156; and 595.02, subdivision 3.

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 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2100, A bill for an act relating to agriculture; state agricultural society; removing the time and geographical restrictions on the society's ability to impose certain restrictions on performers at the state fairgrounds; amending Minnesota Statutes 1985 Supplement, section 37.17, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Sviggum moved that the House concur in the Senate amendments to H. F. No. 2100 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2100, A bill for an act relating to agriculture; state agricultural society; removing the time and geographical restrictions on the society's ability to impose certain restrictions on performers at the state fairgrounds; amending Minnesota Statutes 1985 Supplement, section 37.17, subdivision 1; and 177.23, subdivision 7.

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 79 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	Lieder	Peterson	Simoneau
Backlund	Frerichs	Marsh	Piepho	Stanius
Battaglia	Gruenes	McDonald	Quist	Svigum
Becklin	Gutknecht	McEachern	Redalen	Thiede
Bennett	Hartinger	McPherson	Rees	Thorson
Bishop	Hartle	Metzen	Richter	Tjornhom
Boo	Haukoos	Miller	Riveness	Tompkins
Brinkman	Himle	Munger	Rodosovich	Tunheim
Burger	Jacobs	Murphy	Rose	Uphus
Carlson, D.	Jennings, L.	Olsen, S.	Sarna	Valento
Clausnitzer	Johnson	Olson, E.	Schafer	Vanasek
Dempsey	Kelly	Omann	Scheid	Waltman
DenOuden	Kiffmeyer	Onnen	Schoenfeld	Welle
Dimler	Knickerbocker	Osthoff	Schreiber	Zaffke
Erickson	Kostohryz	Ozment	Seaberg	Spk. Jennings, D.
Fjoslien	Levi	Pauly	Sherman	

Those who voted in the negative were:

Beard	Greenfield	Nelson, K.	Piper	Tomlinson
Begich	Jaros	Neuenschwander	Price	Vellenga
Brandl	Kahn	Norton	Rest	Voss
Brown	Knuth	O'Connor	Segal	Wenzel
Carlson, L.	Krueger	Ogren	Skoglund	Wynia
Clark	McLaughlin	Otis	Solberg	
Elioff	Minne	Pappas	Staten	

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1773, A bill for an act relating to consumer protection; regulating the distribution of tobacco products; providing remedies; clarifying a definition; amending Minnesota Statutes 1984, section 609.685, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325F.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Seaberg moved that the House concur in the Senate amendments to H. F. No. 1773 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1773, A bill for an act relating to consumer protection; regulating the distribution of tobacco products; providing remedies; clarifying a definition; amending Minnesota Statutes 1984, section 609.685, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325F.

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 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Tunheim
Uphus
Valento

Vanasek
Vellenga
Voss

Waltman
Welle

Wenzel
Wynia

Zaffke
Spk. Jennings, D.

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 Files, herewith transmitted:

S. F. Nos. 1660 and 2116.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1604.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1660, A bill for an act relating to real property; allowing designation, sale, and redemption of a homestead that is executed on and sold as part of other property; allowing designation, sale, and redemption of a homestead foreclosed on or part of other property; proposing coding for new law in Minnesota Statutes, chapters 550 and 582; repealing Minnesota Statutes 1984, section 582.04.

The bill was read for the first time.

Uphus moved that S. F. No. 1660 and H. F. No. 1781, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2116, A bill for an act relating to elections; providing for removal of certain elected county officials; proposing coding for new law in Minnesota Statutes, chapter 351; repealing Minnesota Statutes 1984, sections 351.03; 351.04; 351.08 to 351.11.

The bill was read for the first time.

McKasy moved that S. F. No. 2116 and H. F. No. 2422, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1604, A bill for an act relating to agriculture; declaring crop ownership; prescribing a procedure for planting crop owners to recover crop values; providing liens on crops and property; prescribing satisfaction and enforcement of liens; proposing coding for new law in Minnesota Statutes, chapter 557; repealing Minnesota Statutes 1984, sections 561.11; 561.12; 561.13; 561.14; 561.15; and 561.16.

The bill was read for the first time.

Frederickson moved that S. F. No. 1604 and H. F. No. 1796, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2280:

McKasy, Schreiber and Begich.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1725:

Lieder, Valento and Thiede.

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, March 15, 1986:

S. F. Nos. 1974 and 1641; H. F. No. 2131; S. F. Nos. 1735, 1912, 1931, 1698, 1721, 2087, 2233, 1839 and 1949; H. F. Nos. 1852, 2508 and 948; S. F. Nos. 1730, 1850, 1810, 2090, 1961 and 1879; H. F. No. 1015; S. F. No. 1980; H. F. No. 2078; S. F. No. 1897; H. F. No. 2422; S. F. Nos. 923 and 2160; H. F. No. 2411; S. F. No. 2186; H. F. Nos. 2094 and 2392; S. F. Nos. 2161, 1909, 2082 and 1808; H. F. No. 1732; S. F. Nos. 1965, 1993, 1704, 1884, 1193, 1940 and 2279; H. F. No. 1611; S. F. Nos. 1852, 1789, 1801, 1707 and 1774; and H. F. No. 2248.

SPECIAL ORDERS

S. F. No. 2114 was reported to the House.

Swiggum moved that S. F. No. 2114 be continued on Special Orders for one day. The motion prevailed.

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.

SPECIAL ORDERS, Continued

S. F. No. 1782 was reported to the House.

Gruenes moved to amend S. F. No. 1782, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 62A.31, subdivision 1, is amended to read:

Subdivision 1. [POLICY REQUIREMENTS.] No individual or group policy, certificate, subscriber contract or other evidence of accident and health insurance issued or delivered in this state shall be sold or issued to an individual age 65 or older covered by medicare unless the following requirements are met:

(a) The policy must provide a minimum of the coverage set out in subdivision 2;

(b) The policy must cover pre-existing conditions during the first six months of coverage if the insured was not diagnosed or treated for the particular condition during the 90 days immediately preceding the effective date of coverage;

(c) The policy must contain a provision that the plan will not be canceled or nonrenewed on the grounds of the deterioration of health of the insured; and

(d) An outline of coverage as provided in section 62A.39 must be delivered at the time of application and prior to payment of any premium.

Subd. 1a. [APPLICATION TO CERTAIN POLICIES.] The requirements of sections 62A.31 to 62A.44 shall not apply to disability income protection insurance policies, *long-term care policies issued pursuant to sections 2 to 7*, or group policies of accident and health insurance which do not purport to supplement medicare issued to any of the following groups:

(a) A policy issued to an employer or employers or to the trustee of a fund established by an employer where only employees or retirees, and dependents of employees or retirees, are eligible for coverage.

(b) A policy issued to a labor union or similar employee organization.

(c) A policy issued to an association, a trust or the trustee of a fund established, created or maintained for the benefit of members of one or more associations. The association or associations shall have at the outset a minimum of 100 persons; shall have been organized and maintained in good faith for purposes other than that of obtaining insurance; shall have a constitution and by-laws which provide that (1) the association or associations hold regular meetings not less frequently than annually to further purposes of the members, (2) except for credit unions, the association or associations collect dues or solicit contributions from members, and (3) the members have voting privileges and representation on the governing board and committees.

Sec. 2. [62A.46] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 2 to 7.

Subd. 2. [LONG-TERM CARE POLICY.] "Long-term care policy" means an individual or group policy, certificate, subscriber contract, or other evidence of coverage that provides benefits for medically prescribed long-term care, including nursing facility services and home care services, pursuant to the requirements of sections 2 to 7. A long-term care policy must contain a designation specifying whether the policy is a long-term care policy AA or A and a caption stating that the commissioner has established two categories of long-term care insurance and the minimum standards for each.

Sections 2, 3 and 5 to 7 do not apply to a long-term care policy issued to (a) an employer or employers or to the trustee of a fund established by an employer where only employees or retirees, and dependents of employees or retirees, are eligible for coverage or (b) to a labor union or similar employee organization. The associations exempted from the requirements of sections 62A.31 to 62A.44 under 62A.31, subdivision 1, clause (c) shall not be subject to the provisions of sections 2 to 7 until July 1, 1988.

Subd. 3. [NURSING FACILITY.] "Nursing facility" means (1) a facility that is licensed as a nursing home under chapter 144A; (2) a facility that is both licensed as a boarding care home under sections 144.50 to 144.56 and certified as an intermediate care facility for purposes of the medical assistance program; and (3) in states other than Minnesota, a facility that meets licensing

and certification standards comparable to those that apply to the facilities described in clauses (1) and (2).

Subd. 4. [HOME CARE SERVICES.] "Home care services" means one or more of the following medically prescribed services for the long-term care and treatment of an insured that are provided by a home health agency in a noninstitutional setting according to a written diagnosis and plan of care:

(1) nursing and related personal care services under the direction of a registered nurse, including the services of a home health aide;

(2) physical therapy;

(3) speech therapy;

(4) respiratory therapy;

(5) occupational therapy;

(6) nutritional services provided by a licensed dietitian;

(7) homemaker services, meal preparation, and similar non-medical services;

(8) medical social services; and

(9) other similar medical services and health-related support services.

Subd. 5. [MEDICALLY PRESCRIBED LONG-TERM CARE.] "Medically prescribed long-term care" means a service, type of care, or procedure that is specified in a plan of care prepared by a physician and a registered nurse and is appropriate and consistent with the physician's diagnosis and that could not be omitted without adversely affecting the patient's illness or condition.

Subd. 6. [QUALIFIED INSURER.] "Qualified insurer" means an entity licensed under chapter 62A or 62C.

Subd. 7. [PHYSICIAN.] "Physician" means a medical practitioner licensed under sections 147.02, 147.03, 147.031, and 147.037.

Subd. 8. [PLAN OF CARE.] "Plan of care" means a written document prepared and signed by a physician and registered nurse that specifies medically prescribed long-term care services or treatment that are consistent with the diagnosis and are in accordance with accepted medical and nursing standards of prac-

tice and that could not be omitted without adversely affecting the patient's illness or condition.

Subd. 9. [INSURED.] "*Insured*" means a person covered under a long-term care policy.

Subd. 10. [HOME HEALTH AGENCY.] "*Home health agency*" means an entity that provides home care services and is (1) certified for participation in the medicare program; or (2) licensed as a home health agency where a state licensing statute exists, or is otherwise acceptable to the insurer if licensing is not required.

Sec. 3. [62A.48] [LONG-TERM CARE POLICIES.]

Subdivision 1. [POLICY REQUIREMENTS.] *No individual or group policy, certificate, subscriber contract, or other evidence of coverage of nursing home care or other long-term care services shall be offered, issued, delivered, or renewed in this state, whether or not the policy is issued in this state, unless the policy is offered, issued, delivered, or renewed by a qualified insurer and the policy satisfies the requirements of sections 2 to 7. A long-term care policy must cover medically prescribed long-term care in nursing facilities and at least the medically prescribed long-term home care services in section 2, subdivision 4, clauses (1) to (5), provided by a home health agency. Coverage under a long-term care policy AA must include: a maximum lifetime benefit limit of at least \$100,000 for services, and nursing facility and home care coverages must not be subject to separate lifetime maximums, and a requirement of prior hospitalization for up to one day may be imposed only for long-term care in a nursing facility. Coverage under a long-term care policy A must include: a maximum lifetime benefit limit of at least \$50,000 for services, nursing facility and home care coverages must not be subject to separate lifetime maximums, and a requirement of prior hospitalization for up to three days may be imposed for long-term care in a nursing facility or home care services.*

Coverage under either policy designation may include a waiting period of up to 90 days before benefits are paid. The policy must include a provision that the plan will not be canceled or renewal refused except on the grounds of nonpayment of the premium, provided that the insurer may change the premium rate on a class basis on any policy anniversary date. Policy options include a provision that the policyholder may elect to have the premium paid in full at age 65 by payment of a higher premium up to age 65 and a provision that the premium would be waived during any period in which benefits are being paid to the insured. A nongroup policyholder may return a policy within 30 days of its delivery and have the premium refunded in full, less any benefits paid under the policy, if the policyholder is not satisfied for any reason.

Subd. 2. [PER DIEM COVERAGE.] *If benefits are provided on a per diem basis, the minimum daily benefit for care in a nursing facility must be the lesser of \$60 or actual charges under a long-term care policy AA or the lesser of \$40 or actual charges under a long-term care policy A and the minimum daily benefit for home care must be the lesser of \$25 or actual charges under a long-term care policy AA or the lesser of \$25 or actual charges for nurse and therapy services and \$20 for home health aide and nonmedical services under a long-term care policy A. If home care services are provided less frequently than daily, the minimum benefit is the lesser of actual charges or an amount determined by multiplying the number of days of the period during which services will be provided, or a reasonable interval of the service period, by \$25 and dividing the resulting amount by the number of days during this period on which home care services were rendered. The home care services benefit must cover at least seven paid visits per week.*

Subd. 3. [EXPENSE-INCURRED COVERAGE.] *If benefits are provided on an expense-incurred basis, a benefit of not less than 80 percent of covered charges for medically prescribed long-term care must be provided.*

Subd. 4. [LOSS RATIO.] *The anticipated loss ratio for long-term care policies must not be less than 65 percent for policies issued on a group basis or 60 percent for policies issued on an individual or mass-market basis.*

Subd. 5. [SOLICITATIONS BY MAIL OR MEDIA ADVERTISEMENT.] *For purposes of this section, long-term care policies issued as a result of solicitations of individuals through mail or mass media advertising, including both print and broadcast advertising, shall be treated as individual policies.*

Subd. 6. [COORDINATION OF BENEFITS.] *A long-term care policy shall be secondary coverage for services provided under sections 2 to 7. Nothing in sections 2 to 7 shall require the secondary payor to pay the obligations of the primary payor nor shall it prevent the secondary payor from recovering from the primary payor the amount of any obligation of the primary payor that the secondary payor elects to pay.*

Sec. 4. [62A.50] [DISCLOSURES AND REPRESENTATIONS.]

Subdivision 1. [SEAL OR EMBLEMS.] *No graphic seal or emblem shall be displayed on any policy, or in connection with promotional materials on policy solicitations, that may reasonably be expected to convey to the purchaser that the policy form is approved, endorsed, or certified by a state or local unit of government or agency, the federal government, or a federal agency.*

Subd. 2. [CANCELLATION NOTICE.] Long-term care policies issued on a nongroup basis must have a notice prominently printed on the first page of the policy stating that the policyholder may return the policy within 30 days of its delivery and have the premium refunded in full if the policyholder is not satisfied for any reason. A solicitation for a long-term care policy to be issued on a nongroup basis pursuant to a direct-response solicitation must state in substance that the policyholder may return the policy within 30 days of its delivery and have the premium refunded in full if the policyholder is not satisfied for any reason.

Subd. 3. [DISCLOSURES.] No long-term care policy shall be offered or delivered in this state, whether or not the policy is issued in this state, and no certificate of coverage under a group long-term care policy shall be offered or delivered in this state, unless a statement containing at least the following information is delivered to the applicant at the time the application is made:

(1) a description of the benefits and coverage provided by the policy and the differences between this policy, a supplemental medicare policy and the benefits to which an individual is entitled under parts A and B of medicare;

(2) a statement of the exceptions and limitations in the policy including the following language, as applicable, in bold print: "THIS POLICY DOES NOT COVER ALL NURSING CARE FACILITIES OR NURSING HOME OR HOME CARE EXPENSES AND DOES NOT COVER RESIDENTIAL CARE. READ YOUR POLICY CAREFULLY TO DETERMINE WHICH FACILITIES AND EXPENSES ARE COVERED BY YOUR POLICY.";

(3) a statement of the renewal provisions including any reservation by the insurer of the right to change premiums;

(4) a statement that the outline of coverage is a summary of the policy issued or applied for and that the policy should be consulted to determine governing contractual provisions;

(5) an explanation of the policy's loss ratio including at least the following language: "This means that, on the average, policyholders may expect that \$ of every \$100 in premium will be returned as benefits to policyholders over the life of the contract."; and

(6) a statement of the out-of-pocket expenses, including deductibles and copayments for which the insured is responsible, and an explanation of the specific out-of-pocket expenses that may be accumulated toward any out-of-pocket maximum as specified in the policy.

Sec. 5. [62A.52] [REVIEW OF PLAN OF CARE.]

The insurer may review an insured's plan of care at reasonable intervals, but not more frequently than once every 30 days.

Sec. 6. [62A.54] [PROHIBITED PRACTICES.]

Unless otherwise provided for in sections 1 to 7, the solicitation or sale of long-term care policies is subject to the requirements and penalties applicable to the sale of medicare supplement insurance policies as set forth in sections 62A.31 to 62A.44.

Sec. 7. [62A.56] [RULEMAKING.]

The commissioner may adopt rules pursuant to chapter 14 to carry out the purposes of sections 2 to 7. The rules may:

(1) establish additional disclosure requirements for long-term care policies designed to adequately inform the prospective insured of the need and extent of coverage offered;

(2) prescribe uniform policy forms in order to give the purchaser of long-term care policies a reasonable opportunity to compare the cost of insuring with various insurers; and

(3) establish other reasonable minimum standards as needed to further the purposes of sections 2 to 7.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective June 1, 1986."

Further, delete the title and insert:

"A bill for an act relating to insurance; accident and health; regulating long-term care policies; requiring coverage for home health care and care in skilled or intermediate nursing facilities; amending Minnesota Statutes 1984, section 62A.31, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62A."

The motion prevailed and the amendment was adopted.

The Speaker called Halberg to the Chair.

Quist, Wenzel, Dempsey, Rees, Quinn, Elioff, McEachern, DenOuden and Battaglia moved to amend S. F. No. 1782, as amended, as follows:

Page 8, after line 14, insert:

"Sec. 9. Minnesota Statutes 1984, section 62A.041, is amended to read:

62A.041 [MATERNITY BENEFITS; UNMARRIED WOMEN.]

Each group policy of accident and health insurance (ISSUED OR RENEWED AFTER JUNE 4, 1971,) and each group health maintenance contract (ISSUED OR RENEWED AFTER AUGUST 1, 1984,) shall provide the same coverage for maternity benefits to unmarried women and minor female dependents that it provides to married women including the wives of employees choosing dependent family coverage. If an unmarried insured or an unmarried enrollee is a parent of a dependent child, each group policy (ISSUED OR RENEWED AFTER JULY 1, 1976,) and each group contract (ISSUED OR RENEWED AFTER AUGUST 1, 1984,) shall provide the same coverage for that child as that provided for the child of a married employee choosing dependent family coverage if the insured or the enrollee elects dependent family coverage.

Each individual policy of accident and health insurance and each individual health maintenance contract shall provide the same coverage for maternity benefits to unmarried women and minor female dependents as that provided for married women. If an unmarried insured or an unmarried enrollee is a parent of a dependent child, each individual policy (ISSUED OR RENEWED AFTER JULY 1, 1976,) and each individual contract (ISSUED OR RENEWED AFTER AUGUST 1, 1984,) shall also provide the same coverage for that child as that provided for the child of a married insured or a married enrollee choosing dependent family coverage if the insured or the enrollee elects dependent family coverage.

For the purposes of this section, the term "maternity benefits" shall not include elective, induced abortion whether performed in a hospital, other abortion facility, or the office of a physician.

This section applies to policies and contracts issued, delivered, or renewed after August 1, 1985, that cover Minnesota residents."

Renumber the remaining sections

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Rees offered an amendment to S. F. No. 1782, as amended.

POINT OF ORDER

Gruenes 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 well taken and the amendment out of order.

S. F. No. 1782, A bill for an act relating to insurance; accident and health; regulating long-term care policies; requiring coverage for home health care and care in skilled or intermediate nursing facilities; amending Minnesota Statutes 1984, section 62A.31, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62A.

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

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

S. F. No. 707 was reported to the House.

Knickerbocker moved to amend S. F. No. 707, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 352D.01, is amended to read:

352D.01 [ESTABLISHMENT.]

There is hereby established within the Minnesota state retirement system a retirement program for certain (UNCLASSIFIED) *public* employees (IN STATE SERVICE) to be known as the Minnesota unclassified employees retirement program, which shall be administered by the Minnesota state retirement system.

Sec. 2. Minnesota Statutes 1984, section 352D.015, subdivision 5, is amended to read:

Subd. 5. "Covered employment" means employment covered by (CHAPTER 352, OR) this chapter.

Sec. 3. Minnesota Statutes 1984, section 352D.02, as amended by Laws 1985, First Special Session chapter 10, section 88, is amended to read:

352D.02 [COVERAGE.]

Subdivision 1. [COVERAGE.] The following employees, if they are in the unclassified service of the state and are eligible for coverage under the (MINNESOTA) state *employees* retirement (SYSTEM) *fund*, shall participate in the unclassified program unless an employee gives notice to the executive director of the state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file a notice with the executive director shall be deemed to have exercised the option to participate in the unclassified plan.

(1) any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or the state board of investment,

(2) the head of any department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or any employee enumerated in section 15A.081, subdivision 1 or 15A.083, subdivision 4,

(3) any permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,

(4) any person employed in a position established pursuant to section 43A.08, subdivision 1, clause (c), or subdivision 1a or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,

(5) the chair, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission; the chair, executive director, and not to exceed three positions at the division director or assistant to the chair level of the regional transit board; a chief administrator who is an employee of the metropolitan transit commission; and the chair, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(6) the executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

(7) the clerk of the appellate courts appointed pursuant to Article VI, Section 2, of the Constitution of the state of Minnesota,

(8) the chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of human services,

(9) any employee whose principal employment is at the state ceremonial house,

(10) employees of the Minnesota educational computing corporation, and

(11) any employee of the world trade center board.

Subd. 1a. The following employees if they are eligible for coverage under the state employees retirement fund, or the teachers retirement association, or would have been eligible for coverage under those funds but for this subdivision, shall participate in the plan, subject to the provisions of subdivision 5 and section 8, and have Social Security coverage under the agreement between the state and the secretary of health and human services: the chancellor, university presidents, and unclassified managerial employees in the state university system employed at the level of dean or higher.

Subd. 1b. Any person who on the day before June 30, 1982 is a participant in the state unclassified employees retirement

program, whose position is placed in the classified service pursuant to Laws 1982, Chapter 560, may elect to maintain membership in the unclassified program as long as the person holds the position or a position in a higher class in the same agency. When an unclassified position which entitles a person to participate in the unclassified retirement program is placed in the classified service, the commissioner of employee relations shall send written notice to the incumbent of the position, and to the director of the Minnesota state retirement system. This notice shall state the incumbent's option under this subdivision. A person eligible to maintain membership in the unclassified plan shall notify the executive director of the state retirement system of the person's election to maintain membership in the unclassified plan within 60 days of the date on which the commissioner sends the notice stating that the position has been placed in the classified service. A person who does not file this notice shall be deemed to have waived the right to remain in the unclassified plan.

Subd. (1B) 1c. An employee covered by the regular plan who is subsequently employed as a permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature may elect to transfer accumulated employee and matching employer contributions, as provided in section 352D.03.

Subd. 2. A person becoming a participant in the unclassified program by virtue of employment in a position specified in subdivision 1, clause (2) and remaining in the unclassified service shall remain a participant in the program even though the position the person occupies is deleted from any of the sections referenced in subdivision 1, clause (2) by subsequent amendment, except that a person shall not be eligible to elect the unclassified program after separation from unclassified service if on the return of the person to service, that position is not specified in subdivision 1, clause (2). Any person employed in a position specified in subdivision 1 shall cease to participate in the unclassified program in the event his position is placed in the classified service.

Subd. 3. An election to not participate is irrevocable during any period of covered employment. An employee with employee shares to his credit in the unclassified program, after acquiring credit for ten years of allowable service but prior to termination of covered employment, may, notwithstanding other provisions of this subdivision, elect to terminate his participation in the unclassified plan and be covered by the regular plan by filing such election with the executive director. The executive director shall thereupon redeem the employee's total shares and shall credit to the employee's account in the regular plan the amount of contributions that would have been so credited had the employee been covered by the regular plan during his entire covered employment. The balance of moneys so redeemed and not cred-

ited to the employee's account shall be transferred to the state contribution reserve of the state employees retirement fund, except that the employee contribution paid to the unclassified plan in excess of that required by the general employee plan shall be refunded to the employee as provided in section 352.22.

Subd. 4. When any person elects participation in the unclassified program all contributions from the time first eligible to make such an election shall be covered by the program.

Subd. 5. An employee in a position with retirement coverage under the basic program in the teachers retirement association is not entitled to participate in the plan unless the employee leaves the position and begins employment more than 30 days later in a position with retirement coverage under the plan.

Sec. 4. Minnesota Statutes 1984, section 352D.06, subdivision 1, is amended to read:

Subdivision 1. When a participant attains at least age 58, is retired from covered service, and applies for a retirement annuity, the cash value of his shares shall be transferred to the Minnesota post-retirement investment fund and used to provide an annuity for the retired employee based upon his age when the benefit begins to accrue according to the reserve basis used by the (REGULAR) *state employees retirement fund* in determining pensions and reserves.

Sec. 5. Minnesota Statutes 1984, section 352D.065, subdivision 5, is amended to read:

Subd. 5. (AN UNCLASSIFIED EMPLOYEE) *A participant* who returns to covered service after receiving benefits under this section shall not be required or allowed to repay such benefits.

Sec. 6. Minnesota Statutes 1984, section 352D.085, subdivision 1, is amended to read:

Subdivision 1. Service under the unclassified program for which the employee has employee shares to his credit, may be used for the limited purpose of qualifying for benefits under sections 352.115, 352.72, subdivision 1, (AND) 352.113, *354.44, 354.45, 354.48, and 354.60*; provided such service may not be used to qualify for a disability benefit under section 352.113, *or 354.48* if a participant was under the unclassified program at the time of the disability, and provided further that the years of service and salary paid while (SUCH) *the* participant was in the unclassified program shall not be used in determining the amount of benefits.

Sec. 7. Minnesota Statutes 1984, section 354.05, subdivision 2, is amended to read:

Subd. 2. [TEACHER.] "Teacher" includes any person who renders service as a teacher, supervisor, principal, superintendent, or librarian in the public schools of the state located outside of the corporate limits of the cities of the first class as those cities were so classified on January 1, 1979, or in the state universities, or in any charitable or state institution including penal and corrective institutions supported, in whole or in part, by public funds, or who is engaged in educational administration in connection with the state public school system, including the state university system and state community college system, but excluding the University of Minnesota, whether the position be a public office or an employment, not including members of any general governing or managing board or body connected with the systems, or the officers of common, independent, special, or associated school districts, or unorganized territory. The term shall also include an employee of the teachers retirement association unless the employee is covered by the Minnesota state retirement system by virtue of prior employment by the association, and any nurse, counselor, social worker, therapist or psychologist who renders service in the public schools as defined above or in state universities. The term shall also include any person who renders teaching service on a part time basis and who also renders other services for a school district. In such cases, the teachers retirement association shall have the authority to determine whether all or none of the combined employment shall be covered by the teachers retirement association. *The term does not include an employee described in section 352D.02, subdivision 1a, clause (1), who is hired after the effective date of this act.* The term does not mean any person who works for a school or institution as an independent contractor. The term shall not include any person employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act from and after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing on forms prescribed by the executive director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal comprehensive training and employment act, or the person agrees in writing on forms prescribed by the executive director to make the required employer contribution in addition to the required employee contribution. The term shall not include any person holding a part-time adult supplementary vocational-technical school license who renders part time teaching service in a vocational-technical school if (1) the service is incidental to the regular nonteaching occupation of the person; and (2) the applicable vocational-technical school stipulates annually in advance that the part time teaching service will not exceed 300 hours in a fiscal year; and (3) the part time teaching service actually does not exceed 300 hours in a fiscal year. The term also shall not include a person exempt from licensure pursuant to section 125.031 or any person who was excluded

from membership prior to January 1, 1981 pursuant to Laws 1978, chapter 556, section 1 and Laws 1980, chapter 342, section 8, if the person annually certifies on a form prescribed by the executive director that the person has established and is contributing to an individual retirement account which is based on nonteaching employment.

Sec. 8. [ELECTION OF COVERAGE; TRANSITION.]

A current employee or official enumerated in Minnesota Statutes, section 352D.02, subdivision 1a, as added by section 3, may elect prospective coverage in the unclassified plan. The employee may elect to transfer prior service credit to the plan under the provisions of section 352D.12.

The executive director of the state retirement system, or teachers retirement association, as appropriate, shall notify current employees or officials of the option within six months following the effective date of this act. An employee or official eligible to elect coverage by the plan shall notify the appropriate director within six months after the date of notice. An election to participate in the plan is irrevocable during any current or subsequent period of employment.

Sec. 9. [MINNEAPOLIS TEACHERS ARTICLES AMENDMENT.]

In accordance with Minnesota Statutes, section 354A.12, subdivision 4, approval is granted for the Minneapolis teachers retirement fund association to amend its articles of incorporation as follows:

(1) Article IX, Subsection (14)D of the articles, providing an annual automatic increase annuity of 1-1/2 percent may be repealed, and Article IX, Subsection (14) may be amended to authorize an annual postretirement adjustment payable from excess investment earnings of the fund calculated as follows:

(a) The board of trustees shall annually determine whether or not a postretirement adjustment is payable by determining whether or not the fund has earned any investment earnings in excess of eight percent.

(b) The calculation of investment earnings shall include specifically, but not by way of limitation, dividends on equity investments, interest on debt investments, net rental or leasehold income on real estate, all realized capital gains and losses, and the net increase or decrease in unrealized appreciation on all readily marketable securities.

(c) The determination of the amount of excess investment earnings shall be based upon the time-weighted average of the

annualized total rate of return on the fund for the three fiscal years immediately preceding the determination.

(d) The board of trustees shall have discretion to limit the size of the postretirement adjustment in any year to any percentage not greater than seven percent.

(2) Article IX, Subsection (18), providing a lump sum post-retirement adjustment payable to retirees or beneficiaries, may be amended as follows:

(a) The formula for determining the amount which each eligible annuitant or benefit recipient shall be entitled to receive shall take into account not only the years of service of the member upon whose service such entitlement is based, but also the years the annuitant or benefit recipient has been receiving payments from the fund.

(b) For each eligible annuitant and benefit recipient, the adjustment shall equal the adjustment figure according to the formula, multiplied by the combination of years of service and years of receiving payments. The amendment may provide that the board of trustees shall have discretion to eliminate or reduce the adjustment in any year and to establish a minimum period during which a recipient must have been receiving an annuity or benefits in order to be eligible for an adjustment, which minimum period shall be at least three years but not more than fifteen years, as determined by the board of trustees based upon the records of the fund.

(c) In making the determination of whether or not the fund has earned any excess investment income from which to pay a lump sum postretirement adjustment, the calculation of investment income shall include dividends on equity investments, interest on debt investments, net rental or leasehold income on real estate, all realized capital gains and losses, and the net increase or decrease in unrealized appreciation on all readily marketable securities.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective July 1, 1986."

Delete the title and insert:

"A bill for an act relating to retirement; expanding the membership of the Minnesota state retirement system unclassified program to include certain state university system officials; authorizing amendments to the Minneapolis teachers retirement fund association articles; amending Minnesota Statutes 1984, sections 352D.01; 352D.015, subdivision 5; 352D.02, as amended;

352D.06, subdivision 1; 352D.065, subdivision 5; 352D.085, subdivision 1; and 354.05, subdivision 2."

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Knickerbocker moved to amend S. F. No. 707, as amended, as follows:

Page 8, after line 19, insert:

"Sec. 8. Minnesota Statutes 1985 Supplement, section 356.70, subdivision 1, is amended to read:

Subdivision 1. [COMBINED AGE AND SERVICE REQUIREMENT.] Any member of a retirement plan established pursuant to chapter 352, 353, 354, or 354A who has attained the age of at least 55 years and whose attained age plus credited allowable service totals at least 85, is entitled, upon valid application and termination of service prior to (JANUARY) *July* 1, 1987, to the normal retirement annuity provided in these chapters without any reduction in annuity by reason of such early retirement."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "extending the time for retirement under the rule of 85;"

Page 1, line 10, before the period, insert "; and Minnesota Statutes 1985 Supplement, section 356.70, subdivision 1"

A roll call was requested and properly seconded.

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

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

There were 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Blatz	Burger	Clark
Anderson, R.	Begich	Brandl	Carlson, D.	Clausnitzer
Backlund	Bennett	Brinkman	Carlson, J.	Cohen
Battaglia	Bishop	Brown	Carlson, L.	Dempsey

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

The motion prevailed and the amendment was adopted.

Knickerbocker moved to amend S. F. No. 707, as amended, as follows:

Page 6, after line 26, insert:

"Sec. 7. Minnesota Statutes 1984, section 353.36, subdivision 2b, is amended to read:

Subd. 2b. [PURCHASES OF PRIOR SERVICE CREDIT; LIMITED.] After June 30, 1973, no person shall be allowed to purchase prior public service credit, except as provided in (SUBDIVISION) *subdivisions 2 and 2e.*

Sec. 8. Minnesota Statutes 1984, section 353.36, is amended by adding a subdivision to read:

Subd. 2e. [PURCHASE OF PRIOR SERVICE CREDIT BY CERTAIN EMPLOYEES.] A person who does not have the required number of years of allowable service credit to qualify for early retirement under section 356.70, subdivision 1, solely because of prior public service for which salary deductions were not taken out for the association, for whom no employer contributions to the association were required at the time the prior public service was performed, and who otherwise meets the requirements of subdivision 2, may, by paying before December 31, 1986, an amount calculated in accordance with subdivision 2, purchase the period of prior public service necessary to bring the person's total allowable service to the minimum required for retirement under section 356.70, subdivision 1, although the person's public service did not terminate before July 1, 1982."

Page 10, after line 16, insert:

"Sec. 12. [BUHL POLICE SURVIVOR BENEFITS.]

Notwithstanding the limitations contained in Minnesota Statutes, section 423.58, or any other law, the bylaws of the Buhl police relief association may be amended to provide for the payment of a survivor benefit to the surviving spouse of a deceased member, or the surviving children equally if there is no surviving spouse, in an amount equal to 85 percent of the pension the deceased member was to receive on the date of his death. Benefits calculated in accordance with this section must continue until the surviving spouse remarries or until a dependent child reaches the age of 18 years or, if a full-time student, 22 years.

Sec. 13. [EVELETH POLICE AND FIREFIGHTERS; BENEFIT INCREASE.]

Notwithstanding any general or special law to the contrary, in addition to other benefits payable, retirement benefits payable to retired police officers and firefighters and the surviving spouses thereof by the Eveleth police and fire trust fund may be increased by \$25 per month. Increases may be made retroactive to January 1, 1986.

Sec. 14. [PURCHASE OF PRIOR SERVICE CREDIT.]

Notwithstanding any provision of law to the contrary, a person who was employed as a public health nurse by the Suburban Hennepin County Public Health Nursing Service from June, 1957, to February, 1961, and who is currently employed by the city of Bloomington as a health administrator, shall be entitled to purchase prior service credit from the public employees retirement association for the period from June 10, 1957, to February 26, 1961.

Sec. 15. [PAYMENT.]

The provisions of Laws 1982, chapter 578, article II, section 2, shall govern the amount and manner of payment for the purchase of prior service credit. Payment shall be made by the person entitled to purchase prior service.

Sec. 16. [FALLS NURSING HOME EMPLOYEES.]

Subdivision 1. [REFUND OF CONTRIBUTIONS.] A member of the public employees retirement association who was employed by the Falls nursing home on the date the nursing home was taken over by a private corporation or organization shall be paid a refund of accumulated employee and employer contributions made by or on behalf of the employee to the association, plus interest thereon at the rate of six percent per annum. If an employee has previously received a refund of employee contribu-

tions, only the employer contributions plus the total interest shall be refunded. No employer additional contributions are to be refunded.

Subd. 2. [DEFERRED ANNUITY.] If an employee described in subdivision 1 had at least five years of allowable service credit, the employee may elect to receive, in lieu of the refund, a deferred annuity pursuant to Minnesota Statutes, section 353.34, subdivision 3, notwithstanding the length of service requirements contained therein. An employee eligible for a deferred annuity who has previously received a refund of employee contributions may reinstate his or her eligibility for a deferred annuity by repaying the amount refunded, including any interest received, to the association.

Subd. 3. [DEADLINE.] Refunds shall be paid or options exercised and repayments of refunds made prior to July 1, 1987."

Page 10, line 18, delete "9" and insert "11"

Page 10, after line 18, insert:

"Section 12 is effective upon approval by the Buhl city council and compliance with Minnesota Statutes, section 645.021. The increase in benefits is retroactive to June 30, 1985.

Section 13 is effective upon approval by the Eveleth city council and compliance with Minnesota Statutes, section 645.021.

Sections 14 to 16 are effective the day following final enactment."

Renumber the sections in order

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Piepho moved to amend S. F. No. 707, as amended, as follows:

Page 10, after line 16, insert:

"Sec. 10. [MANKATO POLICE PROBATIONARY PERIOD.]

Notwithstanding Minnesota Statutes, section 423.372 or any other law, a member of the Mankato police relief association who served a probationary period during which the member was not eligible for membership in the association, may elect to purchase

service credit for the probationary period. A member electing to purchase service credit shall pay to the association an amount equal to the employee contribution which would have been required of a member during the probationary period plus interest thereon at a rate equal to the annual average rate of return on investments of the special fund of the association. An election to purchase service credit and all payments of contributions must be completed by December 31, 1987 or the date the member retires, if earlier.

Sec. 11. [LOCAL APPROVAL.]

Section 10 is effective on approval by the Mankato city council and compliance with Minnesota Statutes, section 645.021."

Amend the title as follows:

Page 1, line 6, after the semicolon insert "purchase of service credit by certain Mankato police officers;"

The motion prevailed and the amendment was adopted.

Hartinger moved to amend S. F. No. 707, as amended, as follows:

Page 10, after line 16, insert:

"Sec. 10. [ANDOVER FIREFIGHTERS BYLAW AMENDMENT.]

Notwithstanding any provision of Minnesota Statutes, sections 69.771 to 69.776 or chapter 424A, the Andover firefighters relief association may amend its bylaws to allow computation of service pensions utilizing a member's period of service as an active member of the municipal fire department during the period prior to incorporation of the relief association."

Page 10, line 18, after the period insert "Section 10 is effective upon approval by the Andover city council and compliance with law."

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Marsh and Gruenes moved to amend S. F. No. 707, as amended, as follows:

Page 10, after line 16, insert:

"Sec. 10. Minnesota Statutes 1984, section 352.91, is amended by adding a subdivision to read:

Subd. 3b. Covered correctional service also means service performed by certain state employees in positions usually covered by this section who were excluded by law from coverage between July 1973 and July 1980 if they were 45 years of age or over when hired, provided they are state employees on the effective date of this subdivision and provided they elect coverage. Eligible employees who elect coverage must file written notice of their election with the director prior to July 1, 1986.

Sec. 11. [CONTRIBUTIONS.]

State employees electing coverage under section 10 must pay employee contributions in an amount equal to the difference between employee contributions previously made and employee contributions under the correctional employee plan for the appropriate period of employment between July 1973 and July 1980. The employer of an employee electing coverage shall pay the difference in employer contributions. Employee and employer contributions paid pursuant to this section shall include interest at six percent per annum compounded annually. No service credit shall be awarded in the correctional plan until all contributions are paid."

Renumber the remaining section

Page 10, line 18, after the period, insert "Sections 10 and 11 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "authorizing inclusion of certain state employees in the correctional officers plan and the purchase of prior service credit;"

Page 1, line 7, after "sections" insert "352.91, by adding a subdivision;"

The motion prevailed and the amendment was adopted.

Fjoslien moved to amend S. F. No. 707, as amended, as follows:

Page 10, after line 16, insert:

"Sec. 10. Minnesota Statutes 1985 Supplement, section 353.01, subdivison 2a, is amended to read:

Subd. 2a. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of "public employee":

(a) Elected or appointed officers and employees of elected officers.

(b) District court reporters.

(c) Officers and employees of the public employees retirement association.

(d) Employees of the League of Minnesota Cities.

(e) Officers and employees of public hospitals, owned or operated by or an integral part of, any governmental subdivision or governmental subdivisions.

(f) Employees of a school district who receive separate salaries for driving their own buses.

(g) Employees of the Association of Minnesota Counties.

(h) Employees of the Metropolitan Inter-County Association.

(i) Employees of the Minnesota Municipal Utilities Association.

(j) Employees of the metropolitan airports commission if employment initially commences on or after July 1, 1979.

(k) Employees of the Minneapolis employees retirement fund, if employment initially commences on or after July 1, 1979.

(l) Employees of the Range Association of Municipalities and Schools.

(m) Employees of the soil and water conservation districts.

(n) Employees of a county historical society, *except employees enumerated in subdivision 2b, clause (u)*.

Sec. 11. Minnesota Statutes 1984, section 353.01, subdivision 2b, is amended to read:

Subd. 2b. [EXCLUDED EMPLOYEES.] The following persons are excluded from the meaning of "public employee":

(a) Persons employed for professional services where such service is incidental to regular professional duties.

(b) Election officers.

(c) Independent contractors and their employees.

(d) Patient and inmate help in governmental subdivision charitable, penal and correctional institutions.

(e) Members of boards, commissions, bands and others who serve the governmental subdivision intermittently.

(f) Employees who hold positions of an essentially temporary or seasonal character, provided such employment does not continue for a period in excess of 120 working days in any calendar year. Immediately following the expiration of such 120 working days if such employees continue in public service and earn in excess of \$325 in any one calendar month, the department heads must then report all such employees for membership and must cause employee contributions to be made on behalf of such employees in accordance with section 353.27, subdivision 4, and they shall remain members until termination of public service.

(g) Part-time employees who receive monthly compensation not exceeding \$325, and part-time employees and elected officials whose annual compensation is stipulated in advance to be not more than \$3,900 per year, except that members shall continue their membership until termination of public service.

(h) Persons who first occupy an elected office after March 1, 1978, the compensation for which does not exceed \$325 per month.

(i) Emergency employees who are employed by reason of work caused by fire, flood, storm or similar disaster.

(j) Employees who by virtue of their employment are required to contribute to any other pension, relief or retirement fund established for the benefit of officers and employees of a governmental subdivision, except as an act of the legislature has specifically enabled participation by employees of a designated governmental subdivision in a plan supplemental to the public employees retirement association; provided that this clause shall not prevent a person from contributing to the public employees retirement association and also belonging to or contributing to another public pension fund for other service occurring during the same period of time.

(k) Police matrons employed in a police department of any city who are transferred to the jurisdiction of a joint city and county detention and corrections authority.

(l) Chaplains and nuns who have taken a vow of poverty as members of a religious order.

(m) Full-time students who are enrolled and are regularly attending classes at an accredited school, college or university;

provided, no person employed full-time by a governmental subdivision shall be exempt under this paragraph.

(n) Resident physicians, medical interns and pharmacist interns who are serving in public hospitals.

(o) Appointed or elected officers, paid entirely on a fee basis, and who were not members on June 30, 1971.

(p) Nothing in Laws 1973, Chapter 753 shall be interpreted to impair or revoke any option exercised under Laws 1963, Chapter 793.

(q) Persons employed in subsidized on-the-job training, work experience or public service employment as enrollees under the federal comprehensive employment and training act from and after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing on forms prescribed by the executive director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal comprehensive training and employment act, or the person agrees in writing on forms prescribed by the executive director to make the required employer contributions in addition to the required employee contribution.

(r) Town, city or county assessors elected or appointed pursuant to chapter 273 who do not receive compensation in excess of \$325 per month from any one employing governmental subdivision or who are employed pursuant to an employment contract which sets forth the total compensation to be paid and the length of service, not to exceed three months in duration, required for the performance of the contract and which was entered into in advance of the commencement of employment.

(s) A person holding a part-time adult supplementary vocational-technical school license who renders part time teaching service in a vocational-technical school if (1) the service is incidental to the person's regular nonteaching occupation; and (2) the applicable vocational-technical school stipulates annually in advance that the part time teaching service will not exceed 300 hours in a fiscal year; and (3) the part time teaching service actually does not exceed 300 hours in a fiscal year.

(t) A person exempt from licensure pursuant to section 125.031.

(u) *Employees of a county historical society whose board passes and files with the association a resolution exempting the employees from coverage in the association."*

Renumber the remaining section

Page 10, line 18, delete "9" and insert "11" and after the period insert "*Refunds of employee contributions shall be made to employees of county historical societies electing exemption pursuant to section 11.*"

Amend the title as follows:

Page 1, line 6, after the semicolon insert "making public employees retirement association membership optional for employees of certain county historical societies;"

Page 1, line 10, after the semicolon insert "353.01, subdivision 2b;" and before the period insert "; and Minnesota Statutes 1985 Supplement, section 353.01, subdivision 2a"

The motion prevailed and the amendment was adopted.

Simoneau, Rice and Sarna moved to amend S. F. No. 707, as amended, as follows:

Page 6, after line 26, insert:

"Section 7. [PURCHASE OF PRIOR SERVICE BY CERTAIN MINNEAPOLIS LIBRARY EMPLOYEES.]

Subdivision 1. [ELIGIBLE EMPLOYEES.] Notwithstanding any provision of law to the contrary, a person who is employed by the Minneapolis Public Library and is currently a member of the Public Employees Retirement Association, may purchase prior service credit from the Public Employees Retirement Association for any period of service rendered between 1972 and 1985.

Subdivision 2. [PAYMENT.] The amount of payment will be the higher of payments as required by section 353.36, subdivision 2, or by Laws 1982, chapter 578, article II, section 2. Payments must be made to the association prior to July 1, 1987."

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed and the amendment was adopted.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Knickerbocker moved that the rule therein be suspended and an urgency be declared so that S. F. No. 707, as

amended, be given its third reading and be placed upon its final passage. The motion prevailed.

Knickerbocker moved that the rules of the House be so far suspended that S. F. No. 707, as amended, be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 707, A bill for an act relating to retirement; public plans generally; providing health insurance benefits for certain retired teachers; changing eligibility requirements for surviving spouse benefits; regulating coverage under the unclassified employees retirement program; amending Minnesota Statutes 1984, sections 62E.14, subdivision 1; 352.12, subdivision 2; 352D.01; 352D.015, subdivision 5; 352D.02, as amended; 352D.06, subdivision 1; 352D.065, subdivision 5; 352D.085, subdivision 1; 353.32, subdivision 1a; 354.05, subdivisions 2 and 26; 354.44, subdivision 4; 354.46, subdivision 2; and 354A.35, subdivision 2; Minnesota Statutes 1985 Supplement, sections 136C.50, subdivision 7; 353.657, subdivision 2a; 354.55, subdivision 11; and 356.215, subdivision 4d; proposing coding for new law in Minnesota Statutes, chapter 62E.

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.

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

There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dyke	Kostohryz	Olsen, S.	Sarna
Anderson, R.	Elioff	Krueger	Olson, E.	Schafer
Backlund	Erickson	Kvam	Omman	Scheid
Battaglia	Fjoslien	Levi	Onnen	Schoenfeld
Beard	Frederick	Lieder	Osthoff	Seaberg
Becklin	Frerichs	Long	Otis	Segal
Begich	Greenfield	Marsh	Ozment	Shaver
Bennett	Gruenes	McDonald	Pappas	Sherman
Bishop	Gutknecht	McEachern	Pauly	Simoneau
Boo	Hartinger	McLaughlin	Peterson	Skoglund
Brandl	Hartle	McPherson	Piper	Solberg
Brinkman	Haukoos	Metzen	Poppenhagen	Sparby
Brown	Jacobs	Miller	Price	Stanis
Burger	Jaros	Minne	Quist	Staten
Carlson, D.	Jennings, L.	Munger	Redalen	Svigum
Carlson, J.	Johnson	Murphy	Rees	Thiede
Carlson, L.	Kahn	Nelson, D.	Rest	Thorson
Clark	Kalis	Nelson, K.	Rice	Tjornhom
Clausnitzer	Kelly	Neuenschwander	Richter	Tomlinson
Cohen	Kiffmeyer	Norton	Rivness	Tompkins
Dempsey	Knickerbocker	O'Connor	Rodosovich	Tunheim
Dimler	Knuth	Ogren	Rose	Uphus

Valan
Valento
Vanasek

Vellenga
Voss

Waltman
Welle

Wenzel
Wynia

Zaffke
Spk. Jennings, D.

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

S. F. No. 1869 was reported to the House.

Redalen moved to amend S. F. No. 1869, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 216A.03, subdivision 1, is amended to read:

Subdivision 1. [MEMBERS.] (AS OF JANUARY 1, 1975) The public utilities commission shall consist of five members (, THREE OF WHOM SHALL BE THE MEMBERS THEN SERVING, WHO SHALL CONTINUE TO SERVE FOR THE BALANCE OF THEIR ELECTIVE OR APPOINTIVE TERMS. THERE SHALL BE TWO ADDITIONAL COMMISSIONERS APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE, ONE FOR A TERM EXPIRING DECEMBER 31, 1975, AND ONE FOR A TERM EXPIRING DECEMBER 31, 1977). (THEREAFTER) The terms of (ALL SUBSEQUENT) members (OF THE COMMISSION) shall be six years and until their successors have been appointed and qualified. Each commissioner shall be appointed by the governor by and with the advice and consent of the senate. Not more than three commissioners shall belong to the same political party. *No more than three commissioners may be domiciled at the time of appointment in the seven-county metropolitan area; except that if the membership of the commission after July 31, 1986, consists of more than three members domiciled at the time of appointment in the seven-county metropolitan area, the membership shall conform to this requirement following normal attrition of the present commissioners.* The governor in his selection of commissioners shall give consideration to persons learned in the law or persons who have engaged in the profession of engineering, public accounting (OR), property and utility valuation, finance, physical or natural sciences, production agriculture, or natural resources as well as being representative of the general public.

For purposes of this subdivision, "seven-county metropolitan area" means Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties.

Sec. 2. Minnesota Statutes 1984, section 216A.03, subdivision 3, is amended to read:

Subd. 3. [CHAIRMAN.] The commission shall elect one of their number chairman at the meeting of the commission in the

second week in January of each *odd-numbered* year for a term of (ONE YEAR) *two years*. A person shall not serve as chair for more than two consecutive terms.

If a vacancy occurs in the position of chairman, the commission shall elect a new chairman to complete the unexpired term.

Sec. 3. Minnesota Statutes 1984, section 216A.035, is amended to read:

216A.035 [CONFLICT OF INTEREST; PENALTY.]

Subdivision 1. [PUBLIC UTILITIES COMMISSION.] (a) A person shall not accept appointment or employment as a public utilities commissioner or as executive secretary of the commission if within the previous one year that person:

(1) was employed by a person or organization subject to rate regulation by the public utilities commission;

(2) was employed by an affiliate or subsidiary of a person or organization subject to rate regulation by the commission;

(3) represented a person or organization subject to rate regulation by the commission;

(4) was employed by a person or organization that represented or acted as an agent of a person or organization subject to rate regulation by the commission;

(5) personally acted as an intervenor in a commission hearing; or

(6) acted as a witness in a commission hearing on behalf of an intervenor or on behalf of a person or an organization subject to rate regulation by the commission.

(b) No person during his term of membership on the public utilities commission, while acting as executive secretary of the commission, or while employed in a professional capacity by the commission shall receive any (SIGNIFICANT PORTION OF HIS) income, other than dividends or other earnings from a mutual fund or trust if these earnings do not constitute a significant portion of the person's income, directly or indirectly from any public utility or other organization subject to regulation by the commission. (NO PERSON SHALL BE ELIGIBLE TO BE APPOINTED AS A MEMBER OF THE PUBLIC UTILITIES COMMISSION UNLESS AND UNTIL HE DIVESTS HIMSELF OF ANY SIGNIFICANT INTEREST OR ABANDONS ANY EMPLOYMENT WITH A UTILITY.)

(c) *Within one year of expiration of service as a public utilities commissioner, or executive secretary of the commission, a person shall not:*

(1) *seek or accept employment with a person or organization subject to rate regulation by the public utilities commission;*

(2) *seek or accept employment with an affiliate or subsidiary of a person or organization subject to rate regulation by the commission;*

(3) *act as an agent or representative of a person or organization subject to rate regulation by the commission;*

(4) *seek or accept employment with a person or organization that represents or acts as an agent of a person or organization subject to rate regulation by the commission;*

(5) *personally act as an intervenor in a commission hearing;*
or

(6) *act as a witness in a commission hearing on behalf of an intervenor or on behalf of a person or an organization subject to rate regulation by the commission.*

(d) *Each commissioner shall file a statement of economic interest as required by section 10A.09 with the ethical practices board and the public utilities commission before taking office. The statement of economic interest must state any interest that the commissioner has in a company, industry, or business regulated by the commission.*

Subd. 2. [DEPARTMENT OF PUBLIC SERVICE EMPLOYEES.] (a) *A person shall not accept appointment or employment as the director or deputy director of the public service department if within the previous one year that person:*

(1) *was employed by a person or organization subject to rate regulation by the public utilities commission;*

(2) *was employed by an affiliate or subsidiary of a person or organization subject to rate regulation by the commission;*

(3) *represented a person or organization subject to rate regulation by the commission;*

(4) *was employed by a person or organization that represented or acted as an agent of a person or organization subject to rate regulation by the commission;*

(5) *personally acted as an intervenor in a commission hearing; or*

(6) acted as a witness in a commission hearing on behalf of an intervenor or on behalf of a person or an organization subject to rate regulation by the commission.

(b) No person who is an employee of the public service department shall participate in any manner in any decision or action of the commission where he has a direct or indirect financial interest. Each (COMMISSIONER) director or employee of the public service department who is in the general professional, supervisory, or technical units established in section 179A.10 or who is a professional, supervisory, or technical employee defined as confidential in section 179A.03, subdivision 4, or who is a management classification employee and whose duties are related to public utilities or transportation regulation shall report to the ethical practices board annually before April 15 any interest he has in an industry or business regulated by the commission.

(c) Within one year of service with the department of public service as the director or a deputy director, a person shall not:

(1) seek or accept employment with a person or organization subject to rate regulation by the public utilities commission;

(2) seek or accept employment with an affiliate or subsidiary of a person or organization subject to rate regulation by the commission;

(3) act as an agent or representative of a person or organization subject to rate regulation by the commission;

(4) seek or accept employment with a person or organization that represents or acts as an agent of a person or organization subject to rate regulation by the commission;

*(5) personally act as an intervenor in a commission hearing;
or*

(6) act as a witness in a commission hearing on behalf of an intervenor or on behalf of a person or an organization subject to rate regulation by the commission.

Subd. 3. [PENALTY.] A person who violates subdivision 1, paragraph (a), (b), or (c) or subdivision 2, paragraph (a), (b), or (c) is guilty of a gross misdemeanor.

Sec. 4. [216A.037] [EX PARTE COMMUNICATIONS AND CONDUCT RULES.]

Subdivision 1. [EX PARTE RULES.] The commission shall adopt rules under chapter 14 governing ex parte communications. The ex parte rules may prohibit only ex parte communications by

commission members or staff with a party relating to a material issue during a pending contested case proceeding; provided, however, that such rules shall not conflict with Minnesota Statutes, section 14.60, subdivision 2, and section 14.62 nor otherwise restrict the commission's access to information and ideas. A contested case is pending from the time the commission refers the matter to the office of administrative hearings until the commission has issued its final order, and the time to petition for reconsideration has expired or the commission has issued an order finally disposing an application for reconsideration, whichever is later.

Subd. 2. [CONDUCT RULES.] The commission shall adopt rules, under chapter 14, prescribing a code of conduct for commissioners and employees of the commission. The code of conduct must include standards similar to the judicial code of conduct for judges.

The commission shall adopt emergency rules to implement this subdivision.

Sec. 5. Minnesota Statutes 1984, section 216B.16, subdivision 1a, is amended to read:

Subd. 1a. [SETTLEMENT BARRED.] When a public utility proposes changes in general rates that would increase general rates paid by consumers (BY MORE THAN \$500,000 ANNUALLY), the commission (SHALL NOT) *may* approve the change (UNTIL AFTER REQUIRING THE OFFICE OF ADMINISTRATIVE HEARINGS TO CONDUCT) *without* a contested case hearing (ON, AT A MINIMUM, THE APPROPRIATE RATE BASE, EXPENSE AND REVENUE LEVELS FOR THE TEST YEAR, AND THE RATE OF RETURN. IF THE FORMAL PARTIES TO THE CONTESTED CASE CHOOSE NOT TO CROSS-EXAMINE THE TESTIMONY PRESENTED, IT SHALL BE THE DUTY OF THE COMMISSION AND ITS STAFF TO MAKE INQUIRY OF THE WITNESSES PRESENTED TO ENSURE THAT THE TESTIMONY IS WELL REASONED AND CONSTITUTES SUBSTANTIAL EVIDENCE. AFTER A REPORT OF THE EXAMINER HAS BEEN ISSUED, THE COMMISSION MAY PROCEED TO TAKE ACTION ON THE PROPOSED RATES CONSISTENT WITH THE PROVISIONS OF THIS SECTION. THE COMMISSION SHALL NOT ACCEPT ANY STIPULATION THAT IS NOT AGREED TO BY) *if applicant and all intervening parties agree to a stipulated settlement of the case and the settlement is supported by substantial evidence. The commission shall accept or reject the settlement in its entirety and, at any time until its final order is issued in the case, may require the office of administrative hearings to conduct a contested case hearing.*

Sec. 6. Minnesota Statutes 1984, section 216B.16, subdivision 2, is amended to read:

Subd. 2. [SUSPENSION OF RATES; HEARING.] Whenever there is filed with the commission a schedule modifying or resulting in a change in any rates then in force as provided in subdivision 1, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected utility a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than ten months beyond the initial filing date. During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised have not been resolved to its satisfaction, or upon petition by ten percent of the affected customers or 250 affected customers, whichever is less, it shall refer the matter to the office of administrative hearings with instructions for a public hearing as a contested case pursuant to chapter 14, except as otherwise provided in this section. The commission may order that the issues presented by the proposed rate changes be bifurcated into two separate hearings as follows: (1) determination of the utility's revenue requirements and (2) determination of the rate design. Upon issuance of both hearing examiner reports, the issues shall again be joined for consideration and final determination by the commission. All pre-hearing discovery activities of state agency intervenors shall be consolidated and conducted by the department of public service. If the commission does not make a final determination concerning a schedule of rates within ten months after the initial filing date, the schedule shall be deemed to have been approved by the commission; *except if a settlement has been submitted and rejected by the commission, the schedule is deemed to have been approved 12 months after the initial filing.* For the purposes of this section, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all those petitions.

Sec. 7. Minnesota Statutes 1984, section 237.075, subdivision 1a, is amended to read:

Subd. 1a. [SETTLEMENT BARRED.] When a telephone company proposes changes in general rates that would increase general rates paid by consumers (BY MORE THAN \$500,000 ANNUALLY), the commission (SHALL NOT) *may* approve the change (UNTIL AFTER REQUIRING THE OFFICE OF ADMINISTRATIVE HEARINGS TO CONDUCT) *without* a contested case hearing (ON, AT A MINIMUM, THE APPROPRIATE RATE BASE, EXPENSE AND REVENUE LEVELS FOR THE TEST YEAR, AND THE RATE OF RETURN. IF THE FORMAL PARTIES TO THE CONTESTED CASE CHOOSE NOT TO CROSS EXAMINE THE TESTIMONY PRESENTED, IT SHALL BE THE DUTY OF THE COM-

MISSION AND ITS STAFF TO MAKE INQUIRY OF THE WITNESSES PRESENTED TO ENSURE THAT THE TESTIMONY IS WELL REASONED AND CONSTITUTES SUBSTANTIAL EVIDENCE. AFTER A REPORT OF THE EXAMINER HAS BEEN ISSUED, THE COMMISSION MAY PROCEED TO TAKE ACTION ON THE PROPOSED RATES CONSISTENT WITH THE PROVISIONS OF THIS SECTION. THE COMMISSION SHALL NOT ACCEPT ANY STIPULATION THAT IS NOT AGREED TO BY) *if applicant and all intervening parties agree to a stipulated settlement of the case and the settlement is supported by substantial evidence. The commission shall accept or reject the settlement in its entirety and, at any time until its final order is issued in the case, may require the office of administrative hearings to conduct a contested case hearing.*

Sec. 8. Minnesota Statutes 1984, section 237.075, subdivision 2, is amended to read:

Subd. 2. [SUSPENSION OF RATES; HEARING.] Whenever there is filed with the commission as provided in subdivision 1 a schedule modifying or resulting in a change in any rate then in force, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected telephone company a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than ten months beyond the initial filing date. During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised have not been resolved to its satisfaction, or upon petition by ten percent of the affected customers or 250 affected customers, whichever is less, it shall refer the matter to the office of administrative hearings with instructions for a public hearing as a contested case pursuant to chapter 14, except as otherwise provided in this section. The commission may order that the issues presented by the proposed rate changes be bifurcated into two separate hearings as follows: (1) determination of the telephone company's revenue requirements and (2) determination of the rate design. Upon issuance of both administrative law judge reports, the issues shall again be joined for consideration and final determination by the commission. All prehearing discovery activities of state agency intervenors shall be consolidated and conducted by the department of public service. If the commission does not make a final determination concerning a schedule of rates within ten months after the initial filing date, the schedule shall be deemed to have been approved by the commission; *except if a settlement has been submitted and rejected by the commission, the schedule is deemed to have been approved 12 months after the initial filing.* For the purposes of this section, "final

determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all those petitions.

Sec. 9. [EFFECTIVE DATE.]

Section 2 is effective August 1, 1986, and applies to persons elected to a first or second term as chair of the public utilities commission on and after that date. Section 3, subdivision 1, paragraph (a), and subdivision 2, paragraph (a), are effective the day following final enactment and apply to persons accepting appointment or employment on or after that date. Section 3, subdivision 1, paragraph (b), and subdivision 2, paragraph (b), are effective the day following final enactment and apply to persons appointed or employed on and after that date. Section 3, subdivision 1, paragraph (c), and subdivision 2, paragraph (c), are effective the day following final enactment and apply to persons terminating appointment or employment to or with the public utilities commission or department of public service on or after that date. Section 3, subdivision 3 is effective the day following final enactment and applies to violations occurring on or after that date. Section 4 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to utilities; determining membership on public utilities commission; prescribing terms and duties of chair; delineating and prohibiting conflict of interest by public utility commissioners and certain employees of the commission and department of public service; imposing a penalty; requiring commission to adopt a code of conduct; amending Minnesota Statutes 1984, sections 216A.03, subdivisions 1 and 3; and 216A.035; 216B.16, subdivisions 1a and 2; 237.075, subdivision 1a, and 2; proposing coding for new law in Minnesota Statutes, chapter 216A."

The motion prevailed and the amendment was adopted.

S. F. No. 1869, A bill for an act relating to utilities; changing the powers and responsibilities of the chair of the public utilities commission; requiring the governor to appoint the chair of the commission; changing qualification for commissioners; requiring commissioners to file certain financial information before taking office; prohibiting commissioners and certain employees from engaging in certain activity after leaving the commission; requiring the commission to adopt a code of conduct; providing penalties; amending Minnesota Statutes 1984, sections 216A.03, subdivision 3; and 216A.035; proposing coding for new law in Minnesota Statutes, chapter 216A.

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.

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

There were 112 yeas and 2 nays as follows :

Those who voted in the affirmative were :

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

Those who voted in the negative were :

Norton Voss

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

S. F. No. 1910 was reported to the House.

Osthoff moved to amend S. F. No. 1910, the unofficial engrossment, as follows :

Page 8, after line 2, insert :

"Sec. 9. Laws 1977, chapter 402, section 2, is amended to read :

Sec. 2. [LEXINGTON AVENUE SOUTH OF LARPEN-TEUR.]

The city of Saint Paul may (NOT) take or use existing park land for the redesign, reconstruction or widening of Lexington avenue south of Larpenteur avenue *only if the redesign, reconstruction or widening:*

(a) *does not result in a traveled way on Lexington avenue between Horton avenue and Hoyt avenue greater than 32 feet, except for turning lanes, and*

(b) *is consistent with the Como Park master plan approved by the metropolitan council.*

Sec. 10. [VARIANCE NOT REQUIRED.]

Notwithstanding any other provision of law, the section of Lexington avenue that is located within Como Park in the city of Saint Paul does not require a variance from municipal state-aid engineering standards in order to be redesigned, reconstructed, or widened, and is eligible for inclusion in the money needs of the city on the same basis as other municipal state-aid streets in the city."

Page 8, line 32, after the period insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 9 and 10 are effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the St. Paul city council."

Renumber the sections accordingly

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Anderson, G.; Redalen and Johnson moved to amend S. F. No. 1910, the unofficial engrossment, as amended, as follows:

Page 6, after line 1, insert:

"Sec. 5. 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."

Renumber the sections in order

Page 12, line 21, delete "11, 12, 13, 15, and 17" and insert "12, 13, 14, 16, and 18"

Amend the title as follows:

Page 1, line 26, after "sections" insert "162.06, subdivision 5,"

The motion prevailed and the amendment was adopted.

Solberg moved to amend S. F. No. 1910, the unofficial engrossment, as amended, as follows:

Page 3, after line 3, insert:

"Sec. 2. Minnesota Statutes 1984, section 168.27, subdivision 1, is amended to read:

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

(1) "Leasing motor vehicles" means furnishing a motor vehicle for a fee under a bailor-bailee relationship where no incidences of ownership are intended to be transferred other than the right to use the vehicle for a stated period of time.

(2) "Brokering motor vehicles" means arranging sales between willing buyers and sellers of motor vehicles and receiving a fee for said service.

(3) "Wholesaling motor vehicles" means selling new or used motor vehicles to dealers for resale to the public.

(4) "Auctioning motor vehicles" means arranging for and handling the sale of motor vehicles, not the property of the auctioneer, to the highest bidder.

(5) "Dealer" includes new motor vehicle dealers, used motor vehicle dealers, brokers, wholesalers, auctioneers and lessors of new or used motor vehicles.

(6) "Commercial building" means a building adapted to commercial use and located in an area zoned for commercial or other less restrictive nonresidential use by the governmental unit in which it is located.

(7) "*Horse trailer*" is a trailer designed and used to carry horses and other livestock, which has not more than three axles and a maximum gross weight capacity of not more than 24,000 pounds.

Sec. 3. Minnesota Statutes 1984, section 168.27, subdivision 22, is amended to read:

Subd. 22. [MOTORIZED BICYCLES, BOAT AND SNOW-MOBILE TRAILERS.] Any person, copartnership or corporation having a permanent enclosed commercial building or structure either owned in fee or leased and engaged in the business, either exclusively or in addition to any other occupation, of selling motorized bicycles, boat trailers, *horse trailers*, or snowmobile trailers, may apply to the registrar for a dealer's license. Upon payment of a \$10 fee the registrar shall license the applicant as a dealer for the remainder of the calendar year in which the application was received. Thereafter the license may be renewed on or before the second day of January of each year by payment of a fee of \$10. The registrar shall issue to each dealer, upon his request, dealer plates as provided in subdivision 16 upon payment of \$3 for each plate, and the plates may be used in the same manner and for the same purposes as is provided in subdivision 16. Except for motorized bicycle dealers, the registrar

shall also issue to the dealer, upon his request, "in transit" plates as provided in subdivision 17 upon payment of a fee of \$2 for each plate. This subdivision shall not be construed to abrogate any of the provisions of this section as the same relates to the duties, responsibilities and requirements of persons, copartnerships or corporations engaged in the business, either exclusively or in addition to other occupations, of selling motor vehicles or manufactured homes.

Sec. 4. Minnesota Statutes 1985 Supplement, section 168.27, subdivision 24, is amended to read:

Subd. 24. [BONDS.] All persons licensed hereunder shall keep in full force and effect a bond with a corporate surety to be approved by the registrar of motor vehicles in amounts as herein provided; in the case of boat, snowmobile trailer, *horse trailer*, or motorized bicycle dealers in the amount of \$5,000; and as to all other persons in the amount of \$25,000. The bond shall be conditioned on the faithful performance by the licensee of the obligations imposed by the laws of this state, including the conduct required of a licensee by this section and other sections governing the sale or transfer of motor vehicles, and the payment of all taxes, license fees and penalties. The bond shall be for the benefit of the state of Minnesota and any transferor, seller, or purchaser of a motor vehicle for any monetary loss caused by failure of the licensee to meet the obligations enumerated above. Proceedings on the forfeiture of the bonds shall be commenced in the district court of the county wherein the business of the licensed person was carried on, or if in more than one county, the county in which the offense occurred."

Renumber the sections accordingly

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Lieder moved to amend S. F. No. 1910, the unofficial engrossment, as amended, as follows:

Page 6, after line 28, insert:

"Sec. 6. [163.161] [IMPASSABLE CITY THROUGH-FARES.]

When a written complaint signed by five or more freeholders of a statutory or charter city is presented to the county board stating that a city throughfare has not been properly maintained and because of the improper maintenance is not reasonably passable the county board shall consider and act upon the complaint in the same manner provided for a complaint under section 163.16."

Renumber the sections in order

Correct all internal cross references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Knuth offered an amendment to S. F. No. 1910, the unofficial engrossment, as amended.

POINT OF ORDER

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

Long, Olsen, S., and Segal moved to amend S. F. No. 1910, the unofficial engrossment, as amended, as follows:

Page 3, after line 27, insert:

"Sec. 3. [NOISE STANDARDS.]

Notwithstanding Minnesota Statutes, section 161.125, or any other law to the contrary, noise pollution standards of the pollution control agency shall apply to that segment of marked interstate highway no. 394 from its intersection with marked trunk highway no. 100 to one-quarter mile east of its intersection with Penn Avenue South."

Renumber the sections in sequence

A roll call was requested and properly seconded.

The question was taken on the Long et al., amendment and the roll was called.

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

There were 31 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Backlund	Jaros	Nelson, D.	Otis	Simoneau
Beard	Kahn	Nelson, K.	Pappas	Skoglund
Brandl	Knickerbocker	Norton	Piper	Staten
Clark	Krueger	O'Connor	Rose	Vellenga
Cohen	Long	Ogren	Sarna	Voss
Greenfield	Munger	Olsen, S.	Segal	Wynia
Heap				

Those who voted in the negative were:

Anderson, G.	Dimler	Kiffmeyer	Poppenhagen	Sviggum
Anderson, R.	Dyke	Lieder	Quist	Thiede
Battaglia	Elioff	Marsh	Rees	Thorson
Becklin	Erickson	McEachern	Rest	Tjornhom
Begich	Fjoslien	McPherson	Richter	Tomlinson
Bennett	Frederick	Miller	Rodosovich	Tompkins
Bishop	Frerichs	Murphy	Schafer	Tunheim
Blatz	Gruenes	Neuenschwander	Schoenfeld	Uphus
Brinkman	Hartle	Ormann	Schreiber	Valento
Brown	Haukoos	Onnen	Seaberg	Waltman
Burger	Himle	Ozment	Shaver	Welle
Carlson, L.	Jacobs	Pauly	Sherman	Wenzel
Clausnitzer	Johnson	Peterson	Solberg	Zaffke
Dempsey	Kalis	Piepho	Stanius	Spk. Jennings, D.

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

S. F. No. 1910, A bill for an act relating to transportation; adding new route to trunk highway system in substitution of existing route; allowing old highway to be turned back to city of Willmar; directing revisor of statutes to make route substitution; amending Laws 1974, chapter 151, section 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.

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

There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Sparby
Stanis
Staten
Sviggum
Thiede

Thorson
Tjornhom
Tomlinson
Tompkins

Tunheim
Uphus
Valento
Vanasek

Vellenga
Voss
Waltman
Welle

Wenzel
Wynia
Zaffke
Spk. Jennings, D.

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

The Speaker called Dempsey to the Chair.

S. F. No. 912 was reported to the House.

Anderson, R., moved to amend S. F. No. 912, as follows:

Page 1, after line 21, insert:

"Section 1. [PURPOSE.]

The state recognizes the special role played by the state hospitals as chemical dependency facilities of last resort that provide special services to the multiply disabled and those sentenced by the criminal justice system. Counties are encouraged to utilize state operated chemical dependency facilities to the maximum extent possible. The commissioner shall maintain a statewide system of publicly administered chemical dependency programs in order to serve Minnesota's citizens."

Renumber sections accordingly

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

Anderson, R., moved to amend S. F. No. 912, as follows:

Page 2, after line 1, after the period insert "*Data concerning receipts and expenditures under this section and section 246.18, subdivision 2, is "trade secret information" for purposes of classification under section 13.37, subdivision 2."*

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

Anderson, R., moved to amend S. F. No. 912, as follows:

Page 2, line 26, after "*assistance*" insert "*on request of the commissioner or a chief executive officer of a regional treatment center*"

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

Anderson, R., moved to amend S. F. No. 912, as follows:

Page 3, after line 9, insert:

"Sec. 3. [246.181] [OTHER STATE AGENCY ASSISTANCE.]

In order to assist in the development of regional treatment center chemical dependency programs, the commissioner of the department of administration, in consultation with the commissioner of human services and the chief executive officers of the regional treatment centers, shall provide technical assistance in the following areas: marketing, planning, promotional activities, computer systems, financial management, training, capital improvements, real estate leasing and contracting."

Page 27, line 24, before "Section 10" insert "Section 3,"

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

Anderson, R., moved to amend S. F. No. 912, as follows:

Page 3, line 21, after "253B.11," insert "*commitments under sections 253B.07 to 253B.09, admissions to meet the needs of chemically dependent persons who would not otherwise be served*"

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

Anderson, R. moved to amend S. F. No. 912, as follows:

Page 3, line 34, delete "*administered*" and insert "*operated*"

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

S. F. No. 912, A bill for an act relating to human services; providing regional treatment center revolving fund for chemical dependency; creating a consolidated fund for payment of chemical dependency treatment; appropriating money to counties for treatment; providing for client eligibility, vendor eligibility, and state collections; providing for American Indian special funding; removing chemical dependency treatment from medical assistance, general assistance medical care, and general assistance funding; amending Minnesota Statutes 1984, sections 246.04; 246.18; 246.50, by adding a subdivision; 246.51, subdivision 1; 256B.70; and 256E.08, subdivision 7; amending Minnesota Statutes 1985 Supplement, sections 246.23; 246.54; 256B.02, subdivision 8; and 256D.03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 246; and proposing coding for new law as Minnesota Statutes, chapter 254B.

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 99 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Peterson	Shaver
Battaglia	Gruenes	Long	Piepho	Simoneau
Beard	Gutknecht	Marsh	Piper	Skogiund
Begich	Hartinger	McEachern	Poppenhagen	Sparby
Bennett	Hartle	McKasy	Price	Stanis
Blatz	Haukoos	McLaughlin	Quist	Staten
Boo	Himle	McPherson	Redalen	Sviggun
Brandl	Jaros	Metzen	Rees	Thorson
Brown	Jennings, L.	Munger	Rest	Tjornhom
Burger	Johnson	Nelson, K.	Rice	Tomlinson
Carlson, L.	Kahn	Neuenschwander	Richter	Tompkins
Clark	Kalis	O'Connor	Riveness	Tunheim
Cohen	Kelly	Olsen, S.	Rose	Uphus
Dempsey	Kiffmeyer	Olson, E.	Sarna	Valento
Dimler	Knickerbocker	Omman	Schafer	Vellenga
Dyke	Knuth	Onnen	Scheid	Waltman
Elioff	Kostohryz	Osthoft	Schoenfeld	Wenzel
Erickson	Krueger	Otis	Schreiber	Wynia
Frederick	Kvam	Pappas	Seaberg	Zaffke
Frerichs	Levi	Pauly	Segal	

Those who voted in the negative were:

Anderson, R.	Carlson, D.	Murphy	Ogren	Solberg
Backlund	Fjoslien	Nelson, D.	Ozment	Thiede
Becklin	Minne	Norton	Rodosovich	Welle

The bill was passed and its title agreed to.

S. F. No. 1526 was reported to the House.

Neuenschwander, Bishop and Carlson, D., moved to amend S. F. No. 1526, as follows:

Page 134, after line 25, insert:

"Sec. 6. [84.0285] [GAME AND FISH CITATION QUOTAS PROHIBITED.]

The commissioner of natural resources, or the director of the division of enforcement and field service, may not order, mandate, require, or in any manner suggest, directly or indirectly, to a conservation officer that the conservation officer issue a certain number of game and fish law violations on a daily, weekly, monthly, quarterly, or yearly quota basis, except that the commissioner or director may utilize a conservation

officer's total enforcement activity, in comparison to the total enforcement activity of all conservation officers, in the evaluation of an officer's performance."

Renumber the sections in sequence in the article

Correct internal references in the article

Amend the title as follows:

Page 1, line 5, after the first semicolon, insert "barring game and fish citation quotas;"

A roll call was requested and properly seconded.

The question was taken on the Neuenschwander et al., amendment and the roll was called.

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

There were 73 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Fjoslien	McKasy	Quinn	Staten
Anderson, R.	Frerichs	McLaughlin	Redalen	Svigum
Backlund	Greenfield	McPherson	Rest	Thiede
Battaglia	Hartinger	Metzen	Rice	Thorson
Beard	Hartle	Miller	Richter	Tjornhom
Becklin	Haukoos	Minne	Rodosovich	Tompkins
Begich	Heap	Murphy	Sarna	Tunheim
Blatz	Jacobs	Neuenschwander	Schafer	Uphus
Brown	Jennings, L.	O'Connor	Schoenfeld	Vanasek
Carlson, D.	Johnson	Ogren	Seaberg	Voss
Carlson, L.	Kiffmeyer	Olson, E.	Sherman	Waltman
Clausnitzer	Krueger	Olmann	Simoneau	Welle
Dimler	Lieder	Ozment	Solberg	Wenzel
Dyke	Marsh	Peterson	Sparby	
Elioff	McEachern	Piepho	Stanisus	

Those who voted in the negative were:

Bennett	Gutknecht	Kvam	Otis	Skoglund
Boo	Himle	Levi	Pappas	Tomlinson
Brandl	Jaros	Long	Pauly	Valento
Burger	Kahn	Munger	Piper	Vellenga
Cohen	Kalis	Nelson, D.	Price	Wynia
Dempsey	Kelly	Nelson, K.	Rees	Zaffke
Erickson	Knickerbocker	Norton	Rose	
Frederick	Knuth	Olsen, S.	Schreiber	
Gruenes	Kostohryz	Osthoff	Shaver	

The motion prevailed and the amendment was adopted.

Rose moved that S. F. No. 1526, as amended, be temporarily laid over on Special Orders. The motion prevailed.

S. F. No. 2245, A bill for an act relating to elections; providing for the use of certain optical scan electronic voting systems; proposing coding for new law in Minnesota Statutes, chapter 206.

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.

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

There were 122 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Zaffke

The bill was passed and its title agreed to.

S. F. No. 1581 was reported to the House.

Ozment moved to amend S. F. No. 1581, as follows:

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 programs 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."

Delete the title and insert:

"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 466.01, by adding subdivisions; 466.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 245 and 466."

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Ozment moved to amend S. F. No. 1581, as amended, as follows:

Page 3, line 6, delete "an"

Page 3, line 7, delete "brochure"

Page 3, line 24, after "rule" insert ", and by developing and implementing certification standards and reviewing annually each county agency for compliance with certification standards"

Page 4, after line 15, insert:

"(4) incorporate the use of national accreditation as a partial substitute for state licensing;"

Renumber the remaining clauses

Page 4, line 35, after "meet" insert "fire"

Page 5, line 3, delete "a county agency" and insert "the commissioner"

Page 5, line 5, delete "child" and insert "fire"

Page 5, line 9, after "the" insert "fire"

Page 5, line 15, before "safety" insert "fire"

Page 6, line 34, delete "Any" and insert "A"

Page 6, line 36, after "facility" insert "*as defined in section 245.782, subdivision 5, for children, unless the municipality had actual knowledge of a failure to meet licensing standards that resulted in a dangerous condition that foreseeably threatened the plaintiff*"

Page 7, line 2, before "A" insert "Until July 1, 1987,"

Page 7, line 4, delete "acting under" and insert "required by"

Page 7, line 5, delete "thereunder" and insert "under it"

Page 7, line 6, after the period insert "*After July 1, 1987, a municipality is an employee of the state for purposes of the indemnification provisions of section 3.736, subdivision 9, when the municipality is required by the public welfare licensing act and rules adopted under it to inspect or investigate a provider, and the municipality has been duly certified under standards for certification developed by the commissioner of human services.*"

The motion prevailed and the amendment was adopted.

Gruenes moved to amend S. F. No. 1581, as amended, as follows:

Page 1, after line 16, insert:

"Section 1. Minnesota Statutes 1984, section 245.791, is amended to read:

245.791 [EXCLUSIONS.]

Sections 245.781 to 245.812 shall not apply to:

- (1) Day care or residential care provided by a relative to related persons;
- (2) Day care or residential care provided for a cumulative total of less than 30 days in any 12-month period;
- (3) Day care provided for persons from a single unrelated family for any length of time;

(4) A home caring for a person placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years after placement;

(5) A licensed hospital whose psychiatric or chemical dependency program is located within the hospital;

(6) A nursing home, hospital, or boarding care home, licensed by the state commissioner of health, except that an identifiable unit of such a facility which regularly provides care for more than five adults defined as persons in Minnesota Statutes, section 245.782, subdivision 2, who are not residents or patients of the nursing home, hospital, or boarding care home, must be licensed under sections 245.781 to 245.812;

(7) A day care or residential program serving any number of adults who are not defined as persons under Minnesota Statutes, section 245.782, subdivision 2;

(8) A sheltered workshop day program, certified by the state board of education;

(9) A work activity day program, certified by the state board of education;

(10) A work-wage home providing care for one nonrelated child who has reached his sixteenth birthday and who has been independently placed for purposes of education or employment;

(11) A school under the general supervision of the commissioner of education or a local education agency;

(12) A residential or day care facility under the direct control and supervision of a local education agency or a state agency other than the commissioner;

(13) Day care provided for periods of no more than three hours per day for any person while his relatives are in the same building, or can be present in the same building within 30 minutes;

(14) Facilities which in the judgment of the commissioner of education are operated for the primary purpose of educating children shall be exempt from these rules and regulations except insofar as the regulations affect the health and safety of the children therein. The classrooms shall meet the applicable standards of the commissioner of public safety and state commissioner of health;

(15) *Programs not located in family or group family day care homes and whose primary purpose is to provide activities outside the regular school day for children age five and over."*

Page 7, after line 17, insert:

"Sec. 17. [SUNSET.]

The changes made in section 1 are repealed effective June 30, 1987."

Renumber the sections in sequence

Correct the cross-references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1581, A bill for an act relating to human services; exempting rural providers from licensure; establishing requirements for the regulation of child day care; prohibiting local governments from establishing special fire code requirements for small family day care homes; limiting the liability of municipalities for licensing activities; providing for indemnification of municipalities by the state; establishing a task force; requiring reports; amending Minnesota Statutes 1984, sections 245.802, subdivision 1; 299F.011, subdivision 4a; and 466.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 245 and 466.

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.

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

There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Carlson, L.	Gutknecht	Knuth	Murphy
Backlund	Clark	Hartinger	Kostohryz	Nelson, D.
Battaglia	Cohen	Hartle	Krueger	Nelson, K.
Beard	Dempsey	Haukoos	Kvam	Neuenschwander
Becklin	DenOuden	Heap	Lieder	Norton
Begich	Dimler	Himle	Long	Ogren
Bennett	Dyke	Jacobs	Marsh	Olsen, S.
Bishop	Elioff	Jaros	McDonald	Olson, E.
Blatz	Ellingson	Jennings, L.	McEachern	Omann
Boo	Erickson	Johnson	McLaughlin	Onnen
Brandl	Fjoslien	Kahn	McPherson	Otis
Brinkman	Frederick	Kalis	Metzen	Ozment
Brown	Frerichs	Kelly	Miller	Pappas
Burger	Greenfield	Kiffmeyer	Minne	Pauly
Carlson, D.	Gruenes	Knickerbocker	Munger	Peterson

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

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

H. F. No. 1971, A resolution memorializing the President and Congress of the United States to enact the Mississippi River National Heritage Corridor Act of 1986.

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 116 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Zaffke

The bill was passed and its title agreed to.

S. F. No. 1526, as amended, which was temporarily laid over earlier today on Special Orders was again reported to the House.

S. F. No. 1526, A bill for an act relating to natural resources; recodifying laws governing wild animals in general, the taking and possession of game and fish, and the management of natural resources; providing penalties; amending Minnesota Statutes 1984, sections 9.071; 14.02, subdivision 4; 14.38, subdivision 6; 18.021, subdivision 3; 84.0274, subdivision 6; 84.88, subdivision 2; 84.89; 84A.02; 85.018, subdivision 8; 86A.06; 105.391, subdivisions 3 and 12; 105.417, subdivision 4; 111.81, subdivision 1; 343.21, subdivision 8; 343.30; 352B.01, subdivision 2; 361.25; 388C.13; 477A.12; 477A.13; Minnesota Statutes 1985 Supplement, section 105.74; proposing coding for new law in Minnesota Statutes, chapters 84; 97A; 97B; 97C; 609; and 624; repealing Minnesota Statutes 1984, and 1985 Supplement, chapters 97, 98, 99, 100, 101, and 102.

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.

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

There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 418

A bill for an act relating to local government; excluding firefighter and peace officer job classes from certain aspects of pay equity requirements; amending Minnesota Statutes 1984, section 179A.16, by adding a subdivision; 471.992; 471.993, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1984, section 471.9965.

March 14, 1986

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 418, report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendments.

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

House Conferees: TERRY M. DEMPSEY, LOREN G. JENNINGS
and DENNIS D. OZMENT.

Senate Conferees: GENE MERRIAM, MEL FREDERICK and
LINDA BERGLIN.

Dempsey moved that the report of the Conference Committee on H. F. No. 418 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 418, A bill for an act relating to local government; excluding firefighter and peace officer job classes from certain aspects of pay equity requirements; amending Minnesota Statutes 1984, section 179A.16, by adding a subdivision; 471.992; 471.993, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1984, section 471.9965.

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

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

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

There were 117 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Greenfield Norton Staten

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

SPECIAL ORDERS, Continued

S. F. No. 2102 was reported to the House.

Clausnitzer moved to amend S. F. No. 2102, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1984, section 518.165, is amended to read:

518.165 [GUARDIANS FOR MINOR CHILDREN.]

Subdivision 1. [PERMISSIVE APPOINTMENT OF GUARDIAN AD LITEM.] In all proceedings for child custody or for dissolution or legal separation where custody or visitation of a minor child is in issue, the court may appoint a guardian ad litem

from a panel established by the court to represent the interests of the child. The guardian ad litem shall advise the court with respect to custody, support and visitation. (THE COURT MAY ENTER AN ORDER FOR COSTS, FEES AND DISBURSEMENTS IN FAVOR OF THE CHILD'S GUARDIAN AD LITEM. THE ORDER MAY BE MADE AGAINST EITHER OR BOTH PARTIES, EXCEPT THAT ANY PART OF THE COSTS, FEES, AND DISBURSEMENTS WHICH THE COURT FINDS THE PARTIES ARE INCAPABLE OF PAYING SHALL BE BORNE BY THE COUNTY.)

Subd. 2. [REQUIRED APPOINTMENT OF GUARDIAN AD LITEM.] In all proceedings for child custody or for marriage dissolution or legal separation in which custody or visitation of a minor child is an issue, if the court has reason to believe that the minor child is a victim of domestic child abuse or neglect, as those terms are defined in sections 260.015 and 626.556, respectively, the court shall appoint a guardian ad litem. The guardian ad litem shall represent the interests of the child and advise the court with respect to custody, support, and visitation. If the child is represented by a guardian ad litem in any other pending proceeding, the court may appoint that guardian to represent the child in the custody or visitation proceeding. No guardian ad litem need be appointed if the alleged domestic child abuse or neglect is before the court on a juvenile dependency and neglect petition. Nothing in this subdivision requires the court to appoint a guardian ad litem in any proceeding for child custody, marriage dissolution, or legal separation in which an allegation of domestic child abuse or neglect has not been made.

Subd. 3. [FEES.] A guardian ad litem appointed under either subdivision 1 or 2 may be appointed either as a volunteer or on a fee basis. If a guardian ad litem is appointed on a fee basis, the court shall enter an order for costs, fees, and disbursements in favor of the child's guardian ad litem. The order may be made against either or both parties, except that any part of the costs, fees, or disbursements which the court finds the parties are incapable of paying shall be borne by the county in which the proceeding is being held. In no event may the court order that costs, fees, or disbursements be paid by a party receiving public assistance or legal assistance or by a party whose annual income falls below the poverty line as established under United States Code, title 42, section 9902 (2).

Sec. 2. Minnesota Statutes 1985 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of author-

ity, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345, or sections 609.364 to 609.3644. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, baby sitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to (1) mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, or (2) impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter or medical care, a duty to provide that care. Neglect also means "medical neglect" as defined in section 260.015, subdivision 10, clause (e).

(d) "Physical abuse" means any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical injury that cannot reasonably be explained by the child's history of injuries.

(e) "Report" means any report received by the local welfare agency, police department or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanatorium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.-021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245.782.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem services.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1987."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Clausnitzer moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2102, as amended, be given its third reading and be placed upon its final passage. The motion prevailed.

Clausnitzer moved that the rules of the House be so far suspended that S. F. No. 2102, as amended, be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 2102, A bill for an act relating to marriage dissolution and legal separation; requiring appointment of guardians ad litem in certain child custody proceedings; amending Minnesota Statutes 1984, section 518.165.

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.

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

There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

McPherson

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 628

A bill for an act relating to game and fish; enhancement of fish and wildlife; planning and implementation of wildlife management; conservation of marginal agricultural lands; habitat management; aspen recycling program; appropriating money; amending Minnesota Statutes 1984, sections 97.49, subdivision 3; 97.55, by adding a subdivision; 98.52, by adding a subdivision; 290.431; and 296.421, subdivisions 4 and 5; Laws 1985, chapter 4, section 10; proposing coding for new law in Minnesota Statutes, chapters 40, 84, and 88.

March 13, 1986

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

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H. F. No. 628, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 628 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [40.40] [SHORT TITLE.]

Sections 2 to 15 may be cited as the "reinvest in Minnesota resources act of 1986."

Sec. 2. [40.401] [PURPOSE AND POLICY.]

It is the purposes of sections 2 to 6 to keep certain marginal agricultural land out of crop production or pasture to protect soil and water quality and support fish and wildlife habitat. It is state policy to encourage the retirement of marginal, highly erodible land, particularly land adjacent to public waters and drainage systems, from crop production and to reestablish a cover of perennial vegetation.

Sec. 3. [40.41] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 3 to 6.

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

Subd. 3. [CONSERVATION EASEMENT.] "Conservation easement" means a conservation easement as defined in section 84C.01.

Subd. 4. [CONSERVATION RESERVE PROGRAM.] "Conservation reserve program" means the program established under section 4.

Subd. 5. [LANDOWNER.] "Landowner" means a Minnesota resident who owns or is a buyer under a contract for deed, of land that qualifies as a family farm, a family farm corporation or an authorized farm corporation under section 500.24, subdivision 2.

Subd. 6. [MARGINAL AGRICULTURAL LAND.] "Marginal agricultural land" means land that is: (1) composed of class IIIe, IVe, V, VI, VII, or VIII land as identified in the land capability classification system of the United States Department of Agriculture; or (2) similar to land described under (1) and identified under a land classification system selected by the commissioner.

Sec. 4. [40.42] [CONSERVATION RESERVE PROGRAM.]

Subdivision 1. [ESTABLISHMENT OF PROGRAM.] The commissioner of agriculture, in consultation with the commissioner of natural resources, shall establish and administer a conservation reserve program. Selection of land for the conservation reserve program must be based on its potential for fish and wildlife production, reducing erosion, and protecting water quality.

Subd. 2. [ELIGIBLE LAND.] Land may be placed in the conservation reserve program if the land:

(1) is marginal agricultural land, or adjacent to marginal agricultural land and beneficial to resource protection or necessary for efficient recording of the land description;

(2) was owned by the applicant on January 1, 1985, or for an application made on or after January 1, 1988, was owned by the applicant for at least three years before the date of application;

(3) is at least five acres in size, or is a whole field as defined by the United States agricultural stabilization and conservation service;

(4) is not set aside, enrolled or diverted under another federal or state government program; and

(5) was in agricultural crop production or pasture for at least two years during the period 1981 to 1985.

The eligible land of a landowner may not exceed 20 percent of the landowner's total acreage in the state.

Subd. 3. [CONSERVATION EASEMENTS.] The commissioner may acquire conservation easements on eligible land. An easement may be permanent or of limited duration. An easement of limited duration may not be acquired if it is for a period less than ten years. The negotiation and acquisition of easements authorized by this section are exempt from the contractual provisions of chapter 16B.

Subd. 4. [NATURE OF PROPERTY RIGHTS ACQUIRED.]

(a) A conservation easement must prohibit:

(1) alteration of wildlife habitat and other natural features, unless specifically approved by the commissioner;

(2) agricultural crop production, unless specifically approved by the commissioner for wildlife management purposes;

(3) grazing of livestock unless approved by the commissioner after consultation with the commissioner of natural resources,

in the case of severe drought, or a local emergency declared under section 12.29; and

(4) spraying with chemicals or mowing, except as necessary to comply with noxious weed control laws or emergency control of pests necessary to protect public health.

(b) A conservation easement is subject to the terms of the agreement provided in subdivision 5.

(c) A conservation easement must allow repairs, improvements, and inspections necessary to maintain public drainage systems provided the easement area is restored to the condition required by the terms of the conservation easement.

Subd. 5. [AGREEMENTS BY LANDOWNER.] *The commissioner may enroll eligible land in the conservation reserve program by signing an agreement in recordable form with a landowner in which the landowner agrees:*

(1) to convey to the state a conservation easement that is not subject to any prior title, lien, or encumbrance;

(2) to seed the land subject to the conservation easement, as specified in the agreement, to establish and maintain perennial cover of either a grass-legume mixture or native grasses for the term of the easement, at seeding rates determined by the commissioner; or to plant trees or carry out other long-term capital improvements approved by the commissioner for soil and water conservation or wildlife management;

(3) that other land supporting natural vegetation owned or leased as part of the same farm operation during the term of the easement, if it supports natural vegetation or has not been used in agricultural crop production or pasture, will not be converted to agricultural crop production or pasture; and

(4) to the enforcement of the agreements in this subdivision by an action for specific performance, a mandatory injunction, or for damages in an amount not to exceed the total amount paid by the state to the landowner under subdivision 6, with interest from the date of each default under the agreement.

Subd. 6. [PAYMENTS FOR CONSERVATION EASEMENTS AND ESTABLISHMENT OF COVER.] *The commissioner must make the following payments to the landowner for the conservation easement and agreement:*

(1) to establish the perennial cover or other improvements required by the agreement, up to \$75 per acre;

(2) for the cost of planting trees required by the agreement, up to \$75 per acre;

(3) for a permanent easement, 70 percent of the township average equalized estimated market value of agricultural property as established by the commissioner of revenue at the time the easement is conveyed; and

(4) for an easement of limited duration, 90 percent of the present value of the average of the acceptable bids for the federal conservation reserve program, as contained in Public Law Number 99-198, in the relevant geographic area and on bids made immediately prior to when the easement is conveyed. If federal bid figures have not been determined for the area, or the federal program has been discontinued, the rate paid shall be determined by the commissioner.

The commissioner may not pay more than \$50,000 to a landowner for all the landowner's conservation easements and agreements.

Subd. 7. [EASEMENT RENEWAL.] When a conservation easement of limited duration expires, a new conservation easement and agreement for an additional period of ten years may be acquired by agreement of the commissioner and the landowner, under the terms of this section. The commissioner may adjust payment rates as a result of renewing an agreement and conservation easement only after examining the condition of the established cover, conservation practices, and land values.

Sec. 5. [40.43] [COOPERATION AND TECHNICAL ASSISTANCE; SUPPLEMENTAL CONSERVATION PAYMENT.]

Subdivision 1. [COOPERATION.] In implementing sections 2 to 5 the commissioner must share information and cooperate with the department of natural resources, the pollution control agency, the United States Fish and Wildlife Service, the Agricultural Stabilization and Conservation Service and Soil Conservation Service of the United States Department of Agriculture, the Minnesota extension service, the University of Minnesota, county boards, and interested private organizations and individuals.

Subd. 2. [TECHNICAL ASSISTANCE.] The commissioners of agriculture and natural resources must provide necessary technical assistance to landowners enrolled in the conservation reserve program. The commissioner of natural resources must provide technical advice and assistance to the commissioner on the form and content of the conservation easement and agreement, and on agronomic practices relating to the establishment and maintenance of permanent cover, or other conservation improvements. The commissioners of agriculture and natural resources shall jointly prepare an informational booklet on the conservation reserve program and other state and federal programs for land acquisition, conservation, and retirement to be made available to eligible landowners and the general public.

Subd. 3. [SUPPLEMENTAL CONSERVATION PAYMENTS.] The commissioner may supplement cost-share payments made under other programs, up to \$75 an acre, to the extent of available appropriations other than bond proceeds. The supplemental cost-share payments must be used to establish perennial cover on land enrolled in programs approved by the commissioner, including the federal conservation reserve program and federal and state waterbank programs.

Sec. 6. [40.44] [RULEMAKING.]

The commissioner shall adopt rules and is authorized to adopt emergency rules in order to implement sections 2 to 6. The rules must include standards for tree planting so that planting does not conflict with existing electrical lines, telephone lines, rights-of-way, or drainage ditches.

Sec. 7. [84.941] [POLICY.]

It is the policy of the state that fish and wildlife are renewable natural resources to be conserved and enhanced through planned scientific management, protection, and utilization.

Sec. 8. [84.942] [FISH AND WILDLIFE RESOURCES MANAGEMENT PLAN.]

Subdivision 1. [PREPARATION.] The commissioner of natural resources shall prepare a comprehensive fish and wildlife management plan designed to accomplish the policy of section 7. The comprehensive fish and wildlife management plan shall include a strategic plan as outlined in subdivision 2. The strategic plan must be completed by July 1, 1986. The management plan must also include the long-range and operational plans as described in subdivisions 3 and 4. The management plan must be completed by July 1, 1988.

Subd. 2. [STRATEGIC PLAN.] The strategic plan must be updated every six years and include:

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

(2) a description of strategies to address management problems; and

(3) an assessment of the need for additional fish and wildlife research facilities.

Subd. 3. [LONG RANGE PLAN.] The long-range plan must be updated every six years and include:

(1) *an assessment of historical, present, and projected demand for fish and wildlife resources;*

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

(3) *development of a data base capable of continuous updating and useable as a resource management tool; and*

(4) *a statement of major goals, objectives, and policies to address fish and wildlife resource management issues.*

Subd. 4. [OPERATIONAL PLAN.] The operational plan must be reviewed and updated every two years. The operational plan must include the following:

(1) *a description of specific actions needed to address resource management issues;*

(2) *an estimate of the expenditures necessary to implement the management actions and a description of the sources and amounts of revenue available;*

(3) *a procedure to review expenditures and evaluate the effectiveness of the management program; and*

(4) *recommendations for additional actions necessary to meet fish and wildlife management needs.*

Subd. 5. [PUBLIC AGENCY COORDINATION.] The commissioner of natural resources must coordinate fish and wildlife planning efforts with appropriate public agencies to achieve optimum public benefit.

Subd. 6. [PUBLIC INVOLVEMENT.] The commissioner of natural resources must make fish and wildlife management plans available for public input, review, and comment.

Sec. 9. [84.943] [MINNESOTA CRITICAL HABITAT PRIVATE SECTOR MATCHING ACCOUNT.]

Subdivision 1. [ESTABLISHMENT.] The Minnesota critical habitat private sector matching account is established as a separate account in the state treasury. The account shall be administered by the commissioner of natural resources as provided in this section.

Subd. 2. [FUNDING SOURCES.] The critical habitat private sector matching account shall consist of contributions from private sources and appropriations.

Subd. 3. [APPROPRIATIONS MUST BE MATCHED BY PRIVATE FUNDS.] *Appropriations to the critical habitat private sector matching account may be expended only to the extent that they are matched equally with contributions to the account from private sources or by funds contributed to the nongame wildlife management account. The private contributions may be made in cash or in contributions of land or interests in land that are designated by the commissioner of natural resources as program acquisitions. Appropriations to the account that are not matched within three years from the date of the appropriation shall cancel to the source of the appropriation. For the purposes of this section, the private contributions of land or interests in land shall be valued in accordance with their appraised value.*

Subd. 4. [MANAGEMENT.] *The critical habitat private sector matching account shall be managed to earn the highest interest compatible with prudent investment, preservation of principal, and reasonable liquidity. Unless an appropriation to the account reverts to its original source under subdivision 3, the principal and interest in the account remain in the account until expended as provided in this section.*

Subd. 5. [PLEDGES AND CONTRIBUTIONS.] *The commissioner of natural resources may accept contributions and pledges to the critical habitat private sector matching account. A pledge that is made contingent on an appropriation is acceptable and shall be reported with other pledges as required in this section. In the budget request for each biennium, the commissioner shall report the balance of contributions in the account and the amount that has been pledged for payment in the succeeding two calendar years.*

Money in the account may be expended only for the direct acquisition or improvement of land or interests in land as provided in section 10. To the extent of available appropriations other than bond proceeds, the money matched to the nongame wildlife management account may be used for the management of nongame wildlife projects as specified in section 290.431. Acquisition includes: (1) purchase of land or an interest in land by the commissioner; or (2) acceptance by the commissioner of gifts of land or interests in land as program projects.

Sec. 10. [84.944] [ACQUISITION OF CRITICAL NATURAL HABITAT.]

Subdivision 1. [ACQUISITION CONSIDERATIONS.] *In determining what critical natural habitat shall be acquired or improved, the commissioner shall consider:*

(1) the significance of the land or water as existing or potential habitat for fish and wildlife and providing fish and wildlife oriented recreation;

(2) *the significance of the land, water, or habitat improvement to maintain or enhance native plant, fish, or wildlife species designated as endangered or threatened under section 97.488;*

(3) *the presence of native ecological communities that are now uncommon or diminishing; and*

(4) *the significance of the land, water or habitat improvement to protect or enhance natural features within or contiguous to natural areas including fish spawning areas, wildlife management areas, scientific and natural areas, riparian habitat and fish and wildlife management projects.*

Subd. 2. [DESIGNATION OF ACQUIRED SITES.] The critical natural habitat acquired by the commissioner under this section shall be designated by the commissioner as: (1) an outdoor recreation unit pursuant to section 86A.07, subdivision 3, or (2) as provided in section 97.48, subdivision 11, 26, or 27, section 101.42, subdivision 9, or section 101.475.

Subd. 3. [COUNTY ACQUISITION APPROVAL.] The commissioner must follow the procedures under section 97.481, subdivision 2, for critical natural habitat acquired under this section.

Sec. 11. Minnesota Statutes 1985 Supplement, section 88.80, is amended to read:

88.80 [ASPEN RECYCLING PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The commissioner (MAY) must establish and accelerate an aspen recycling program (TO ASSURE THAT MARKETABLE STANDS OF ASPEN ARE AVAILABLE ON STATE LANDS AND MAY DESIGNATE PRIORITY AREAS ON STATE LANDS FOR ASPEN RECYCLING) providing for the betterment of public lands owned by the state by clearing trees which because of age, disease, pests, or other cause are unmarketable or increase the hazard of forest fires or infestation, permitting the regeneration of stands of healthy aspen capable of economic management, harvesting, and marketing. The financing of this program is determined to be a necessary and proper public purpose for the issuance of state bonds under the provisions of article XI, section 5 of the constitution relating to the betterment of public land, the promotion of reforestation, and prevention and abatement of forest fires and the clearing and improving of wild lands. The program shall designate priority areas on state lands for aspen recycling.

Subd. 2. [PILOT PROJECT.] The commissioner shall establish an aspen recycling program pilot project in the highest priority area on state lands in order to develop effective program

procedures and practices. With respect to the pilot project, the commissioner may restrict bidding on contracts for the cutting, removal, and disposal of aspens, and for related activities, to loggers and others residing in the pilot project area designated under the program that are financially distressed. The commissioner may establish standards and procedures for awarding logging contracts under section 86.35, relating to eligibility for employment for conservation work projects.

Subd. 3. [REPORT.] The commissioner shall report to the legislature by January 1, 1987 the results of the pilot project and a plan to recycle the overmature aspen stands of the state.

Sec. 12. [84.95] [REINVEST IN MINNESOTA RESOURCES FUND.]

Subdivision 1. [PROGRAM FUND; ESTABLISHMENT.] A reinvest in Minnesota resources fund is created as a separate fund in the state treasury. The fund shall be managed to earn the highest interest compatible with prudent investment, preservation of principal, and reasonable liquidity. The principal and interest attributable to the principal shall remain in the fund until spent. Proceeds of state bonds issued for purposes of the fund shall be segregated in a special account and disbursed only for capital costs of the acquisition and betterment of public land and easements in land and improvements in land for which the proceeds are appropriated.

Subd. 2. [PURPOSES AND EXPENDITURES.] Money from the reinvest in Minnesota resources fund may only be spent for the following fish and wildlife conservation enhancement purposes:

(1) development and implementation of the comprehensive fish and wildlife management plan under section 8;

(2) implementation of the conservation reserve program established by section 4;

(3) soil and water conservation practices to improve water quality, reduce soil erosion and crop surpluses;

(4) enhancement of fish and wildlife habitat on lakes, streams, wetlands, and public and private forest lands;

(5) acquisition and development of public access sites and recreation easements to lakes, streams, and rivers for fish and wildlife oriented recreation;

(6) matching funds with government agencies and the private sector for acquisition and improvement of fish and wildlife habitat;

(7) *research and surveys of fish and wildlife species and habitat;*

(8) *enforcement of natural resource laws and regulations;*

(9) *information and education;*

(10) *implementing the aspen recycling program under section 11; and*

(11) *necessary support services to carry out these purposes.*

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

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

Sec. 14. Minnesota Statutes 1984, section 290.431, is amended to read:

290.431 [NONGAME WILDLIFE CHECKOFF.]

Every individual who files an income tax return or property tax refund claim form may designate on their original return that \$1 or more shall be added to the tax or deducted from the refund that would otherwise be payable by or to that individual and paid into an account to be established for the management

of nongame wildlife. The commissioner of revenue shall, on the income tax return and the property tax refund claim form, notify filers of their right to designate that a portion of their tax or refund shall be paid into the nongame wildlife management account. The sum of the amounts so designated to be paid shall be credited to the nongame wildlife management account for use by the nongame (SECTION) *program* of the (DIVISION) *section* of wildlife in the department of natural resources. *All interest earned on money accrued in the nongame wildlife management account shall be credited to the account by the state treasurer.* The commissioner of natural resources shall submit a work program for each fiscal year and semi-annual progress reports to the legislative commission on Minnesota resources in the form determined by the commission. None of the money provided in this section may be expended unless the commission has approved the work program.

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

Sec. 15. S. F. No. 1526, article 1, section 11, subdivision 1, if enacted at the 1986 regular session, is amended to read:

Sec. 11. [97A.061] [PAYMENT IN LIEU OF TAXES.]

Subdivision 1. [APPLICABILITY; AMOUNT.] (a) The commissioner shall annually make a payment from the (GAME AND FISH) *general* fund to each county having public hunting areas and game refuges. This section does not apply to state trust fund land and other state land not purchased for game refuge or public hunting purposes. The payment shall be the greatest of:

(1) 35 percent of the gross receipts from all special use permits and leases of land acquired for public hunting and game refuges;

(2) 50 cents per acre on land purchased actually used for public hunting or game refuges; or

(3) three-fourths of one percent of the appraised value of purchased land actually used for public hunting and game refuges.

(b) The payment must be reduced by the amount paid under subdivision 3 for croplands managed for wild geese. [97.49 s. 7]

(c) The appraised value is the purchase price for five years after acquisition. The appraised value shall be determined by the county assessor every five years after acquisition. [97.49 s. 3]

Sec. 16. [BONDS AUTHORIZED.]

The commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$16,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.641 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the reinvest in Minnesota resources fund.

Sec. 17. [APPROPRIATIONS.]

Subdivision 1. [APPROPRIATION TO RESOURCES FUND.] There is appropriated to the reinvest in Minnesota resources fund, other than the bond proceeds account within that fund, any money appropriated by law.

Subd. 2. [BOND PROCEEDS APPROPRIATION.] \$16,000,000 is appropriated from the bond proceeds account of the reinvest in Minnesota resources fund to the agencies and account for the purposes specified in this section.

Subd. 3. [COMMISSIONER OF AGRICULTURE.] \$10,000,000 is appropriated to the commissioner of agriculture:

(a) from the bond proceeds account of the reinvest in Minnesota resources fund for the conservation reserve program under section 4, to be available until expended \$9,400,000

(b) from the bond proceeds account of the reinvest in Minnesota resources fund for administration of the conservation reserve program under sections 2 to 5 to be available until June 30, 1987 \$ 600,000

\$500,000 of this appropriation must be distributed to soil and water conservation districts.

The approved complement of the department of agriculture is increased by three positions in the unclassified service.

Subd. 4. [COMMISSIONER OF NATURAL RESOURCES.] \$3,600,000 is appropriated to the commissioner of natural resources:

(a) from the bond proceeds account of the reinvest in Minnesota resources fund for fish and wildlife habitat improvements and acquisition of interests in land under the comprehensive fish and wildlife management plan under section 8, to be available until expended \$2,500,000

(b) from the bond proceeds account of the reinvest in Minnesota resources fund for aspen recycling under section 12, to be available until expended \$1,000,000

(c) from the general fund for the development of a fish and wildlife research center, to be available until June 30, 1987 \$ 100,000

Subd. 5. [CRITICAL HABITAT PRIVATE SECTOR MATCHING ACCOUNT.] \$2,500,000 is appropriated from the bond proceeds account of the reinvest in Minnesota resources fund for transfer to the critical habitat private sector matching account established under section 10.

Sec. 18. [EFFECTIVE DATE.]

Sections 1 to 12, 14, 16, and 17 are effective the day following final enactment. Sections 13 and 15 are effective July 1, 1987 except if Senate File No. 1526 is enacted during the 1986 regular session, section 13 is not effective."

Delete the title and insert:

"A bill for an act relating to natural resources; providing for conservation easements on marginal agricultural lands; improving fish and wildlife habitat; requiring planning for wildlife resources and habitat management; creating a private match program; changing the funding source for certain county payments; creating new accounts in the state treasury; authorizing the sale of state bonds; appropriating money; amending Minnesota Statutes 1984, sections 97.49, subdivision 3; 290.431; Minnesota Statutes 1985 Supplement, section 88.80; proposing coding for new law in Minnesota Statutes, chapters 40 and 84."

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

House Conferees: JOHN T. ROSE, ELTON R. REDALEN, BOB WALTMAN, BOB NEUENSCHWANDER and LOREN G. JENNINGS.

Senate Conferees: RANDOLPH W. PETERSON, JOHN BERNHAGEN, GENE MERRIAM, DUANE D. BENSON and GARY M. DECramer.

Rose moved that the report of the Conference Committee on H. F. No. 628 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 628, A bill for an act relating to game and fish; enhancement of fish and wildlife; planning and implementation of wildlife management; conservation of marginal agricultural lands; habitat management; aspen recycling program; appropriating money; amending Minnesota Statutes 1984, sections 97.49, subdivision 3; 97.55, by adding a subdivision; 98.52, by adding a subdivision; 290.431; and 296.421, subdivisions 4 and 5; Laws 1985, chapter 4, section 10; proposing coding for new law in Minnesota Statutes, chapters 40, 84, and 88.

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

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

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

There were 121 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Burger	Levi	Richter	Zaffke	Spk. Jennings, D.
Kvam				

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

There being no objection the order of business reverted to Reports of Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1065 and H. F. No. 1015, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Carlson, D., moved that the rules be so far suspended that S. F. No. 1065 be substituted for H. F. No. 1015 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. No. 1065 was 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:

H. F. No. 2023, A bill for an act relating to elections; changing certain procedures in absentee voting; increasing minimum number of election judges in certain precincts; changing certain official ballots for judicial candidates; requiring vendor bonds for certain voting systems; requiring public notice and demonstration for new voting equipment; authorizing standard ballot format; limiting number of ballots at single counting centers; amending Minnesota Statutes 1984, sections 203B.08, subdivisions 1a and 3a; 204B.22, by adding a subdivision; 204B.36, subdivision 4; 204D.14, subdivision 2; 206.56, by adding a subdivision; 206.57, by adding a subdivision; 206.58, subdivision 1; 206.82, by adding a subdivision; 206.84, subdivision 3; and 206.85, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1930, A bill for an act relating to public safety; barring traffic citation quotas; proposing coding for new law in Minnesota Statutes, chapter 299D.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carlson, D., moved that the House refuse to concur in the Senate amendments to H. F. No. 1930, 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.

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. 2287, A bill for an act relating to the financing of state and local government; modifying the computation of education aids and levies for certain school districts with tax increment financing districts; imposing limitations on tax increment financing; modifying tax increment financing procedures; allocating issuance authority for obligations subject to a federal volume limitation act; eliminating the maximum interest rate for certain municipal obligations; authorizing the issuance of bonds for new purposes; authorizing establishment of a capital improvement reserve fund; modifying the procedures for issuing certain municipal bonds; modifying the investment powers of municipalities; amending Minnesota Statutes 1984, sections 115.07, subdivision 1; 115A.14, subdivision 4; 116.07, by adding a subdivision; 116D.04, subdivision 1a; 117.521, subdivision 3; 124.2131, by adding a subdivision; 124.214, by adding a subdivision; 272.01, subdivision 2; 273.72; 273.73, subdivisions 2, 8, and 10; 273.74, subdivisions 1 and 4; 273.75, subdivisions 2, 6, and 7, and by adding subdivisions; 273.76, subdivisions 4 and 7, and by adding a subdivision; 273.78; 273.86, subdivision 1; 355.11, subdivision 5; 412.301; 462C.02, subdivisions 6 and 9; 462C.06; 462C.07, subdivision 1; 466.06; 471.59, subdivision 11; 471.88, subdivisions 1, 9, and 11; 471.981, by adding subdivisions; 474.02, subdivision 3, and by adding a subdivision; 474.16, subdivision 2; 475.51, subdivision 5; 475.55, subdivisions 1, 2, and 3; 475.61, subdivision 5; and 475.66, subdivision 2; Minnesota Statutes 1985 Supplement, sections 273.74, subdivisions 2 and 3; 273.75, subdivisions 1 and 4; 273.76, subdivision 1; 353.01, subdivision 2a; 395.08; 462C.12, subdivision 2; 472B.04; 473F.02, subdivision 3; 475.52, subdivision 6; 475.56; 475.58, subdivision 1; 475.60, subdivision 2; 475.66, subdivision 1; and 475.76, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 115; 116; 297A; 458; 471; and 475; proposing coding for new law as Minnesota Statutes, chapters

116N; 458C; 471A; and 474A; repealing Minnesota Statutes, sections 462C.09, subdivisions 1 and 4; 474.16, subdivisions 1, 2, and 5; 474.21; 474.25; and 475.55, subdivisions 4 and 5; and Minnesota Statutes 1985 Supplement, sections 462C.09, subdivisions 2a, 3, 5, and 6; 474.16, subdivisions 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15; 474.17; 474.19; 474.20; 474.23; and 474.26.

PATRICK E. FLAHAVEN, Secretary of the Senate

Schreiber moved that the House refuse to concur in the Senate amendments to H. F. No. 2287, that the Speaker appoint a Conference Committee of 5 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.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2287:

Schreiber, Brandl, Tomlinson, Valento and Dempsey.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1930:

Carlson, D., Neuenschwander and Johnson.

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.

There being no objection the order of business reverted to Reports of Standing Committees.

REPORTS OF STANDING COMMITTEES

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

House Concurrent Resolution No. 13, A house concurrent resolution commending those people responsible for planning and constructing the 1986 St. Paul Winter Carnival ice palace.

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

The report was adopted.

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

House Concurrent Resolution No. 14, A house concurrent resolution for Remembrance and Hope 1986.

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

The report was adopted.

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

House Concurrent Resolution No. 16, A house concurrent resolution relating to the delivery of bills to the governor after final adjournment.

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

The report was adopted.

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

House Resolution No. 48, A house resolution congratulating the Trojans team from New Prague High School for winning the 1985 Class A State High School Football Championship.

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

The report was adopted.

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

House Resolution No. 49, A house resolution commending the citizens of Duluth for their citywide high school reunion.

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

The report was adopted.

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

House Resolution No. 50, A house resolution proclaiming May 3 and 4, 1986, as Loyalty Day in Minnesota.

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

The report was adopted.

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. 2329, A bill for an act relating to Dakota county; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement.

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. 2123, 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Himle moved that the House concur in the Senate amendments to H. F. No. 2123 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2123, 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.

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 68 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Battaglia	Frederick	Kahn	Ogren	Schafer
Bennett	Frederickson	Kelly	Olsen, S.	Schreiber
Bishop	Frerichs	Kiffmeyer	Omann	Seaberg
Blatz	Greenfield	Knickerbocker	Onnen	Shaver
Boerboom	Gruenes	Kvam	Otis	Thorson
Boo	Gutknecht	Levi	Ozment	Tompkins
Burger	Halberg	Marsh	Pauly	Uphus
Carlson, D.	Hartle	McDonald	Piepho	Valan
Carlson, J.	Haukoos	McKasy	Poppenhagen	Valento
Dempsey	Heap	Metzen	Quist	Waltman
Dyke	Himle	Minne	Redalen	Zaffke
Elioff	Jaros	Munger	Rees	Spk. Jennings, D.
Erickson	Jennings, L.	Murphy	Rice	
Forsythe	Johnson	Neuenschwander	Riveness	

Those who voted in the negative were:

Anderson, G.	Carlson, L.	Jacobs	Miller	Price
Anderson, R.	Clark	Kalis	Nelson, D.	Quinn
Backlund	Clausnitzer	Kostohryz	Nelson, K.	Rest
Beard	Cohen	Krueger	Norton	Richter
Becklin	DenOuden	Lieder	O'Connor	Rodosovich
Begich	Dimler	Long	Olson, E.	Sarna
Brandl	Ellingson	McEachern	Osthoft	Scheid
Brinkman	Fjoslien	McLaughlin	Pappas	Schoenfeld
Brown	Hartinger	McPherson	Piper	Segal

Sherman
Skoglund
Sparby

Stanis
Staten
Sviggum

Thiede
Tjornhom
Tomlinson

Vellenga
Voss
Welle

Wenzel
Wynia

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

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 bill as a Special Order to be acted upon immediately preceding the remainder of Special Orders pending for today, March 15, 1986:

S. F. No. 1671.

SPECIAL ORDERS

S. F. No. 1671 was reported to the House.

Greenfield moved to amend S. F. No. 1671, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.]

For the purposes of this act, the following terms have the following meanings.

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

(b) "Convention center" means any convention, auditorium, conference, or education center facility located at the site of the existing Minneapolis convention hall and auditorium, including all property, real or personal, tangible or intangible, located in the city, intended to be used as part of the center or additions to or extensions of it.

(c) "Related facilities" means all property, real or personal, tangible or intangible, that is determined by the city to facilitate the use of the convention center, including but not limited to property for parking, pedestrian needs, meetings facilities, skyways, lighting, landscaping, utilities, street facilities, and land acquired and prepared for private redevelopment in a manner related to use of the convention center.

(d) "Downtown taxing area" means the geographic area bounded by the portion of the Mississippi River between I-35W and Washington Avenue, the portion of Washington Avenue between the river and I-35W, the portion of I-35W between Washington Avenue and 8th Street South, the portion of 8th

Street South between I-35W and Portland Avenue South, the portion of Portland Avenue South between 8th Street South and I-94, the portion of I-94 from the intersection of Portland Avenue South to the intersection of I-94 and the Burlington Northern Railroad tracks, the portion of the Burlington Northern Railroad tracks from I-94 to University Avenue N.E. and including Nicollet Island, and the portion of University Avenue N.E. and S.E. from the Burlington Northern Railroad tracks to I-35W, and by I-35W from University Avenue S.E., to the river.

Sec. 2. [GENERAL AUTHORIZATION.]

The city may acquire, design, construct, equip, improve, control, operate, and maintain the convention center and related facilities. The city shall have all powers necessary or convenient for those purposes and may enter into any contract for those purposes, including the financing of the convention center and any related facilities.

The city may contract for construction materials, supplies, and equipment in accordance with Minnesota Statutes, section 471.345, except that it may enter into contracts with persons, firms, or corporations to perform one or more or all of the functions of architect, engineer, and construction manager with respect to all or part of a project to build or remodel the convention center and related facilities. Contractors shall be selected through the process of public bidding, provided that it shall be permissible for the city to narrow the listing of eligible bidders to those which the city determines to possess sufficient expertise to perform the intended functions and the city may negotiate with the three lowest responsible bidders to achieve the lowest possible bid. The city may require any construction manager to certify a construction price and completion date to the city. The city may require the posting of a bond in an amount determined by the city to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the city or loss of revenues resulting from incomplete construction on the completion date and any other obligations the city may require the construction manager to bear. The city shall secure surety bonds as required in Minnesota Statutes, section 574.26, securing payment of just claims in connection with all public work undertaken by it. Persons entitled to the protection of the bonds may enforce them as provided in Minnesota Statutes, sections 574.28 to 574.32, and shall not be entitled to a lien on any property of the city under the provisions of Minnesota Statutes, sections 514.01 to 514.16.

Sec. 3. [BONDS.]

Upon approval by the city's board of estimate and taxation by a vote of at least five members, the city may by resolution

authorize, sell, and issue bonds to finance all or a portion of the costs of acquisition or betterment of the convention center, any related facilities or replacement housing for housing removed from the site of the convention center or any related facilities or to refund the bonds issued pursuant to this act or other obligations issued by the city pursuant to Minnesota Statutes, section 273.77 to finance costs of the convention center or related facilities. The bonds may be general or limited obligations, or both. The bonds may be paid from or secured by any funds available to the city, including taxes levied under sections 4 and 5. Bonds may be issued in one or more series and sold without election. Bonds that are limited obligations may be sold at public or private sale and at the price or prices the city may determine. Bonds which are general obligations of the city shall be sold in the manner provided by Minnesota Statutes, section 475.60. The bonds shall:

- (1) be secured;*
- (2) bear the interest rate or rates;*
- (3) have the rank or priority;*
- (4) be executed in the manner;*
- (5) be payable in the manner;*
- (6) mature; and*
- (7) be subject to the defaults, redemptions, repurchases, tender options, or other terms, as the city may determine. The city may enter into and perform all contracts deemed necessary or desirable by it to issue the bonds and apply their proceeds, including an indenture of trust with a trustee within or without the state.*

Costs of acquisition and betterment referred to in this act include:

- (a) costs of acquisition or betterment referred to in Minnesota Statutes, section 475.65;*
- (b) capitalized interest for a period not longer than 36 months;*
- (c) any underwriter discount and issuance expenses;*
- (d) reserves for debt service, repair, or operations; and*
- (e) costs for credit enhancement of the bonds.*

The debt represented by the bonds shall not be included in computing any debt limitation applicable to the city. Any levy

of taxes required by Minnesota Statutes, section 475.61 to pay the principal of and interest on the bonds shall not be subject to any levy limitation or be included in computing or applying any levy limitation applicable to the city. Maturities of the bonds shall not be subject to the limitations of Minnesota Statutes, section 475.54. Subject to this section, bonds authorized by this section shall be sold, issued, and secured in the manner provided in Minnesota Statutes, chapter 475.

Sec. 4. [SALES AND USE TAX.]

Subdivision 1. [IMPOSITION.] Notwithstanding Minnesota Statutes, section 477A.016, or any other contrary provision of law, ordinance, or city charter, upon approval by the city's board of estimate and taxation by a vote of at least five members, the city of Minneapolis may by ordinance impose an additional sales tax of up to one-half of one percent on sales taxable pursuant to Minnesota Statutes, chapter 297A that occur within the city, and may also by ordinance impose an additional compensating use tax of up to one-half of one percent on uses of property within the city, the sale of which would be subject to the additional sales tax but for the fact such property was sold outside the city. The tax may not be imposed on gross receipts from sales of intoxicating liquor that are exempt from taxation under sections 297A.25 to 297A.257 or other provision of chapter 297A exempting sales of intoxicating liquor and use from taxation, including amendments adopted after enactment of this act.

For purposes of this subdivision, sales that occur within the city shall not include (a) the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minneapolis by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minneapolis and thereafter used in a trade or business outside Minneapolis, and which is not thereafter returned to a point within Minneapolis, except in the course of interstate or intrastate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minneapolis, places in the United States mail or parcel post directed to the purchaser outside Minneapolis, or delivers to the purchaser outside Minneapolis by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minneapolis, except in the course of interstate or intrastate commerce; or (b) sales which would be described in clause (e) or (u) of Minnesota Statutes, section 297A.25, subdivision 1 if the word "Minneapolis" were substituted for the words "Minnesota" or "state of Minnesota" in such clauses.

Subd. 2. [ENFORCEMENT; COLLECTION.] These taxes shall be subject to the same interest penalties and other rules imposed under Minnesota Statutes, chapter 297A. The commissioner of revenue may enter into appropriate agreements with

the city to provide for collection of these taxes by the state on behalf of the city. The commissioner may charge the city a reasonable fee for its collection from the proceeds of any taxes.

Subd. 3. [USE OF PROPERTY.] *Revenues received from the tax may only be used:*

- (1) to pay costs of collection;*
- (2) to pay or secure the payment of any principal of, premium or interest on bonds issued in accordance with this act;*
- (3) to pay costs to acquire, design, equip, construct, improve, maintain, operate, administer, or promote the convention center or related facilities, including financing costs related to them;*
- (4) to pay reasonable and appropriate costs determined by the city to replace housing removed from the site; and*
- (5) to maintain reserves for the foregoing purposes deemed reasonable and appropriate by the city.*

In the event of any amendment to chapter 297A enacted subsequent to the effective date of this act which exempts sales or uses which were taxable under chapter 297A on the effective date of this act, the city may by ordinance extend the tax authorized hereby to any such sales or uses provided that the city council shall have determined that such extension is necessary to provide revenues for the uses to which taxes may be applied under this section and further provided that, in the estimation of the city council, the aggregate annual collections following such extension will not exceed the aggregate annual collections which would have been generated if chapter 297A, as in effect on the effective date of this act, were then in effect. Any revenue bonds issued in accordance with this act may, with the consent of the city council, contain a covenant that the tax will be so extended to the extent necessary to pay principal and interest on the bonds when due.

Money for replacement housing shall be made available by the city only for new construction, conversion of nonresidential buildings, and for rehabilitation of vacant residential structures, only if all of the units in the newly constructed building, converted nonresidential building, or rehabilitated residential structure are to be used for replacement housing.

Sec. 5. [LIQUOR, LODGING, AND RESTAURANT TAXES.]

The city may, by resolution, levy in addition to taxes authorized by other law:

(1) a sales tax of not more than three percent on the gross receipts on retail on-sales of intoxicating liquor and fermented malt beverages described in section 473.592 occurring in the downtown taxing area, provided that this tax may not be imposed if sales of intoxicating liquor and fermented malt beverages are exempt from taxation under chapter 297A;

(2) a sales tax of not more than three percent on the gross receipts from the furnishing for consideration of lodging described in section 473.592 by a hotel or motel which has more than 50 rooms available for lodging; and

(3) a sales tax of not more than three percent on the gross receipts on all sales of food primarily for consumption on or off the premises by restaurants and places of refreshment as defined by resolution of the city that occur within the downtown taxing area.

These taxes shall be applied solely to pay costs of collection and to pay or secure the payment of any principal of, premium and interest on any bonds or any costs referred to in section 4, subdivision 3. The commissioner of revenue may enter into appropriate agreements with the city to provide for the collection of these taxes by the state on behalf of the city. The commissioner may charge the city a reasonable fee for its collection from the proceeds of any taxes. These taxes shall be subject to the same interest penalties and enforcement provisions as the taxes imposed under section 473.592.

Sec. 6. [POWERS GRANTED NOT LIMITED.]

Except as specifically provided in this act, the exercise of powers granted in this act shall not be limited by Minnesota Statutes, chapter 475, or any conflicting city charter provision.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day after compliance by the governing body of the city of Minneapolis with Minnesota Statutes, section 645.021, subdivision 3, but no tax permitted by sections 4 and 5 may become effective before January 1, 1987."

The motion prevailed and the amendment was adopted.

Greenfield moved to amend S. F. No. 1671, as amended, as follows:

Page 2, line 20, before "The" insert "Subdivision 1. [ACTIVITIES; CONTRACTS.]"

Page 3, after line 17, insert:

"Subd. 2. [LIMITATION ON EXPENDITURES.] A reasonable estimate for demolition and construction costs under construction contracts, not including costs for construction managers, architectural, engineering, and other professional fees, insurance, performance bonds, permits, licenses, taxes, the cost of issuing bonds including the costs described in paragraphs (b), (c), (d), and (e) of section 3, acquisition of real and personal property, expenditures for replacement housing, and similar costs for constructing or improving the convention center may not require more than \$118,000,000 in public funds."

Page 5, line 35, after the period insert *"A tax may be imposed under this section only if the taxes imposed under section 5 are imposed at the maximum rate allowed under that section. The tax authorized by this section shall be imposed, and may be adjusted periodically by the city council such that the rate imposed, rounded to the next highest one-tenth of one percent, does not exceed the rate estimated to be required to produce revenue sufficient to finance the costs described in subdivision 3."*

Page 7, line 18, after the semicolon insert *"the tax imposed under this clause shall be at a rate that, when added to the sum of the rate of the sales tax imposed under Minnesota Statutes, chapter 297A, the rate of the sales tax imposed under section 4, and the rate of any other taxes on lodging in the city of Minneapolis, equals 12 percent,"*

The motion prevailed and the amendment was adopted.

S. F. No. 1671, A bill for an act relating to the city of Minneapolis; authorizing the city to construct and own certain facilities; authorizing the city to levy and collect certain taxes; authorizing the city to issue bonds and expend certain funds including taxes to finance the acquisition and betterment of a convention center and related facilities.

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.

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

There were 80 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Battaglia	Bishop	Clark	Elioff	Greenfield
Beard	Boo	Cohen	Ellingson	Gruenes
Becklin	Brown	Dempsey	Frederick	Hartinger
Begich	Carlson, L.	Dyke	Frederickson	Jacobs

Jaros	Metzen	Omann	Rice	Staten
Jennings, L.	Minne	Osthoff	Riveness	Thorson
Johnson	Munger	Otis	Sarna	Tomlinson
Kahn	Murphy	Ozment	Scheid	Tompkins
Kelly	Nelson, D.	Pappas	Schoenfeld	Tunheim
Knickerbocker	Nelson, K.	Pauly	Schreiber	Valan
Lieder	Neuenschwander	Peterson	Seaberg	Vanasek
Long	Norton	Piepho	Segal	Vellenga
Marsh	O'Connor	Piper	Shaver	Welle
McDonald	Ogren	Price	Simoneau	Wenzel
McKasy	Olsen, S.	Rees	Solberg	Wynia
McLaughlin	Olson, E.	Rest	Sparby	Spk. Jennings, D.

Those who voted in the negative were:

Anderson, G.	Erickson	Kiffmeyer	Quist	Tjornhom
Anderson, R.	Fjoslien	Kostohryz	Redalen	Uphus
Bennett	Frerichs	Krueger	Richter	Valento
Blatz	Gutknecht	Kvam	Rodosovich	Waltman
Brinkman	Hartle	McEachern	Rose	Zaffke
Burger	Haukoos	McPherson	Skoglund	
DenOuden	Heap	Miller	Stanis	
Dimler	Kalis	Onnen	Swiggum	

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.

MOTIONS AND RESOLUTIONS

Dempsey moved that the name of Bishop be added as an author on H. F. No. 948. The motion prevailed.

Heap moved that the name of Kelly be added as an author on H. F. No. 2183. The motion prevailed.

Rest moved that the names of Vellenga and Brown be added as authors on H. F. No. 2339. The motion prevailed.

Staten moved that the name of Segal be added as an author on H. F. No. 2561. The motion prevailed.

Staten moved that the names of Segal and Clark be added as authors on H. F. No. 2563. The motion prevailed.

Brandl moved that the name of McLaughlin be added as an author on H. F. No. 2570. The motion prevailed.

Staten moved that the name of Segal be added as an author on H. F. No. 2571. The motion prevailed.

Halberg and Seaberg introduced:

House Resolution No. 52, A house resolution congratulating the girls' swimming and diving team from Burnsville High School for winning the 1985 Girls' State High School Swimming and Diving Championship; congratulating the Braves football team from Burnsville High School for winning the 1985 Class AA State High School Football Championship; and congratulating the hockey team from Burnsville High School for winning the 1986 State High School Hockey Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

House Concurrent Resolution No. 16 was reported to the House.

HOUSE CONCURRENT RESOLUTION NO. 16

A house concurrent resolution relating to the delivery of bills to the governor after final adjournment.

Whereas, the Minnesota Constitution, Article IV, Section 23, authorizes the presentation to the Governor of bills that passed in the last three days of the session after sine die adjournment;
Now, Therefore,

Be It Resolved by the House of Representatives of the State of Minnesota, the Senate concurring, that upon adjournment sine die of the 74th regular session of the Legislature, bills shall be presented to the Governor as follows:

(a) The Speaker of the House of Representatives, the Chief Clerk of the House of Representatives, the President of the Senate, and the Secretary of the Senate shall certify and sign each bill in the same manner and upon the same certification as each bill is signed for presentation to the Governor prior to adjournment sine die, and each of those officers shall continue in his designated capacity during the three days following the date of final adjournment.

(b) The Chief Clerk of the House of Representatives and the Secretary of the Senate, in accordance with the rules of the respective bodies and under the supervision and direction of the standing Committee on Rules and Legislative Administration and the standing Committee on Rules and Administration, shall carefully enroll each bill and present them to the Governor in the same manner as each bill is enrolled and presented to the Governor prior to the adjournment of the Legislature sine die.

(c) The Revisor of Statutes shall continue to assist in all of the functions relating to enrollment of bills of the House of Representatives and of the Senate under the supervision of the Chief Clerk of the House of Representatives and the Secretary of the Senate in the same manner that his assistance was rendered prior to the adjournment of the Legislature sine die.

Be It Further Resolved that the Chief Clerk of the House of Representatives is directed to deliver copies of this resolution to the Governor and the Secretary of State.

Levi moved that House Concurrent Resolution No. 16 be now adopted. The motion prevailed and House Concurrent Resolution No. 16 was adopted.

SUSPENSION OF RULES

Pursuant to rule 1.12, Rose moved that the rules be so far suspended that H. F. No. 2138 be recalled from the Committee on Rules and Legislative Administration for immediate consideration.

A roll call was requested and properly seconded.

The question was taken on the Rose motion and the roll was called. There were 98 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Krueger	Ozment	Simoneau
Anderson, R.	Fjoslien	Kvam	Pauly	Skoglund
Backlund	Frederick	Levi	Peterson	Solberg
Battaglia	Frerichs	Lieder	Piepho	Sparby
Beard	Gruenes	Marsh	Poppenhagen	Sviggum
Becklin	Gutknecht	McDonald	Price	Thiede
Begich	Halberg	McEachern	Quinn	Thorson
Bennett	Hartinger	McPherson	Quist	Tjornhom
Bishop	Hartle	Metzen	Redalen	Tompkins
Blatz	Haukoos	Miller	Rees	Uphus
Boo	Heap	Minne	Rest	Valan
Brinkman	Himle	Murphy	Richter	Vanasek
Brown	Jacobs	Nelson, K.	Riveness	Voss
Burger	Jaros	Neuenschwander	Rodosovich	Waltman
Clausnitzer	Jennings, L.	Norton	Rose	Welle
Cohen	Johnson	Olsen, S.	Schafer	Wenzel
Dempsey	Kalis	Olson, E.	Scheid	Zaffke
Dimler	Kiffmeyer	Omann	Schoenfeld	Spk. Jennings, D.
Dyke	Knickerbocker	Onnen	Seaberg	
Elioff	Knuth	Osthoff	Shaver	

Those who voted in the negative were:

Carlson, L.	Kelly	Munger	Pappas	Staten
Clark	Kostohryz	O'Connor	Piper	Tunheim
Ellingson	Long	Ogren	Sarna	Vellenga
Greenfield	McLaughlin	Otis	Segal	Wynia
Kahn				

The motion prevailed.

H. F. No. 2138 was reported to the House.

H. F. No. 2138 was read for the second time.

Rose moved to amend H. F. No. 2138, the second engrossment, as follows:

Page 2, delete lines 3 to 7

Renumber subsequent section

Page 2, line 9, after the period delete "*Sections 2 and 3 are*" and insert "*Section 2 is*"

Amend the title accordingly

The motion prevailed and the amendment was adopted.

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

Clark moved to amend H. F. No. 2138, the second engrossment, as amended, as follows:

Page 1, delete lines 24 to 26

Page 2, delete lines 1 and 2 and insert:

"Sec. 2. [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 2 to 11, the terms defined in this section have the meaning given them.

Subd. 2. [STATE-HELD LAND.] "State-held land" means land on the White Earth Indian Reservation currently held by the state of Minnesota in fee or in trust.

Subd. 3. [WHITE EARTH INDIAN RESERVATION.] "White Earth Indian Reservation" means all land within the exterior boundaries of the 1867 Treaty with the Mississippi Chippewa establishing the White Earth Indian Reservation.

Sec. 3. [PURPOSE.]

The purpose of this act is to resolve disputes over the ownership of state-held land on the White Earth Indian Reservation, to restore state-held land that was wrongfully taken on the White Earth Indian Reservation to the White Earth Band of Chippewa Indians, and to investigate and recommend final resolution of disputes involving all other land that was wrongfully taken on

the White Earth Indian Reservation. The ultimate purpose of this act is to rectify the state of Minnesota's violation of the 1867 Treaty with the Mississippi Chippewa, which established a legally binding agreement in setting apart the White Earth Indian Reservation as reserved Chippewa homeland.

Sec. 4. [COMMISSION.]

Subdivision 1. [ESTABLISHMENT; RESPONSIBILITY.] The White Earth Indian Land Claims Commission is established as an independent body to investigate and review the land history of all land currently or once held by the state of Minnesota in fee or in trust on the White Earth Indian Reservation. It is the responsibility of the commission to conduct an impartial investigation and to review each parcel of state-held land on the reservation in order to arrive at a final resolution of the state-held land claims.

Subd. 2. [DUTIES.] The commission shall make a determination on a case-by-case basis as to whether or not state-held land was illegally or wrongfully taken through either tax forfeiture proceedings, probate sales, or any other wrongful or unlawful taking. The commission shall have the authority to provide a final resolution to the land claim disputes that currently exist on state-held land on the reservation on a parcel-by-parcel basis. In order to implement final resolution of the land claim disputes, the commission is authorized to transfer state-held land and the mineral rights to the land located within the reservation back to the White Earth Band or to enter a decision with the county recorder within which the land is located stating that the land was not illegally or wrongfully taken and that the state of Minnesota is the legal owner of the land.

Subd. 3. [MEMBERSHIP.] The commission shall consist of 11 members. Commission members shall be: the state attorney general or a member of the attorney general's official staff designated by the attorney general; the commissioner of natural resources or a member of the commissioner's official staff designated by the commissioner; three county board members, one from each of the three counties of Mahnomen, Becker, and Clearwater; a representative member of the heirs of the White Earth Band of Chippewa Indians; a representative member of the allottees of the White Earth Band of Chippewa Indians; a member of the White Earth Reservation tribal council; an American Indian spiritual leader; and an enrolled member of the Minnesota Chippewa Tribe who is not from the White Earth Band and is not currently serving in an elected or appointed position with the Minnesota Chippewa Tribe; and a federal judge knowledgeable in federal Indian law.

Subd. 4. [APPOINTMENT, TERMS, VACANCIES.] The three county board members shall be selected by their respective county board to serve on the commission. The tribal council

member shall be selected by the White Earth Reservation tribal council to serve on the commission. The representative of the allottees, the representative of the heirs, the spiritual leader, and the enrolled member of the Minnesota Chippewa Tribe shall be selected in a manner determined by the White Earth Reservation tribal council at a public hearing held for this purpose. Notice of the public hearing shall be published in a qualified newspaper of general circulation in the White Earth Indian Reservation at least ten days before the hearing. The notice must contain the time, place, and purpose of the public hearing. The federal judge shall be selected by majority vote of the other ten commission members. The federal judge shall not be a voting member of the commission, but in the case of a tie, shall cast the deciding vote. All commission appointments must be made by July 1, 1986. The members shall be appointed for the duration of the commission. Vacancies on the commission shall be filled in the same manner as the original appointments.

Subd. 5. [ADVISORY COMMITTEE.] The commission shall appoint an advisory committee to assist it as needed. The advisory committee shall consist of at least, a person knowledgeable in real estate law and transactions, a person knowledgeable in Indian land claims and probate matters, and a historian. The advisory committee shall meet at the discretion of the commission.

Subd. 6. [ASSISTANCE OF OTHER OFFICES AND AGENCIES.] The commission may request information from any state, officer, agency, or political subdivision to assist the commission in performing its duties. The officer, agency, or political subdivision is authorized and directed to promptly furnish any data requested.

Subd. 7. [STAFF.] The commission may employ professional, technical, consulting, and clerical services.

Subd. 8. [EXPENSES AND REIMBURSEMENT.] The members of the commission and advisory committee shall be reimbursed for all reasonable expenses actually incurred in the performance of their duties. Expenses of the commission shall be approved by the chair and the expenses shall be paid in the same manner as other state expenses are paid.

Subd. 9. [OFFICERS; BYLAWS.] The commission shall elect a chair and a vice-chair from among its members. The commission may adopt and amend bylaws which may contain any provision for the purpose of administering and regulating the affairs of the commission not inconsistent with this act.

Sec. 5. [INVESTIGATION AND REVIEW PROCEDURE FOR STATE-HELD LAND.]

Subdivision 1. [INVESTIGATION AND REVIEW.] The commission shall determine the investigation and review procedure to be used in carrying out its duties for final resolution of state-held land claims, except as otherwise provided by this act. Commission members shall not directly investigate land claim disputes but may employ individuals or contract with consultants to perform investigative services and to act as the commission's investigation unit. The investigation unit shall give notice by United States mail to all affected heirs and allottees when investigation on a particular parcel of land is begun and shall make a reasonable attempt to interview all persons with an interest in or a knowledge of the land claim dispute involved.

Subd. 2. [NOTICE AND HEARING REQUIREMENT.] The commission shall hold a public hearing on each parcel of state-held land on which a land claim dispute exists. More than one land claim dispute may be heard and addressed at each hearing. Hearings may be recessed from time to time and continued at a later date. The public hearing shall provide all affected interests an opportunity to participate. Hearings must be held in Ramsey county, but testimony must be taken at the White Earth Indian Reservation, if a written request is submitted to the commission at least 15 days before the hearing by an affected interested person. The commission shall, at least 30 days prior to the date set for the hearing, give notice of the hearing by United States mail to all persons having an interest in the specific land claim disputes that will be heard at the meeting, and by publication in a qualified newspaper of general circulation in the White Earth Indian Reservation.

Subd. 3. [HEARING PROCEDURE.] The federal judge who serves on the commission shall be the presiding officer at the hearing and shall ensure that all persons involved in the hearing are treated fairly and impartially. The commission's investigation unit shall submit into the record a written investigation report including any documents or written exhibits discovered during its investigation. Interested persons may present written and oral evidence. The presiding officer shall allow questioning of witnesses or of interested persons making oral statements. The presiding officer may limit repetitive or immaterial oral statements and questioning. Hearings must be tape recorded. Records of the proceedings must be preserved and made accessible to the public. Records must be duplicated and made available at cost, upon request.

Subd. 4. [FINAL RESOLUTION.] Within 60 days after each public hearing, the commission shall either order the transfer of the affected parcels of state-held land back to the White Earth Band or enter its order with the county recorder as provided in section 3. The commission shall make and submit with the order a written report of its findings on each land claim dispute finally resolved by the commission along with the reasons supporting the commission's decision.

Subd. 5. [APPEALS.] Appeals to the order of final resolution must be filed within 30 days of entry of the commission's order, with the district court located in the county where the commission holds public hearings. Appeals are limited to a review of the procedure used by the commission in arriving at its decision.

Sec. 6. [LAND TO BE HELD IN TRUST BY WHITE EARTH BAND.]

The state-held lands that are transferred back to the White Earth Band as provided in this act are exempt from taxation and shall be held in trust by the White Earth Band for the use and benefit of the band and its members.

Sec. 6. [INVESTIGATION AND REVIEW; OTHER LAND CLAIM DISPUTES.]

After decisions on all state-held land claim disputes have been entered, the commission shall undertake a separate investigation and review procedure for all other land that was wrongfully taken on the White Earth Indian Reservation. The investigation and hearing procedure established under section 4 shall be used for investigating and reviewing the claims. In addition, the investigation unit shall give notice by United States mail to all affected private property owners when investigation on a particular parcel of land is begun. The commission shall make recommendations on the final resolution of these claims and shall include the recommendations in the reports required under section 9.

Sec. 8. [MORATORIUM.]

A moratorium on the sale, transfer, or other disposition of state-held land and natural resources on state-held land is declared and shall be in effect on the White Earth Indian Reservation until the commission has completed the investigation and review of all state-held land as required by this act. This moratorium does not include the transfer of state-held land to the White Earth Band as provided in this act.

Sec. 9. [DAMAGES; REPORT TO LEGISLATURE.]

The commission shall determine what damages have been incurred by the members of the White Earth Band due to the wrongful taking by the state of land currently or once held by the state on a case-by-case basis. The commission shall prepare an annual report containing an itemized list of damages and an explanation and description of the damages and shall submit the first report to the legislature by January 1, 1988. Each subsequent report shall be submitted by January 1 of each year, for the duration of the commission's existence.

Sec. 10. [REPORT TO UNITED STATES CONGRESS AND THE LEGISLATURE.]

The commission shall submit an annual report to the legislature and the United States Congress which shall outline and describe the method of investigation, review, and final resolution or recommendation of final resolution of land claim disputes on all lands currently or once held by the state of Minnesota on the White Earth Indian Reservation. The first report shall be submitted by January 1, 1988. Each subsequent report shall be submitted by January 1 of each year, for the duration of the commission's existence.

Sec. 11. [APPROPRIATION.]

The sum of \$ is appropriated from the general fund to the White Earth Land Claims Commission to carry out the purposes and intent of this act."

Page 2, line 4, after the period delete the remainder of the line

Page 2, delete line 5 and insert: "Sections 2 to 11 are effective upon ratification by the enrolled members of the White Earth Band of Chippewa Indians by referendum."

A roll call was requested and properly seconded.

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

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

There were 35 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Battaglia	Greenfield	McLaughlin	Pappas	Sherman
Beard	Jaros	Munger	Piper	Staten
Begich	Jennings, L.	Nelson, D.	Rice	Tomlinson
Brandl	Kahn	O'Connor	Riveness	Tunheim
Carlson, L.	Kelly	Ogren	Sarna	Vellenga
Clark	Kostohryz	Osthoff	Scheid	Welle
Ellingson	Long	Otis	Segal	Wynia

Those who voted in the negative were:

Anderson, G.	Brown	Frerichs	Johnson	Marsh
Anderson, R.	Burger	Gruenes	Kalis	McEachern
Backlund	Clausnitzer	Gutknecht	Kiffmeyer	McKasy
Becklin	Dimler	Halberg	Knickerbocker	McPherson
Bennett	Dyke	Hartinger	Knuth	Metzen
Bishop	Elioff	Hartle	Krueger	Miller
Blatz	Erickson	Haukoos	Kvam	Minne
Boo	Fjoslien	Heap	Levi	Norton
Brinkman	Frederick	Jacobs	Lieder	Olsen, S.

Olson, E.	Quinn	Schafer	Stanius	Valento
Omann	Quist	Schoenfeld	Sviggum	Vanasek
Onnen	Redalen	Seaberg	Thiede	Voss
Ozment	Rees	Shaver	Thorson	Waltman
Pauly	Rest	Simoneau	Tjornhom	Wenzel
Peterson	Richter	Skoglund	Tompkins	Zaffke
Piepho	Rodosovich	Solberg	Uphus	Spk. Jennings, D.
Price	Rose	Sparby	Valan	

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

Clark moved to amend H. F. No. 2138, the second engrossment, as amended, as follows:

Pages 1 and 2, delete section 2

Page 2, line 9, delete "*Sections 2 and 3 are*"

Page 2, delete line 10

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete "1984, Chapter 539;"

A roll call was requested and properly seconded.

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

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

There were 33 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Battaglia	Greenfield	Munger	Peterson	Staten
Beard	Jaros	Nelson, D.	Piper	Tunheim
Begich	Jennings, L.	O'Connor	Rees	Vanasek
Brandl	Kahn	Ogren	Rice	Vellenga
Carlson, L.	Kelly	Osthoff	Riveness	Wynia
Clark	Kostohryz	Otis	Sarna	
Ellingson	McLaughlin	Pappas	Sherman	

Those who voted in the negative were:

Anderson, R.	Boo	Dimler	Frerichs	Heap
Backlund	Brinkman	Dyke	Gruenes	Jacobs
Becklin	Burger	Elioff	Cutknecht	Johnson
Bennett	Clausnitzer	Erickson	Hartinger	Kiffmeyer
Bishop	Cohen	Fjoslien	Hartle	Knickerbocker
Blatz	DenOuden	Frederick	Haukoos	Knuth

Krueger	Neuenschwander	Quist	Solberg	Valento
Kvam	Norton	Redalen	Sparby	Voss
Levi	Olsen, S.	Rest	Stanius	Waltman
Lieder	Olson, E.	Richter	Svigum	Wenzel
Marsh	Omann	Rodosovich	Thiede	Zaffke
McKasy	Onnen	Rose	Thorson	Spk. Jennings, D.
McPherson	Ozment	Schafer	Tjornhom	
Miller	Pauly	Seaberg	Tompkins	
Minne	Piepho	Shaver	Uphus	
Nelson, K.	Price	Skoglund	Valan	

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

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Rose moved that the rule therein be suspended and an urgency be declared so that H. F. No. 2138, as amended, be given its third reading and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Rose motion and the roll was called.

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

There were 91 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Marsh	Peterson	Stanius
Anderson, R.	Fjoslien	McEachern	Piepho	Svigum
Backlund	Frederick	McKasy	Price	Thiede
Battaglia	Frerichs	McPherson	Quinn	Thorson
Beard	Gruenes	Metzen	Quist	Tjornhom
Becklin	Gutknecht	Miller	Redalen	Tompkins
Begich	Hartinger	Minne	Rest	Uphus
Bennett	Hartle	Murphy	Richter	Valan
Bishop	Haukoos	Nelson, D.	Riveness	Valento
Blatz	Heap	Nelson, K.	Rodosovich	Vanasek
Boo	Jacobs	Neuenschwander	Rose	Voss
Brinkman	Johnson	Norton	Schafer	Waltman
Burger	Kiffmeyer	Ogren	Scheid	Wenzel
Clausnitzer	Knickerbocker	Olsen, S.	Seaberg	Zaffke
Cohen	Knuth	Olson, E.	Shaver	Spk. Jennings, D.
DenOuden	Krueger	Omann	Sherman	
Dimler	Kvam	Onnen	Skoglund	
Dyke	Levi	Osthoff	Solberg	
Elioff	Lieder	Pauly	Sparby	

Those who voted in the negative were:

Carlson, L.	Ellingson	Jennings, L.	Kelly	Long
Clark	Greenfield	Kahn	Kostohryz	McLaughlin

O'Connor
Otis
Ozment

Pappas
Piper
Rees

Sarna
Segal

Staten
Tunheim

Vellenga
Wynia

The motion prevailed.

Rose moved that the rules of the House be so far suspended that H. F. No. 2138, as amended, be given its third reading and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Rose motion and the roll was called.

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

There were 91 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Fjoslien	Lieder	Piepho	Stanlius
Anderson, R.	Frederick	Marsh	Poppenhagen	Sviggum
Backlund	Frerichs	McEachern	Price	Thiede
Beard	Gruenes	McKasy	Quinn	Thorson
Becklin	Gutknecht	McPherson	Quist	Tjornhom
Bennett	Halberg	Metzen	Redalen	Tompkins
Bishop	Hartinger	Miller	Rest	Uphus
Blatz	Hartle	Minne	Richter	Valan
Boo	Haukoos	Murphy	Riveness	Valento
Brinkman	Heap	Nelson, D.	Rodosovich	Vanasck
Burger	Jacobs	Nelson, K.	Rose	Voss
Clausnitzer	Johnson	Norton	Schafer	Waltman
Cohen	Kalis	Olsen, S.	Scheid	Wenzel
Dempsey	Kiffmeyer	Olsen, E.	Seaberg	Zaffke
DenOuden	Knickerbocker	Omann	Shaver	Spk. Jennings, D.
Dimler	Knuth	Onnen	Sherman	
Dyke	Krueger	Ozment	Skoglund	
Elioff	Kvam	Pauly	Solberg	
Erickson	Levi	Peterson	Sparby	

Those who voted in the negative were:

Battaglia	Ellingson	Long	Otis	Staten
Begich	Greenfield	McLaughlin	Pappas	Tomlinson
Brandl	Jennings, L.	Neuenschwander	Piper	Tunheim
Brown	Kahn	O'Connor	Rees	Vellenga
Carlson, L.	Kelly	Ogren	Sarna	Wynia
Clark	Kostohryz	Osthoff	Segal	

The motion prevailed.

H. F. No. 2138, A bill for an act relating to natural resources; disposition of wild rice license fees; extends the effective date of Laws 1984, chapter 539; amending Minnesota Statutes 1984, section 97.49, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 88 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Erickson	Lieder	Pauly	Sparby
Backlund	Fjoslien	Marsh	Peterson	Stanisus
Battaglia	Forsythe	McDonald	Piepho	Sviggum
Beard	Frederick	McEachern	Poppenhagen	Thiede
Becklin	Frerichs	McKasy	Price	Thorson
Begich	Gruenes	McPherson	Quinn	Tjornhom
Bennett	Gutknecht	Metzen	Redalen	Tompkins
Bishop	Hartinger	Miller	Rest	Uphus
Blatz	Hartle	Minne	Richter	Valan
Boo	Haukoos	Murphy	Rodosovich	Valento
Brinkman	Heap	Nelson, K.	Rose	Vanasek
Burger	Jacobs	Norton	Schafer	Voss
Clausnitzer	Johnson	Olsen, S.	Scheid	Waltman
Cohen	Kalis	Olsen, E.	Seaberg	Wenzel
DenOuden	Kiffmeyer	Omann	Shaver	Zaffke
Dimler	Knickerbocker	Onnen	Sherman	Spk. Jennings, D.
Dyke	Krueger	Osthoff	Skoglund	
Elioff	Levi	Ozment	Solberg	

Those who voted in the negative were:

Brandl	Jennings, L.	McLaughlin	Pappas	Schoenfeld
Carlson, L.	Kahn	Nelson, D.	Piper	Segal
Clark	Kelly	Neuenschwander	Rees	Staten
Ellingson	Knuth	O'Connor	Rice	Tunheim
Greenfield	Kostohryz	Ogren	Riveness	Vellenga
Jaros	Long	Otis	Sarna	Wynia

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

There being no objection the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 628, A bill for an act relating to natural resources; providing for conservation easements on marginal agricultural lands; improving fish and wildlife habitat; requiring planning for wildlife resources and habitat management; creating a private match program; changing the funding source for certain county payments; creating new accounts in the state treasury; authorizing the sale of state bonds; appropriating money;

amending Minnesota Statutes 1984, sections 97.49, subdivision 3; 290.431; Minnesota Statutes 1985 Supplement, section 88.80; proposing coding for new law in Minnesota Statutes, chapters 40 and 84.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

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

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

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 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 Senate has appointed as such Committee Mrs. Lantry and Messrs. Dieterich and Sieloff.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2169, A bill for an act relating to public lands; providing for a procedure to sell state leased lands; providing for maximum lease rates; providing for an endowment fund and the disposition of proceeds of the land acquisition account; permitting Winona county to convey certain real estate to a county agricultural society; proposing coding for new law in Minnesota Statutes, chapter 92.

The Senate has appointed as such Committee Messrs. Dicklich, Merriam and Pehler.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 1869, A bill for an act relating to utilities; changing the powers and responsibilities of the chair of the public utilities commission; requiring the governor to appoint the chair of the commission; changing qualification for commissioners; requiring commissioners to file certain financial information before taking office; prohibiting commissioners and certain employees from engaging in certain activity after leaving the commission; requiring the commission to adopt a code of conduct; providing penalties; amending Minnesota Statutes 1984, sections 216A.03, subdivision 3; and 216A.035; proposing coding for new law in Minnesota Statutes, chapter 216A.

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

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Redalen moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1869. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1869:

Redalen, Jacobs and Gruenes.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1886:

Valento, Voss and Stanius.

ADJOURNMENT

Levi moved that when the House adjourns today it adjourn until 11:00 a.m., Monday, March 17, 1986. The motion prevailed.

Levi moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Monday, March 17, 1986.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

the following: The first is a bill to amend the act relating to the organization of the State of Texas, and the second is a bill to amend the act relating to the organization of the State of Texas.

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