

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-SIXTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 30, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Rabbi Leigh Lemer, Mt. Zion Temple, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lasley	Osthoff	Shaver
Anderson, R.	Gruenes	Lieder	Otis	Simoneau
Battaglia	Gutknecht	Long	Ozment	Skoglund
Bauerly	Hartle	Marsh	Pappas	Solberg
Beard	Haukoos	McDonald	Pauly	Sparby
Begich	Heap	McEachern	Pelowski	Stanius
Bennett	Himle	McKasy	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Uphus
Carruthers	Johnson, V.	Nelson, C.	Richter	Valento
Clark	Kahn	Nelson, D.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vellenga
Cooper	Kelly	Neuenschwander	Rose	Voss
Dauner	Kelso	O'Connor	Rukavina	Wagenius
DeBlieck	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olson, E.	Scheid	Wenzel
Dorn	Knuth	Olson, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omann	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	

A quorum was present.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 286, 42, 454, 555, 580, 649, 813, 854, 660 and 392 and S. F. No. 499 have been placed in the members' files.

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 25, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

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

H. F. No. 191, relating to the city of St. Stephen; authorizing the issuance of bonds for the construction of a city civic building.

Sincerely,

RUDY PERPICH  
Governor

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

March 25, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1987 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the

Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1987</i>	<i>Date Filed</i> <i>1987</i>
85		4	March 17, 1987	March 18, 1987
211		5	March 17, 1987	March 18, 1987
	191	6	March 25, 1987	March 25, 1987
87		7	March 25, 1987	March 25, 1987
208		8	March 25, 1987	March 25, 1987
258		9	March 25, 1987	March 25, 1987
302		10	March 25, 1987	March 25, 1987
402		11	March 25, 1987	March 25, 1987

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 96, A bill for an act relating to the state high school league; requiring the league to arrange certain conference memberships; providing standards; amending Minnesota Statutes 1986, section 129.121, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 4, delete "this subdivision" and insert "section 2"

Page 2, delete lines 6 to 29

Page 2, after line 36, insert:

"Sec. 2. Minnesota Statutes 1986, section 129.121, is amended by adding a subdivision to read:

Subd. 1a. The league shall arrange membership for schools in athletic or other extracurricular conferences to the extent and in the manner provided by this subdivision. After notice and an opportunity for participation by league members at a public hearing, the league shall develop criteria to follow in arranging membership in athletic or other extracurricular conferences for schools which make a written request pursuant to this subdivision. The criteria shall include consideration of, among other factors, the distance to be

traveled by competing schools, the relative enrollments of the schools, and the comparability of athletic or other extracurricular activities in the schools.

Within 90 days after receiving a written request from a member high school, the league shall, following the criteria developed pursuant to this subdivision, arrange membership in an athletic or other extracurricular conference for any high school that (1) lacks membership in a conference because of involuntary exclusion from a conference or because of the dissolution of a conference and (2) has made its own good faith attempts for at least 180 days to obtain membership in a conference. The 180 days run from the date of the member school's first written request to join or rejoin a conference. When arranging conference membership for a school, the league shall notify the school seeking membership and all schools already in a proposed conference that, upon request of a notified school, a public hearing on the proposed conference membership will be held in a timely manner. The school seeking conference membership and the schools already in a proposed conference are bound by the league's final decision under this subdivision on a matter of conference membership."

Amend the title as follows:

Page 1, line 5, after "1" insert ", and by adding a subdivision"

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

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 169, A bill for an act relating to lawful gambling; increasing the percentage of profits that may be used for necessary expenses; regulating distributor licenses; authorizing the board to determine distributor licensee fees, manufacturer certificate fees, and the price of the gambling equipment registration stamp; regulating the warehousing of gambling equipment within the state; regulating the leasing of premises for lawful gambling; authorizing the board to adopt rules restricting the amount of rent charged; prohibiting lessors from any involvement in lawful gambling; removing the board's authority to adopt a schedule of compensation; making various technical changes; amending Minnesota Statutes 1986, sections 349.12, subdivisions 12 and 15; 349.14; 349.15; 349.161, subdivisions 3, 4, 5, and 7; 349.162, subdivision 1, and by

adding a subdivision; 349.163, subdivision 2; 349.18, subdivision 1, and by adding a subdivision; 349.19, subdivision 3; and 349.21.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 349.12, subdivision 11, is amended to read:

Subd. 11. “Lawful purpose” means one or more of the following: (a) benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded; (b) initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures; (c) lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which government would normally render to the people; ~~or~~ (d) the improving, expanding, maintaining or repairing real property owned or leased by an organization; or (e) payment of taxes imposed by this chapter, and imposed by the United States on receipts from lawful gambling.

“Lawful purpose” does not include the erection or acquisition of any real property, unless the board specifically authorizes the expenditures after finding that the property will be used exclusively for one or more of the purposes specified in this clause.

Sec. 2. Minnesota Statutes 1986, section 349.12, subdivision 12, is amended to read:

Subd. 12. “Organization” means any fraternal, religious, veterans, or other nonprofit organization which has been in existence for at least three years and has at least 15 active members.

Sec. 3. Minnesota Statutes 1986, section 349.12, subdivision 13, is amended to read:

Subd. 13. “Profit” means the gross receipts collected from lawful gambling, less reasonable sums necessarily and actually expended for prizes ~~and taxes imposed by this chapter.~~

Sec. 4. Minnesota Statutes 1986, section 349.12, subdivision 15, is amended to read:

Subd. 15. "Gambling equipment" means: bingo cards and devices for selecting bingo numbers, pull-tabs, ~~ticket jars~~ jar tickets, paddlewheels, and tipboards.

Sec. 5. Minnesota Statutes 1986, section 349.14, is amended to read:

349.14 [ORGANIZATION MAY CONDUCT LAWFUL GAMBLING; LICENSE.]

An organization may conduct lawful gambling if it ~~has been in existence for at least three years~~, ~~has at least 15 active members~~, has a license to conduct lawful gambling from the board and complies with this chapter.

Sec. 6. Minnesota Statutes 1986, section 349.15, is amended to read:

349.15 [USE OF PROFITS.]

Profits from lawful gambling may be expended only for lawful purposes or expenses as authorized at a regular meeting of the conducting organization. ~~Provided that no more than 50 percent of profits from bingo, and no more than 40 percent for other forms of lawful gambling, may be expended for necessary expenses related to lawful gambling.~~ The board shall provide by rule for the administration of this section, including specifying allowable expenses. The rules may provide (a) a maximum percentage of gross receipts which may be expended for certain expenses, and (b) maximum percentage of profits from lawful gambling which may be expended for all necessary expenses related to lawful gambling. The rules under clause (b) may provide for different maximum percentages for bingo and for all other forms of lawful gambling, and may provide for different maximum percentages for organizations based on their gross receipts from different forms of lawful gambling.

Sec. 7. Minnesota Statutes 1986, section 349.161, subdivision 3, is amended to read:

Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership which has as an officer, director, ~~or~~ other person in a supervisory or management position, or employee eligible to make sales on behalf of the distributor a person, who:

(1) has been convicted of a felony in a state or federal court within the past five years or who has a felony charge pending;

(2) has ever been convicted in a state or federal court of a gambling-related offense; or

(3) is or has ever been engaged in an illegal business.

Sec. 8. Minnesota Statutes 1986, section 349.161, subdivision 4, is amended to read:

Subd. 4. [FEES.] The annual fee for a suppliers distributor's license is \$1,500 shall be determined by rule of the board.

Sec. 9. Minnesota Statutes 1986, section 349.161, subdivision 5, is amended to read:

Subd. 5. [PROHIBITION.] (a) No distributor, or employee eligible to make sales on behalf of a distributor, may also be a wholesale distributor of liquor or alcoholic beverages.

(b) No distributor, or employee eligible to make sales on behalf of a distributor, may be involved directly in the operation of lawful gambling.

Sec. 10. Minnesota Statutes 1986, section 349.161, subdivision 7, is amended to read:

Subd. 7. [CRIMINAL HISTORY.] The board may request the assistance of the bureau of criminal apprehension in investigating the background of an applicant for a supplier's distributor's license and may reimburse the bureau for the costs thereof. The board has access to all criminal history data compiled by the bureau on licensees and applicants.

Sec. 11. Minnesota Statutes 1986, section 349.162, subdivision 1, is amended to read:

Subdivision 1. [STAMP REQUIRED.] A distributor may not sell to an organization and an organization may not purchase from a distributor gambling equipment unless the equipment has been registered with the board and has a registration stamp affixed. The board shall charge a fee of five cents for each determine by rule the price of the stamp. Each stamp must bear a registration number assigned by the board. A distributor is entitled to a refund for unused stamps and replacement for stamps which are defective or canceled by the distributor.

Sec. 12. Minnesota Statutes 1986, section 349.162, is amended by adding a subdivision to read:

Subd. 4. [SALES FROM FACILITIES.] All gambling equipment purchased by a licensed distributor for resale in Minnesota must

prior to its resale be unloaded into a facility located in Minnesota which the distributor owns or leases.

Sec. 13. Minnesota Statutes 1986, section 349.162, is amended by adding a subdivision to read:

Subd. 5. [PROHIBITION.] No person other than a licensed organization or a licensed distributor may possess registration stamps issued by the board.

Sec. 14. Minnesota Statutes 1986, section 349.163, subdivision 2, is amended to read:

Subd. 2. [CERTIFICATE; FEE.] A certificate under this section is valid for one year. The annual fee for registration is \$500 shall be determined by rule of the board.

Sec. 15. Minnesota Statutes 1986, section 349.18, subdivision 1, is amended to read:

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of at least one year and must be in writing. Copies of all leases must be made available to employees of the board on request. A lease may not provide for rental payments based on a percentage of receipts or profits from lawful gambling. The board may prescribe by rule limits on the amount of rent which an organization may pay to a lessor for premises leased for lawful gambling.

Sec. 16. Minnesota Statutes 1986, section 349.19, subdivision 3, is amended to read:

Subd. 3. [EXPENDITURES.] All expenditures of bingo profits from lawful gambling must be itemized as to payee, purpose, amount, and date of payment.

Sec. 17. Minnesota Statutes 1986, section 349.21, is amended to read:

#### 349.21 [COMPENSATION.]

Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that nonmanagement assistants who are not active members or spouses may be hired to assist in the conduct of lawful gambling in nonmanagement positions if approved by a majority of the organization's members.



The amounts of compensation which may be paid under this section ~~must~~ may be provided for in a schedule of compensation adopted by the board by rule. In adopting the schedule the board must consider the nature of the participation and the types of lawful gambling participated in.

A licensed organization may pay a percentage of the gross receipts from raffle ticket sales to a nonprofit organization which sells tickets for the licensed organization.

Sec. 18. Minnesota Statutes 1986, section 349.212, subdivision 1, is amended to read:

Subdivision 1. [RATE.] There is hereby imposed a tax on all lawful gambling, other than pull-tabs, conducted by organizations licensed by the board at the rate specified in this subdivision. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.02 and all local taxes and license fees ~~except a fee authorized under section 349.16, subdivision 4.~~

On all lawful gambling, other than pull-tabs, the tax is ten percent of the gross receipts of a licensed organization from lawful gambling less prizes actually paid out, payable by the organization.

Sec. 19. Minnesota Statutes 1986, section 349.212, is amended by adding a subdivision to read:

Subd. 5. [LOCAL TAX.] A city which contains one or more licensed organizations, and a county which contains one or more licensed organizations outside incorporated areas, may request the board to impose a local gambling tax on each licensed organization within the city's or county's jurisdiction. The board may impose the tax if it determines that the tax requested is necessary to defray the costs incurred for law enforcement and license regulation by the city or county as a direct result of lawful gambling.

The tax imposed by the board under this subdivision is on the gross receipts from all lawful gambling, less (a) prizes actually paid out, and (b) allowable expenses, including state and federal taxes, incurred in the operation of lawful gambling. The rate of the tax imposed by the board under this subdivision may not exceed three percent.

The board shall collect the tax imposed under this subdivision on the adjusted gross receipts of each organization under the jurisdiction of each city and county for which the board has imposed the tax. The board shall collect the tax at the same time and in the same manner as the tax imposed by subdivision 1.

The board shall pay by the last day of each month to each city and county for which it has imposed the tax any amount equal to the tax collected in the previous month under this subdivision from all the licensed organizations under that city's or county's jurisdiction.

A tax imposed under this subdivision is effective for one year after the month of first imposition, and may be renewed for subsequent years only by an affirmative vote of the board.

A tax imposed under this subdivision is in lieu of all other local taxes and license fees on lawful gambling.

Sec. 20. [REPEALER.]

Minnesota Statutes 1986, section 349.16, subdivision 4, is repealed."

Delete the title and insert:

"A bill for an act relating to lawful gambling; including payment of federal taxes as a lawful purpose; increasing the percentage of profits that may be used for necessary expenses; regulating distributor licenses; authorizing the board to determine distributor licensee fees, manufacturer certificate fees, and the price of the gambling equipment registration stamp; regulating the warehousing of gambling equipment within the state; regulating the leasing of premises for lawful gambling; authorizing the board to adopt rules restricting the amount of rent charged; prohibiting lessors from any involvement in lawful gambling; removing the board's authority to adopt a schedule of compensation; making various technical changes; authorizing local taxes on charitable gambling; amending Minnesota Statutes 1986, sections 349.12, subdivisions 11, 12, 13, and 15; 349.14; 349.15; 349.161, subdivisions 3, 4, 5, and 7; 349.162, subdivision 1, and by adding subdivisions; 349.163, subdivision 2; 349.18, subdivision 1; 349.19, subdivision 3; 349.21; 349.212, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1986, section 349.16, subdivision 4."

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

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 182, A bill for an act relating to education; requiring that income from some of the permanent university fund be used for

scholarships; amending Minnesota Statutes 1986, section 137.022, subdivision 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, after line 17, insert:

“Sec. 3. [SCHOLARSHIP FUND.]

A fund is created to earn income for merit scholarships at the state universities, community colleges, and AVTIs. The fund shall be invested by the state board of investment and all income from it is appropriated to the state university board, community college board, and state board of vocational technical education proportionate to their full-time equivalent enrollments. Each post-secondary board shall develop criteria and procedures to award the scholarships and shall report these to the legislature by January 15, 1988.

Sec. 4. [APPROPRIATION.]

\$15,000,000 is appropriated from the general fund to the state board of investment for establishing the scholarship fund provided in section 3.”

Amend the title as follows:

Page 1, line 4, after the semicolon insert “appropriating money;”

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

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 223, A bill for an act relating to veterans; appropriating money for use by the Military Order of the Purple Heart in assisting veterans to make claims against the United States government.

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

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 239, A bill for an act relating to elections; requiring school district elections to comply with the Minnesota election laws; amending Minnesota Statutes 1986, sections 123.11; and 123.32, subdivision 1; repealing Minnesota Statutes 1986, sections 123.32, subdivisions 2, 3, 4, 5, 6, 8, 8a, 24, and 25; and 200.015.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### ELECTION LAWS

Section 1. Minnesota Statutes 1986, section 200.01, is amended to read:

#### 200.01 [CITATION, MINNESOTA ELECTION LAW.]

This chapter and chapters 201, 202A, 203B, 204B, 204C, 204D, 205, 205A, 206, 208, 209 and 210A shall be known as the Minnesota election law.

Sec. 2. Minnesota Statutes 1986, section 200.015, is amended to read:

#### 200.015 [SCHOOL DISTRICT ELECTIONS EXCLUDED APPLICATION.]

~~This chapter and chapters 201, 202A, 203B, 204B, 204C, 204D, 205, 206, 208, 209 and 210A do not apply~~ The Minnesota election law applies to school district all elections held in this state unless otherwise specifically provided by law.

Sec. 3. Minnesota Statutes 1986, section 200.02, is amended by adding a subdivision to read:

Subd. 19. [SCHOOL DISTRICT.] "School district" means an independent, special, or county school district.

Sec. 4. Minnesota Statutes 1986, section 201.016, subdivision 2, is amended to read:

Subd. 2. [DURATION OF RESIDENCE.] The governing body of any city by resolution may require an eligible voter to maintain

residence in a precinct for a period of 30 days prior to voting on any question affecting only that precinct or voting to elect public officials representing only that precinct. The governing body of any town by resolution may require an eligible voter to maintain residence in that town for a period of 30 days prior to voting in a town election. The school board of any school district by resolution may require an eligible voter to maintain residence in that school district for a period of 30 days prior to voting in a school district election.

Sec. 5. Minnesota Statutes 1986, section 201.018, subdivision 2, is amended to read:

Subd. 2. [REGISTRATION REQUIRED.] An eligible voter must register in a manner specified by section 201.054, in order to vote in any primary, special primary, general, school district, or special election held in the county. ~~An eligible voter who maintains residence in a school district which uses the county voter registration system as authorized by section 201.095, must register in a manner specified by section 201.054, in order to vote in any school election held in that district.~~

Sec. 6. Minnesota Statutes 1986, section 201.061, subdivision 3, is amended to read:

Subd. 3. [ELECTION DAY REGISTRATION.] An individual who is eligible to vote may register on election day by appearing in person at the polling place for the precinct in which the individual maintains residence, by completing a registration card, making an oath in the form prescribed by the secretary of state and providing proof of residence. An individual may prove residence for purposes of registering by:

(1) showing a drivers license or Minnesota identification card issued pursuant to section 171.07;

(2) showing any document approved by the secretary of state as proper identification; or

(3) having a voter who is registered to vote in the precinct sign an oath in the presence of the election judge vouching that the voter personally knows that the individual is a resident of the precinct. A voter who has been vouched for on election day may not sign a proof of residence oath vouching for any other individual on that election day.

A county, school district, or municipality may require that an election judge responsible for election day registration initial each completed registration card.

Sec. 7. Minnesota Statutes 1986, section 201.061, subdivision 6, is amended to read:

Subd. 6. [PRECINCT MAP.] Except as otherwise provided by this subdivision, the county auditor shall provide each precinct with an accurate precinct map or precinct finder to assist the election judges in determining whether an address is located in that precinct. A county auditor may delegate this responsibility as provided in section 201.221, subdivision 4, to a municipal or school district clerk who prepares precinct maps as provided in section 204B.14, subdivision 5.

Sec. 8. Minnesota Statutes 1986, section 201.071, subdivision 1, is amended to read:

Subdivision 1. [FORM.] Registration cards shall be of suitable size and weight for mailing, and shall contain the following information in substantially the following form:

VOTER REGISTRATION CARD

(Please print or type)

Date: ..... School District No. and Name: .....

1. Name: .....  
Last First Middle Initial

2. Address: .....  
Street or Route No.

.....  
City (or Township) County Zip

3. Telephone Number:

4. Date of birth: Month: ..... Day: ..... Year: .....

5. Last registration if any.....  
Street or Route Number

..... None .....  
City (or Township) Zip

6. I certify that I will be at least 18 years old on election day and am a citizen of the United States, that I reside at the address shown and will have resided in Minnesota for 20 days immediately preceding election day, and that I am not under guardianship of the person, have not been found by a court to be legally incompe-

tent to vote, and have not been convicted of a felony without having my civil rights restored. I understand that giving false information to procure a registration is a felony punishable by not more than five years imprisonment and a fine of not more than \$10,000, or both.

.....  
Signature of Voter

Sec. 9. Minnesota Statutes 1986, section 201.071, subdivision 3, is amended to read:

Subd. 3. [DEFICIENT REGISTRATION.] No registration is deficient if it contains the voter's name, address, date of birth, prior registration if any and signature. The absence of a zip code number or school district number or name does not cause the registration to be deficient. The election judges shall request an individual to correct a registration card if it is deficient or illegible or does not specify the school district number or name. No eligible voter may be prevented from voting unless the voter's registration card is deficient or the voter is duly and successfully challenged in accordance with sections 201.195 or 204C.12.

A registration card accepted prior to August 1, 1983, is not deficient for lack of date of birth. The county or municipality may attempt to obtain the date of birth for a registration card accepted prior to August 1, 1983, by a request to the voter at any time except at the polling place. Failure by the voter to comply with this request does not make the card deficient.

Sec. 10. Minnesota Statutes 1986, section 201.071, subdivision 5, is amended to read:

Subd. 5. [ELECTRONIC OR DATA PROCESSING SYSTEM IN PLACE OF DUPLICATE VOTER REGISTRATION CARDS.] A county, school district, or municipality with an electronic or automatic data processing system for maintaining duplicate voter registration records may elect to use the system in place of duplicate voter registration cards. The auditor of a county or the clerk of a city making such an election shall notify the secretary of state of that election in writing.

Sec. 11. Minnesota Statutes 1986, section 201.071, subdivision 6, is amended to read:

Subd. 6. [MAINTENANCE OF DUPLICATE REGISTRATION FILE.] A county, school district, or municipality which makes the election authorized in subdivision 5 shall maintain in their data processing system the information required by the alternate form of the duplicate registration file prescribed by the secretary of state under section 201.221, subdivision 3. A county, school district, or

municipality which makes the election shall not be required to obtain or maintain a duplicate voter registration card. Any reference in chapter 201 to "duplicate registration file" shall not be interpreted as requiring duplicate registration cards or signatures on duplicate registration cards.

A county, school district, or municipality which makes the election authorized in subdivision 5 shall make the prescribed duplicate registration file available as authorized in section 201.091. No list made available for examination or purchase may include the date of birth of a registered voter.

Sec. 12. Minnesota Statutes 1986, section 201.071, is amended by adding a subdivision to read:

Subd. 8. [SCHOOL DISTRICT ASSISTANCE.] School districts shall assist county auditors in determining the school district in which a voter resides.

Sec. 13. Minnesota Statutes 1986, section 201.221, subdivision 3, is amended to read:

Subd. 3. [PROCEDURES FOR DUPLICATE REGISTRATION FILE.] The secretary of state shall prescribe the form of the duplicate registration file so that a duplicate card contains spaces for the voter's name, address, telephone number, school district number and name, and signature, and space to indicate whether the voter has voted in a given election. The secretary of state shall prescribe procedures for transporting the duplicate registration files to the election judges for use on election day.

The secretary of state shall prescribe an alternate form of the duplicate registration file for counties, school districts, and cities which make the election authorized by section 201.071, subdivision 5. The alternate form shall not require a duplicate card or voter's signature. Information contained in the duplicate registration file shall include the voter's name, address, month and day of birth, last registration (if any), school district number and name, and a record of the vote history for the previous four years of elections. The secretary of state shall prescribe the form for the duplicate registration file to be used on election day in the polling place and the file shall include the name, address, month and day of birth, school district number and name, and a space for the voters to sign the file when they vote. The secretary of state shall prescribe the form for a county, school district, or municipality to request the day and month of birth from currently registered voters. The county, school district, or municipality shall not request the day and month of birth from currently registered voters by any communication other than the prescribed form and the form shall clearly indicate that a currently registered voter does not lose registration status by failing to provide the day and month of birth. The secretary of state shall prescribe



procedures for transporting the duplicate registration files to the judges on election day. In accordance with section 204B.40, the county auditor and the clerk of any municipality or school district shall retain the prescribed duplicate registration file used on the date of election for one year following the election.

Sec. 14. Minnesota Statutes 1986, section 201.221, subdivision 4, is amended to read:

Subd. 4. [COUNTY RULES.] The county auditor of each county may adopt rules which delegate to municipal or school district officials in that county the duties assigned to county auditors by this chapter. Delegation by the county auditor of the duty to accept registrations does not relieve the county auditor of the duty to accept registrations. When a municipal or school district official is delegated duties given to the county auditor by this chapter, the governing body of the municipality or school district shall immediately provide the necessary funds, equipment and facilities, establish a place of registration and put the registration plan into operation without delay.

Sec. 15. Minnesota Statutes 1986, section 201.27, subdivision 2, is amended to read:

Subd. 2. [KNOWLEDGE OF VIOLATION.] A deputy, clerk, employee or other subordinate of a county auditor or municipal or school district clerk who has knowledge or reason to believe that a violation of this chapter has occurred shall immediately transmit a report of the knowledge or belief to the county auditor or municipal or school district clerk, together with any possessed evidence of the violation. Any county auditor or municipal or school district clerk who has knowledge or reason to believe that a violation of this chapter has occurred shall immediately transmit a report of the knowledge or belief to the county attorney of the county where the violation is thought to have occurred, together with any possessed evidence of the violation. The county auditor or municipal or school district clerk shall also immediately send a copy of the report to the secretary of state. A violation of this subdivision is a misdemeanor.

Sec. 16. Minnesota Statutes 1986, section 203B.01, subdivision 2, is amended to read:

Subd. 2. [MUNICIPAL CLERK.] "Municipal clerk" means a full-time town or city clerk who is authorized or required to administer the provisions of sections 203B.04 to 203B.15, as provided in section 203B.05. "Municipal clerk" also means clerk of the school district who is authorized or required to administer the provisions of sections 203B.04 to 203B.15, as provided in section 203B.05 for school district elections.

Sec. 17. Minnesota Statutes 1986, section 203B.04, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION PROCEDURES.] Except as otherwise allowed by subdivision 2, an application for absentee ballots for

any election may be submitted at any time not less than one day before the day of that election. An application submitted pursuant to this subdivision shall be in writing and shall be submitted to:

(a) the county auditor of the county where the applicant maintains residence; or

(b) the municipal clerk of the municipality, or school district if applicable, where the applicant maintains residence.

An application shall be accepted if it is signed and dated by the applicant, contains the applicant's residence and mailing addresses, and states that the applicant is eligible to vote by absentee ballot for one of the reasons specified in section 203B.02.

Sec. 18. Minnesota Statutes 1986, section 203B.04, subdivision 2, is amended to read:

Subd. 2. [HEALTH CARE PATIENT.] An eligible voter who on the day before an election becomes a resident or patient in a health care facility or hospital located in the municipality, or school district if applicable, in which the eligible voter maintains residence may apply for absentee ballots on election day if the voter:

(a) Requests an application form by telephone from the municipal clerk not later than 5:00 p.m. on the day before election day; or

(b) Submits an absentee ballot application to the election judges engaged in delivering absentee ballots pursuant to section 203B.11.

Sec. 19. Minnesota Statutes 1986, section 203B.05, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] The full-time clerk of any city or town, or the clerk of the school district, shall administer the provisions of sections 203B.04 to 203B.15 if:

(a) The county auditor of that county has designated the clerk to administer them; or

(b) The clerk has given the county auditor of that county notice of intention to administer them; or

(c) The clerk of a school district has given the county auditor notice of intention to administer them for a school district election not held on the same day as a statewide election or on the uniform municipal election day.

Sec. 20. Minnesota Statutes 1986, section 203B.05, subdivision 2, is amended to read:

Subd. 2. [CITY, SCHOOL DISTRICT, AND TOWN ELECTIONS.] For city elections not held on the same day as a statewide election, for school district elections not held on the same day as a statewide election or on the uniform municipal election day, and for town elections conducted under the Australian ballot system, applications for absentee ballots shall be filed with the city, school district, or town clerk and the duties prescribed by this chapter for the county auditor shall be performed by the city, school district, or town clerk unless the county auditor agrees to perform those duties on behalf of the city, school district, or town clerk. The costs incurred to provide absentee ballots and perform the duties prescribed by this subdivision shall be paid by the city or town, or school district holding the election.

Sec. 21. Minnesota Statutes 1986, section 203B.06, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS TO WRONG OFFICIAL.] If for any reason an application for absentee ballots is submitted to the wrong county auditor or city or town municipal clerk, that official shall promptly forward it to the proper county auditor or municipal clerk.

Sec. 22. Minnesota Statutes 1986, section 203B.08, subdivision 4, is amended to read:

Subd. 4. [RULES.] The secretary of state shall adopt rules establishing procedures to be followed by county auditors and town and city municipal clerks to assure accurate and timely return of absentee ballots. The rules of the secretary of state may authorize procedures and methods of return in addition to those specified in this section.

Sec. 23. Minnesota Statutes 1986, section 203B.10, is amended to read:

203B.10 [DELIVERY OF ABSENTEE BALLOT APPLICATIONS TO ELECTION JUDGES.]

On the day before an election:

(a) The county auditor shall deliver to the town and city municipal clerks within that county the applications for absentee ballots theretofore received and endorsed as provided in section 203B.06, subdivision 5; and

(b) The town and city municipal clerks shall deliver the applications received from the county auditor and the applications for

absentee ballots filed with their respective offices and endorsed as provided in section 203B.06, subdivision 5, to the appropriate election judges. Applications received on election day pursuant to section 203B.04, subdivision 2, shall be promptly delivered to the election judges in the precincts or to the judges of an absentee ballot counting board.

Sec. 24. Minnesota Statutes 1986, section 203B.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Each full-time municipal clerk or the clerk of the school district who has authority under section 203B.05 to administer absentee voting laws shall designate election judges to deliver absentee ballots in accordance with this section. A ballot may be delivered only to an eligible voter who is a temporary or permanent resident or patient in a health care facility or hospital located in the municipality in which the voter maintains residence. The ballots shall be delivered by two election judges, each of whom is affiliated with a different major political party. When the election judges deliver or return ballots as provided in this section, they shall travel together in the same vehicle. Both election judges shall be present when an applicant completes the certificate of eligibility and marks the absentee ballots, and may assist an applicant as provided in section 204C.15. The election judges shall deposit the return envelopes containing the marked absentee ballots in a sealed container and return them to the clerk on the same day that they are delivered and marked.

Sec. 25. Minnesota Statutes 1986, section 203B.12, subdivision 6, is amended to read:

Subd. 6. [EXCEPTION FOR MUNICIPALITIES OR SCHOOL DISTRICTS WITH ABSENTEE BALLOT COUNTING BOARDS.] In municipalities or school districts with an absentee ballot counting board, the election judges in each precinct shall receive and process return envelopes and ballot envelopes as provided in this section except that the ballot envelopes from return envelopes marked "Accepted" shall be delivered in an absentee ballot container to the absentee ballot counting board for the counting of ballots as soon as possible after processing. Other law to the contrary notwithstanding, the governing body of a municipality or the school board of a school district with an absentee ballot precinct may authorize the judges of the absentee ballot precinct to validate ballots in the manner provided in this section. The vote totals provided by the absentee ballot counting board shall be included in the vote totals on the summary statements of the returns for the precinct in which they were received.

Sec. 26. Minnesota Statutes 1986, section 203B.13, is amended to read:

203B.13 [ABSENTEE BALLOT COUNTING BOARDS.]

Subdivision 1. [ESTABLISHMENT.] The governing body of any municipality may by ordinance, or the school board of any school

district may by resolution, authorize an absentee ballot counting board for the purpose of counting all absentee ballots cast in that municipality or school district. The board shall consist of a sufficient number of election judges appointed as provided in sections 204B.19 to 204B.22.

Subd. 2. [DUTIES.] The absentee ballot counting board shall:

(a) Receive from each precinct in the municipality or school district all ballot envelopes marked "Accepted" by the election judges; provided that the governing body of a municipality or the school board of a school district may authorize the board to examine all return absentee ballot envelopes and receive or reject absentee ballots in the manner provided in section 203B.12;

(b) Open and count the absentee ballots, tabulating the vote in a manner that indicates each vote of the absentee voter and the total absentee vote cast for each candidate or question in each precinct; and

(c) Report the vote totals tabulated for each precinct.

Subd. 3. [COMPENSATION OF MEMBERS.] The city or town municipal clerk shall pay a reasonable compensation to each member of the absentee ballot counting board for services rendered during each election.

Subd. 3a. [DUPLICATE REGISTRATION FILES.] If the election judges of an absentee ballot counting board are authorized to receive, examine, and validate absentee ballots, the county auditor or city municipal clerk shall remove from the duplicate registration files the cards of all persons who have applied for absentee ballots at the election and deliver them to the election judges of the absentee ballot counting board along with the applications for absentee ballots. When a duplicate registration card has been removed from the file for this purpose it shall be replaced with a notification to the election judges that the voter's card has been removed and directing them to contact the election judges of the absentee ballot counting board if that voter should appear at the polling place for the purpose of voting in person. If contacted by the judges of the precinct, the election judges of the absentee ballot counting board shall examine the duplicate registration card of the voter to determine if an absentee ballot has been cast. They shall notify the precinct election judges of their findings and, if the absentee ballot has not yet been cast, the voter shall be allowed to vote in person. The election judges of the absentee ballot counting board shall make a notation on the duplicate registration card that the voter has voted and no absentee ballot shall be counted for that voter.

Subd. 4. [APPLICABLE LAWS.] Except as otherwise provided by this section, all of the laws applicable to absentee ballots and

absentee voters and all other provisions of the Minnesota election law shall apply to an absentee ballot counting board.

Sec. 27. Minnesota Statutes 1986, section 203B.15, is amended to read:

203B.15 [ADMINISTRATIVE EXPENSES.]

Each county shall pay the expenses incurred by its county auditor and each municipality or school district shall pay the expenses incurred by its clerk for administering the provisions of sections 203B.04 to 203B.15.

Sec. 28. Minnesota Statutes 1986, section 203B.19, is amended to read:

203B.19 [RECORDING APPLICATIONS.]

Upon accepting an application, the county auditor shall record in a permanent register the voter's name, address of present or former residence in Minnesota, mailing address, school district number and name, and the category under section 203B.16, to which the voter belongs. After recording this information, the county auditor shall retain the application for two years after the date of the next general election. A voter whose name is recorded as provided in this section shall not be required to register under any other provision of law in order to vote under sections 203B.16 to 203B.27.

Sec. 29. Minnesota Statutes 1986, section 203B.23, is amended to read:

203B.23 [APPLICATION RECORDS; DELIVERY TO ELECTION JUDGES.]

When election materials are transmitted to the ~~town and city~~ municipal clerks as provided in section 204B.28, subdivision 2, the county auditor shall also transmit a certified copy of the record of applications compiled as provided in section 203B.19, for absentee ballots to be cast at that election in that town, school district, or city. A certified copy of the record of additional applications received by the county auditor after the ballots have been delivered shall also be delivered to the appropriate ~~town or city~~ municipal clerk. Each ~~town and city~~ municipal clerk shall in turn deliver to the election judges in the appropriate precincts the application records received from the county auditor.

Sec. 30. Minnesota Statutes 1986, section 204B.02, is amended to read:

204B.02 [APPLICATION.]

This chapter applies to all elections held in this state, ~~except school district elections and~~ except as otherwise provided by law.

Sec. 31. Minnesota Statutes 1986, section 204B.09, subdivision 2, is amended to read:

Subd. 2. [OTHER ELECTIONS.] Affidavits of candidacy and nominating petitions for city, town or other elective offices shall be filed during the time and with the official specified in chapter 205 or other applicable law or charter. Affidavits of candidacy and applications filed on behalf of eligible voters for school board office shall be filed during the time and with the official specified in chapter 205A or other applicable law.

Sec. 32. Minnesota Statutes 1986, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY; LOCATION.] The governing body of each municipality and of each county with precincts in unorganized territory shall designate by ordinance or resolution a polling place for each election precinct. Polling places must be designated and ballots must be distributed so that no one is required to go to more than one polling place to vote in a school district and municipal election held on the same day. The polling place for a precinct in a municipality shall be located within the boundaries of the precinct or within 1,500 feet of one of those boundaries unless a single polling place is designated for a city pursuant to subdivision 2. The polling place for a precinct may be located up to 3,000 feet outside one of the boundaries of the precinct if necessary to locate a polling place that is accessible to and usable by elderly and handicapped individuals as required in subdivision 5. The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. If no suitable place is available within the town, then the polling place for a town may be located outside the town within five miles of one of the boundaries of the town.

Sec. 33. Minnesota Statutes 1986, section 204B.18, subdivision 2, is amended to read:

Subd. 2. [BALLOT BOXES.] Each polling place shall be provided with one ballot box for each kind of ballot to be cast at the election. The boxes shall be substantially the same color as the ballots to be deposited in them. Each box shall be of sufficient size and shall have a sufficient opening to receive and contain all the ballots likely to be deposited in it. When buff or goldenrod ballot boxes are required, a separate box must be provided for each school district for which ballots are to be cast at that polling place. The number and name of the school district must appear conspicuously on the top of each buff or goldenrod ballot box.

Sec. 34. Minnesota Statutes 1986, section 204B.19, subdivision 1, is amended to read:

Subdivision 1. [INDIVIDUALS QUALIFIED TO BE ELECTION JUDGES.] Any individual who is eligible to vote in an election

precinct is qualified to be appointed as an election judge for that precinct subject to this section. If the files of the appointing authority do not contain sufficient voters within a precinct who are qualified and willing to serve as election judges, election judges may be appointed who reside in another precinct in the same municipality, or for school district elections, in the same school district. If there are not sufficient voters within the municipality or school district who are qualified and willing to serve as election judges, election judges may be appointed who reside in the county where the precinct is located.

Sec. 35. Minnesota Statutes 1986, section 204B.21, subdivision 2, is amended to read:

Subd. 2. [APPOINTING AUTHORITY; POWERS AND DUTIES.] Election judges for precincts in a municipality shall be appointed by the governing body of the municipality. Election judges for precincts for a school district election which is (1) not held on the same day as a statewide election, (2) not held on the same day as the uniform municipal election day, and (3) not held in conjunction with the election of another municipality, shall be appointed by the school board of the school district. Election judges for precincts in unorganized territory shall be appointed by the county board. Appointments shall be made from lists furnished pursuant to subdivision 1 subject to the eligibility requirements and other qualifications established or authorized under section 204B.19. If no lists have been furnished or if additional election judges are required after all listed names have been exhausted, the appointing authority may appoint any other individual to serve as an election judge subject to the same requirements and qualifications. The appointments shall be made at least 25 days before the election at which the election judges will serve.

Sec. 36. Minnesota Statutes 1986, section 204B.25, subdivision 1, is amended to read:

Subdivision 1. [DUTIES OF COUNTY AUDITOR.] Each county auditor shall provide training for all election judges who are appointed to serve at any election to be held in the county. The county auditor shall also provide a procedure for emergency training of election judges elected to fill vacancies. The county auditor may delegate to a municipal election official the duty to provide training of election judges in that municipality or school district.

Sec. 37. Minnesota Statutes 1986, section 204B.29, is amended to read:

204B.29 [ELECTION JUDGES; ELECTION SUPPLIES; DUTIES.]

Subdivision 1. [SECURING ELECTION MATERIALS.] Before 9:00 p.m. on the day preceding an election, at least one election



judge from each precinct in each municipality, or school district if applicable, shall secure voter registration files, ballots, forms, envelopes and other required supplies from the municipal clerk or other legal custodian. The election judge shall deliver the materials to the polling place before the time when voting is scheduled to begin on election day. The county auditor shall send or deliver the election supplies enumerated in this section to the election judges in the precincts in unorganized territory. The election supplies may be sent by certified mail, parcel post, express mail or any other postal service providing assured delivery by no later than the day before the election. If the election supplies are delivered by any other means, they shall be delivered by no later than the day before the election.

Each precinct shall be furnished with 100 ballots of each kind for every 85 individuals who voted in that precinct at the last election for the same office or on similar questions, or with ballots of each kind in an amount at least ten percent greater than the number of votes which are reasonably expected to be cast in that precinct in that election, whichever supply of ballots is greater. No precinct shall be furnished with any ballots containing the name of any candidate who cannot properly be voted for in that precinct.

The election judges shall be responsible for the preservation of all election materials received by them until returned to the appropriate election officials after the voting has ended.

Subd. 2. [FAILURE OF ELECTION JUDGES TO SECURE MATERIALS.] If no election judge secures the election materials for a precinct in any municipality, or school district if applicable, as provided in subdivision 1, the municipal or school district clerk shall deliver them to an election judge for that precinct not later than the time when voting is scheduled to begin. The municipal or school district clerk shall require the election judge accepting delivery of the election supplies to sign a receipt for them. The election judges of that precinct shall pay the expenses of delivery of the materials and shall be liable for the penalty provided by law for neglect of duty.

Sec. 38. Minnesota Statutes 1986, section 204B.31, is amended to read:

204B.31 [COMPENSATION FOR ELECTION SERVICES.]

The compensation for services performed under the Minnesota election law shall be as follows:

(a) To presidential electors from funds appropriated to the secretary of state for this purpose, \$35 for each day of attendance at the capitol and mileage for travel to and from the capitol in the amount

allowed for state employees in accordance with section 43A.18, subdivision 2;

(b) To individuals, other than county, city, school district, or town employees during their normal work day, who are appointed by the county auditor to carry ballots to or from the county auditor's office, a sum not less than the prevailing Minnesota minimum wage for each hour spent in carrying ballots and mileage in the amount allowed pursuant to section 471.665, subdivision 1;

(c) To members of county canvassing boards, a sum not less than the prevailing Minnesota minimum wage for each hour necessarily spent and an amount for each mile of necessary travel equal to the amount allowed pursuant to section 471.665, subdivision 1;

(d) To election judges serving in any city, an amount fixed by the governing body of the city; to election judges serving in any school district election which is held in conjunction with a municipal or state election, an amount fixed by the governing body of the city after consultation with the affected school board; to election judges serving in any school district election which is not held in conjunction with a municipal or state election, an amount fixed by the school board of the school district; to election judges serving in unorganized territory, an amount fixed by the county board; and to election judges serving in towns, an amount fixed by the town board. Election judges shall receive at least the prevailing Minnesota minimum wage for each hour spent carrying out their duties at the polling places and in attending training sessions required by section 204B.25. An election judge who travels to pick up election supplies or to deliver election returns to the county auditor shall receive, in addition to other compensation authorized by this section, a sum not less than the prevailing Minnesota minimum wage for each hour spent performing these duties, plus mileage in the same amount as allowed pursuant to section 471.665, subdivision 1; and

(e) To sergeants at arms, an amount for each hour of service performed at the direction of the election judges, fixed in the same manner as compensation for election judges.

Sec. 39. Minnesota Statutes 1986, section 204B.32, is amended to read:

#### 204B.32 [ELECTION EXPENSES; PAYMENT.]

The secretary of state shall pay the compensation for presidential electors, the cost of printing the pink paper ballots, and all necessary expenses incurred by the secretary of state in connection with elections. The counties shall pay the compensation prescribed in section 204B.31, clauses (b) and (c), the cost of printing the canary ballots, the white ballots, the pink ballots when machines are used, the state partisan primary ballots, and the state and county

nonpartisan primary ballots, all necessary expenses incurred by county auditors in connection with elections, and the expenses of special county elections. The municipalities shall pay the compensation prescribed for election judges and sergeants at arms, the cost of printing the municipal ballots, providing ballot boxes, providing and equipping polling places and all necessary expenses of the municipal clerks in connection with elections, except special county elections. The school districts shall pay the compensation prescribed for election judges and sergeants at arms, the cost of printing the school district ballots, providing ballot boxes, providing and equipping polling places and all necessary expenses of the school district clerks in connection with elections when the school district elections are not held in conjunction with a municipal or state election. When school district elections are held in conjunction with state or other municipal elections, costs shall be proportionately shared between the school district and the counties or municipalities. All disbursements under this section shall be presented, audited, and paid as in the case of other public expenses.

Sec. 40. Minnesota Statutes 1986, section 204B.34, is amended by adding a subdivision to read:

Subd. 4. [SCHOOL DISTRICT ELECTIONS.] Notice of school district elections shall be given as provided in sections 205A.06, subdivision 2; and 205A.07, subdivision 1.

Sec. 41. Minnesota Statutes 1986, section 204B.35, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] All ballots for every election, ~~except a school district election,~~ shall be prepared in accordance with sections 204B.35 to 204B.44 and chapter 204D, except for voting machine ballots or as otherwise provided by law.

Sec. 42. Minnesota Statutes 1986, section 204C.02, is amended to read:

204C.02 [APPLICATION.]

This chapter applies to all elections held in this state, ~~except school district elections and~~ except as otherwise provided by law.

Sec. 43. Minnesota Statutes 1986, section 204C.06, subdivision 2, is amended to read:

Subd. 2. [INDIVIDUALS ALLOWED IN POLLING PLACE.] Representatives of the secretary of state's office, the county auditor's office, and the municipal or school district clerk's office may be present at the polling place to observe election procedures. Except for these representatives, election judges, sergeants-at-arms, and

challengers, an individual may remain inside the polling place during voting hours only while voting or registering to vote, providing proof of residence for an individual who is registering to vote, or assisting a handicapped voter or a voter who is unable to read English. During voting hours no one except individuals receiving, marking, or depositing ballots shall approach within six feet of a voting booth, unless lawfully authorized to do so by an election judge.

Sec. 44. Minnesota Statutes 1986, section 204C.07, subdivision 3, is amended to read:

Subd. 3. [ELECTIONS ON A QUESTION.] At an election where a question is to be voted upon, the mayor of a city, or the school board of a school district, or the board of supervisors of a town, upon receiving a written petition signed by at least 25 eligible voters, shall appoint by written certificate one voter for each precinct in the municipality, or school district if applicable, to act as a challenger of voters in the polling place for that precinct.

Sec. 45. Minnesota Statutes 1986, section 204C.08, subdivision 4, is amended to read:

Subd. 4. [BALLOT BOXES, BOXCAR SEALS.] The governing body of a municipality or school district by resolution may direct the municipal or school district clerk to furnish a boxcar seal for each ballot box in place of a lock and key. Each seal shall consist of a numbered metal strap with a self-locking device securely attached to one end of the strap so that the other end may be inserted and securely locked in the seal. No two metal straps shall bear the same number.

Sec. 46. Minnesota Statutes 1986, section 204C.10, subdivision 2, is amended to read:

Subd. 2. Subdivision 1 does not apply to voting in counties, school districts, or municipalities which make the election authorized by section 201.071, subdivision 5. In lieu of the certificate required by subdivision 1, an applicant shall sign the duplicate registration file in the space provided next to the applicant's name in the file. In lieu of the signature comparison required by subdivision 1, a judge may, before the applicant signs the duplicate registration file, request the applicant's name, address, and day and month of birth. After the applicant signs the registration file, the judge shall give the applicant a voter's receipt. The voter shall deliver the voter's receipt to the judge in charge of ballots as proof of the voter's right to vote, and thereupon the judge shall hand to the voter the ballot. The judges shall destroy the voters' receipts at the end of the day.

Sec. 47. Minnesota Statutes 1986, section 204C.19, subdivision 2, is amended to read:

Subd. 2. [BALLOTS; ORDER OF COUNTING.] Except as otherwise provided in this subdivision, the ballot boxes shall be opened,

the votes counted, and the total declared one box at a time in the following order: the white box, the pink box, the canary box, the light green box, the buff box, the goldenrod box, and then the other kinds of ballots voted at the election. If enough election judges are available to provide counting teams of four or more election judges for each box, more than one box may be opened and counted at the same time. The election judges on each counting team shall be evenly divided between the major political parties. The numbers entered on the summary sheet shall not be considered final until the ballots in all the boxes have been counted and corrections have been made if ballots have been deposited in the wrong boxes.

Sec. 48. Minnesota Statutes 1986, section 204C.20, subdivision 4, is amended to read:

Subd. 4. [BALLOTS NOT COUNTED; DISPOSITION.] When the final count of ballots agrees with the number of ballots to be counted, those ballots not counted shall be attached to a certificate made by the election judges which states why the ballots were not counted. The certificate and uncounted ballots shall be sealed in a separate envelope and returned to the county auditor or municipal or school district clerk from whom they were received.

Sec. 49. Minnesota Statutes 1986, section 204C.24, subdivision 2, is amended to read:

Subd. 2. [SEALING IN ENVELOPES.] The election judges shall place a full set of completed summary statements in each of three separate envelopes and seal them so that the envelopes cannot be opened without leaving evidence that they have been opened. The election judges shall then sign each envelope over the sealed part so that no envelope can be opened without disturbing the continuity of the signatures. Each of the envelopes shall show substantially the following information on its face:

“Summary statements of the returns of the .... election precinct, (Town) or (City) of ....., or (School District Number) ....., in the County of ....., State of Minnesota.”

Sec. 50. Minnesota Statutes 1986, section 204C.25, is amended to read:

#### 204C.25 [DISPOSITION OF BALLOTS.]

After the count and the summary statements have been completed, in the presence of all the election judges, the counted, defective and blank ballots shall be placed in envelopes marked or printed to distinguish the color of the ballots contained, and the envelopes shall be sealed. The election judges shall sign each envelope over the sealed part so that the envelope cannot be opened without disturbing the continuity of the signatures. The number

and kind of ballots in each envelope, the name of the town or city, and the name of the precinct shall be plainly written upon the envelopes. The number and name of the district must be plainly written on envelopes containing school district ballots. The spoiled ballots shall be placed in separate envelopes and returned with the unused ballots to the county auditor or municipal or school district clerk from whom they were received.

Sec. 51. Minnesota Statutes 1986, section 204C.26, subdivision 2, is amended to read:

Subd. 2. [SUMMARY STATEMENTS; CONTENTS.] The blank summary statement forms furnished to each precinct shall identify the precinct, ward number if any, city, school district, or town, date, and kind of election and, under appropriate headings identifying each color ballot, shall contain spaces for the election judges to enter the information required by section 204C.24, subdivision 1.

Each blank summary statement form shall also contain a certificate to be signed by the election judges stating that the national flag was displayed on a suitable staff during voting hours; that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question.

Sec. 52. Minnesota Statutes 1986, section 204C.26, subdivision 3, is amended to read:

Subd. 3. [SECRETARY OF STATE.] On or before July 1 of each even numbered year, the secretary of state shall prescribe the form for summary statements of election returns and the methods by which returns for the state primary and state general election shall be recorded by precinct, county, and state election officials. Each county auditor and municipal or school district clerk required to furnish summary statements shall prepare them in the manner prescribed by the secretary of state. The summary statement of the primary returns shall be in the same form as the summary statement of the general election returns except that a separate part of the summary statement shall be provided for the partisan primary ballot and a separate part for the nonpartisan primary ballot.

Sec. 53. Minnesota Statutes 1986, section 204C.27, is amended to read:

**204C.27 [DELIVERY OF RETURNS TO COUNTY AUDITORS.]**

One or more of the election judges in each precinct shall deliver two sets of summary statements; all unused and spoiled white, pink, and canary ballots; and the envelopes containing the white, pink, and canary ballots either directly to the municipal clerk for trans-

mittal to the county auditor's office or directly to the county auditor's office within 24 hours after the end of the hours for voting. One or more election judges shall deliver the remaining set of summary statements and returns, all unused and spoiled municipal and school district ballots, the envelopes containing municipal and school district ballots, and all other things furnished by the municipal or school district clerk, to the municipal or school district clerk's office within 24 hours after the end of the hours for voting.

Sec. 54. Minnesota Statutes 1986, section 204C.28, subdivision 2, is amended to read:

Subd. 2. [CLERKS.] The clerk of every first, second, and third class city, and any school district clerk conducting a school district election, shall remain at the clerk's office to receive delivery of returns, or until 24 hours have elapsed since the end of the hours for voting, whichever occurs first. The clerk of every first class city shall keep a book in which, in the presence of the election judges or other individuals who deliver the returns, the clerk shall make a record of all materials delivered, the time of delivery, and the names of the election judges or other individuals who made delivery. The book shall be retained in the clerk's office for the same period as the ballots as provided in section 204B.40.

Sec. 55. Minnesota Statutes 1986, section 204C.28, is amended by adding a subdivision to read:

Subd. 3. [SCHOOL DISTRICT RETURNS AND MATERIALS.] A municipal clerk conducting a school district election in conjunction with a state or municipal election shall deliver the summary statements of the election returns, all unused and spoiled ballots, and the envelope containing the ballots from each precinct to the clerk of the appropriate school district within 48 hours after the polls close.

Sec. 56. Minnesota Statutes 1986, section 204C.29, subdivision 1, is amended to read:

Subdivision 1. [FAILURE OF ELECTION JUDGES TO MAKE DELIVERY; PENALTY.] If the election judges fail to deliver returns as required by section 204C.27, the county auditor or municipal or school district clerk to whom the returns should have been delivered shall dispatch a special messenger to obtain them. The messenger shall receive the same compensation as an election judge would receive for performing the same service and shall be subject to the same penalties as an election judge for violation of any provision of the Minnesota election law.

Sec. 57. Minnesota Statutes 1986, section 204C.36, is amended to read:

204C.36 [RECOUNTS IN COUNTY, SCHOOL DISTRICT, AND MUNICIPAL ELECTIONS.]

A losing candidate for nomination or election to a county ~~or~~<sub>2</sub>, municipal, or school district office may request a recount of the votes cast for the nomination or election to that office if the difference between the vote cast for that candidate and for a winning candidate for nomination or election is:

(a) Five votes or less when the total vote cast for nomination or election to that office is 100 votes or less;

(b) Ten votes or less when the total vote cast for nomination or election to that office is more than 100 but not more than 500 votes;

(c) Twenty votes or less when the total vote cast for nomination or election to that office is more than 500 but not more than 2,000 votes;

(d) One percent of the votes or less when the total vote cast for nomination or election to that office is more than 2,000 but less than 10,000 votes; or

(e) ~~100~~ One hundred votes or less when the total vote cast for nomination or election to that office is 10,000 votes or more.

Candidates for county offices shall file a written request for the recount with the county auditor. Candidates for municipal or school district offices shall file a written request with the municipal or school district clerk as appropriate. All requests shall be filed during the time for notice of contest of the primary or election for which a recount is sought.

Upon receipt of a request made pursuant to this section, the county auditor shall recount the votes for a county office at the expense of the county and<sub>2</sub> the governing body of the municipality shall recount the votes for a municipal office at the expense of the municipality<sub>2</sub> and the school board of the school district shall recount the votes for a school district office at the expense of the school district.

A losing candidate for nomination or election to a county ~~or~~<sub>2</sub>, municipal, or school district office may request a recount in the manner provided in this section at the candidate's own expense when the vote difference is greater than the difference required by clauses (a) to (e). The votes shall be recounted as provided in this section if the requesting candidate files with the county auditor ~~or~~<sub>2</sub>, municipal clerk, or school district clerk a bond, cash or surety in an amount set by the governing body of the jurisdiction or the school board of the school district for the payment of the recount expenses.



Time for notice of contest of a nomination or election to a county office which is recounted pursuant to this section shall begin to run upon certification of the results of the recount by the county canvassing board. Time for notice of contest of a nomination or election to a municipal office which is recounted pursuant to this section shall begin to run upon certification of the results by the governing body of the municipality. Time for notice of contest of a school district election that is recounted under this subdivision begins to run on certification of the results of the recount by the school board.

Sec. 58. [205A.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in chapter 200 and in this section apply to this chapter.

Subd. 2. [SCHOOL DISTRICT.] "School district" means an independent or special school district, as defined in section 120.02.

Sec. 59. [205A.02] [ELECTION LAW APPLICABLE.]

Except as provided in this chapter, the Minnesota election law applies to school district elections, so far as practicable. Elections in common school districts shall be governed by section 123.11.

Sec. 60. [205A.03] [PRIMARY ELECTIONS.]

Subdivision 1. [RESOLUTION.] The school board of a school district may, by resolution adopted at least 12 weeks before the next school district general election, decide to choose nominees for school district elective offices by a primary as provided in subdivisions 1 to 6. The resolution, when adopted, is effective for all ensuing elections of board members in that school district until it is revoked.

Subd. 2. [DATE.] The school district primary must be held at a time designated by the school board in the resolution adopting the primary system, but no later than six weeks before the school district general election. If the school district general election is held in conjunction with the statewide general election, the school district primary must be held on the same date as the state primary. The clerk shall give notice of the primary in the manner provided in section 205A.07.

Subd. 3. [CANDIDATES, FILING.] The clerk shall place upon the primary ballot without partisan designation the names of individuals whose candidacies have been filed and for whom the proper filing fee has been paid. When not more than twice the number of individuals to be elected to a school district elective office file for nomination for the office, their names must not be placed upon the

primary ballot and must be placed on the school district general election ballot as the nominees for that office.

Subd. 4. [RESULTS.] The school district primary must be conducted and the returns made in the manner provided for the state primary so far as practicable. Within two days after the primary, the school board of the school district shall canvass the returns, and the two candidates for each office who receive the highest number of votes, or a number of candidates equal to twice the number of individuals to be elected to the office who receive the highest number of votes, are the nominees for the office named. Their names must be certified to the school district clerk who shall place them on the school district general election ballot without partisan designation and without payment of an additional fee.

Subd. 5. [RECOUNT.] A losing candidate at the school district primary may request a recount of the votes for that nomination subject to section 204C.36.

Subd. 6. [VACANCY IN NOMINATION.] When a vacancy occurs in a nomination made at a school district primary, the vacancy must be filled in the manner provided in section 204B.13.

#### Sec. 61. [205A.04] [GENERAL ELECTION.]

Except as may be provided in a special law to the contrary, the general election in each school district must be held on the third Tuesday in May, unless the school board provides by resolution for holding the school district general election on the first Tuesday after the first Monday in November. When the time of a school district's general election is changed from May to November, the terms of all board members shall be lengthened to expire on January 1; when the time of a school district's general election is changed from November to May, the terms of all board members shall be shortened to expire on July 1. Whenever the time of a school district election is changed, the school district clerk shall immediately notify in writing the county auditor or auditors of the counties in which the school district is located and the secretary of state of the change of date.

#### Sec. 62. [205A.05] [SPECIAL ELECTIONS.]

Subdivision 1. [QUESTIONS.] Special elections may be held for a school district on a question on which the voters are authorized by law to pass judgment. A special election may be ordered by the school board on its own motion or, on a question that has not been submitted to the voters in an election within the previous six months, upon a petition signed by a number of voters equal to 20 percent of the votes cast at the last school district general election. A question is carried only with the majority in its favor required by law. The election officials for a special election are the same as for the most recent school district general election unless changed

according to law. Otherwise, special elections must be conducted and the returns made in the manner provided for the school district general election.

Subd. 2. [VACANCIES IN SCHOOL DISTRICT OFFICES.] Special elections shall be held in school districts in conjunction with school district primary and general elections to fill vacancies in elective school district offices.

Sec. 63. [205A.06] [CANDIDATES, FILING.]

Subdivision 1. [AFFIDAVIT OF CANDIDACY.] Not more than eight nor less than six weeks before a school district primary, or before the school district general election if there is no school district primary, an individual who is eligible and desires to become a candidate for an office to be voted on at the election must file an affidavit of candidacy with the school district clerk. The affidavit must be in substantially the same form as that in section 204B.06, subdivision 1. The school district clerk shall also accept an application signed by at least five voters and filed on behalf of an eligible voter in the school district whom they desire to be a candidate, if service of a copy of the application has been made on the candidate and proof of service is endorsed on the application being filed. No individual shall be nominated by nominating petition for a school district elective office except in the event of a vacancy in nomination as provided in section 205A.03, subdivision 6. Upon receipt of the proper filing fee, the clerk shall place the name of the candidate on the official ballot without partisan designation.

Subd. 2. [NOTICE OF FILING DATES.] At least two weeks before the first day to file affidavits of candidacy, the school district clerk shall publish a notice in the official newspaper stating the first and last dates on which affidavits of candidacy may be filed in the clerk's office and the closing time for filing on the last day for filing. The clerk shall post a similar notice in the administrative offices of the school district at least ten days before the first day to file affidavits of candidacy.

Subd. 3. [FILING FEES.] The filing fee for a school district office is \$2.

Subd. 4. [PETITION IN PLACE OF FEES.] A candidate for school district office may file a petition in place of the filing fees in subdivision 3. The petition must meet the requirements of section 204B.11, subdivision 2.

Subd. 5. [WITHDRAWAL.] A candidate for a school district elective office may withdraw from the election by filing an affidavit of withdrawal with the school district clerk by 12:00 noon of the day after the last day for filing affidavits of candidacy. After that date, no candidate may file an affidavit of withdrawal.

## Sec. 64. [205A.07] [NOTICE.]

Subdivision 1. [PUBLICATION AND POSTING.] The clerk of a school district shall give two weeks' published notice and give ten days' posted notice of a school district primary, general or special election, stating the time of the election, the location of each polling place, the offices to be filled, and all propositions or questions to be voted upon at the primary, general or special election. The notice shall be posted in the administrative offices of the school district for public inspection.

Subd. 2. [SAMPLE BALLOT, POSTING.] For every school district primary, general or special election, the school district clerk shall at least four days before the primary, general or special election, post a sample ballot in the administrative offices of the school district for public inspection, and shall post a sample ballot in each polling place on election day.

## Sec. 65. [205A.08] [BALLOTS.]

Subdivision 1. [BUFF BALLOT.] The names of all candidates for offices to be voted on at a school district general election must be placed on a single ballot printed on buff paper and known as the "buff ballot."

Subd. 2. [PRIMARY BALLOTS.] The school district primary ballot must conform as far as practicable with the school district general election ballot except that no blank spaces may be provided for writing in the names of candidates.

Subd. 3. [VACANCIES.] The names of candidates to fill vacancies at a school district special election held in conjunction with the primary or general election must be placed on the school district primary and general election ballots. The names of candidates to fill a vacancy in the office of school board member in a school district must be listed under the separate heading "Special election for school board member to fill vacancy in term expiring ....." with the date of expiration of the term and any other information necessary to distinguish the office.

Subd. 4. [GOLDENROD BALLOTS; QUESTIONS.] All questions relating to a proposition for the issuance of bonds, and all other questions relating to school district affairs submitted at an election to the voters of the school district, shall be printed on one separate goldenrod ballot and shall be prepared, printed, and distributed under the direction of the school district clerk at the same time and in the same manner as other school district ballots. The ballots, when voted, shall be deposited in a separate goldenrod ballot box provided by the local authorities for each voting precinct. The ballots shall be canvassed, counted, and returned in the same manner as other school district ballots. The returns shall provide appropriate

blank spaces for the counting, canvassing, and return of the results of the questions submitted on the goldenrod ballot.

Sec. 66. [205A.09] [VOTING HOURS.]

Subdivision 1. [METROPOLITAN AREA SCHOOL DISTRICTS.] At a school district election in a school district located in whole or in part within a metropolitan county as defined by section 473.121, the school board, by resolution adopted before giving notice of the election, may designate the time during which the polling places will remain open for voting at the next succeeding and all later school district elections. The polling places must open no later than 10:00 a.m. and close no earlier than 8:00 p.m. The resolution shall remain in force until it is revoked by the school board.

Subd. 2. [OTHER SCHOOL DISTRICTS.] At a school district election in a school district other than one described in subdivision 1, the school board, by resolution adopted before giving notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all later school district general elections. The resolution must remain in force until it is revoked by the school board or changed because of request by voters as provided in this subdivision. If a petition requesting longer voting hours, signed by a number of voters equal to 20 percent of the votes cast at the last school district election, is presented to the school district clerk no later than 30 days before a school district election, then the polling places for that election must open at 10:00 a.m. and close at 8:00 p.m. The school district clerk must give ten days' published notice and posted notice of the changed voting hours and notify appropriate county auditors of the change. School districts covered by this subdivision must certify their election hours to the county auditor in January of each year.

Sec. 67. [205A.10] [PROCEDURE.]

Subdivision 1. [MATERIALS, BALLOTS.] The school district clerk shall prepare and have printed the necessary election materials, including ballots, for a school district election. The name of each candidate for office shall be rotated with the names of the other candidates for the same office so that the name of each candidate appears substantially an equal number of times at the top, at the bottom, and at each intermediate place in the group of candidates for that office.

Subd. 2. [ELECTION, CONDUCT.] A school district election must be by secret ballot and must be held and the returns made in the manner provided for the state general election, so far as practicable.

Subd. 3. [CANVASS OF RETURNS, CERTIFICATE OF ELECTION, BALLOTS, DISPOSITION.] Within two days after a school

district election, the school board shall canvass the returns and declare the results of the election. After the time for contesting elections has passed, the school district clerk shall issue a certificate of election to each successful candidate. If there is a contest, the certificate of election to that office must not be issued until the outcome of the contest has been determined by the proper court. If there is a tie vote, the school board shall determine the result by lot. The clerk shall deliver the certificate of election to the successful candidate by personal service or certified mail. The successful candidate shall file an acceptance and oath of office in writing with the clerk within 30 days of the date of mailing or personal service. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but that filing may be made at any time before action to fill the vacancy has been taken. The school district clerk shall certify the results of the election to the county auditor, and the clerk shall be the final custodian of the ballots and the returns of the election.

Subd. 4. [RECOUNT.] A losing candidate at a school district election may request a recount of the votes for that office subject to the requirements of section 204C.36.

Sec. 68. [205A.11] [PRECINCTS; POLLING PLACES.]

The precincts and polling places for school district elections are those precincts or parts of precincts and polling places set in sections 204B.14 to 204B.16, except that at a school district election not held on the day of a statewide election, the school board may combine several precincts into a single precinct with one polling place and one set of election judges. The school board shall establish combined precincts by resolution at least 30 days before an election, post a map of the combined precincts, and file a copy of the map and resolution with the county auditor.

Sec. 69. [205A.12] [SCHOOL BOARD ELECTION DISTRICTS.]

Subdivision 1. [GENERAL PROVISIONS.] Any independent school district may alter its organization into separate election districts for the purpose of election of board members by following the procedures in this section.

Subd. 2. [ELECTION.] Except in a school district located wholly or partly within a city of the first class, upon resolution of the board, made on its own motion or on presentation of a petition substantially in the form required in section 205A.13, signed by at least 50 electors of the district or ten percent of the number of votes cast in the most recent regular school board election, whichever is larger, the board shall adopt a proposal to divide the district into as many separate election districts as there are members of the board, which proposal must be submitted to an election under this chapter. If the election is initiated by petition, the resolution calling the election

must be adopted within six months after the date of receipt of the petition. Only one election within any two-year period may be held under this section.

Subd. 3. [BALLOT QUESTION.] The question presented at the special election shall be: "Shall the school district be reorganized into election districts with boundaries as established in Resolution No. .... of the school board, dated .....?"

Yes .....

No ....."

Subd. 4. [ELECTION DISTRICT BOUNDARIES.] Each proposed election district must be as equal in population as practicable and must be composed of compact, contiguous territory. The district may utilize the most recent federal decennial census figures available or may conduct a special census for this purpose. The board shall designate each election district by number.

Subd. 5. [BOARD ELECTIONS.] If the proposal for the establishment of election districts is approved by the voters, the board shall specify the election districts from which vacancies shall be filled as they occur until such time as each board member represents an election district. A candidate for school board in a subsequent election must file an affidavit of candidacy to be elected as a school board member for the election district in which the candidate resides. One and only one member of the board shall be elected from each election district. Each board member must be a resident of the election district for which elected but the creation of an election district or a change in election district boundaries shall not disqualify a board member from serving for the remainder of a term.

Subd. 6. [REDEFINING ELECTION DISTRICT BOUNDARIES.] The school board may by resolution redefine district boundaries after a school district general election. The board shall hold a public hearing on the proposed resolution before its adoption. One week's published notice of the hearing must be given. Within six months after the official certification of each federal decennial or special census, the school board shall either confirm the existing election district boundaries as conforming to the standards of subdivision 4 or redefine election district boundaries to conform to those standards. If the school board fails to take either action within the time required, no further compensation may be paid to the school board members until the districts are either reconfirmed or redefined as required by this section. A resolution establishing original or new election district boundaries shall apply to the first election held at least six months after adoption of the resolution.

Any petition to a school board authorized in this chapter or sections 124A.03 and 275.125, or any other law which requires the board to submit an issue to referendum or election shall meet the following requirements to be valid.

(1) Each page of the petition shall contain a heading at its top which specifies the particular action the board is being petitioned to take. The signatures on any page which does not contain such a heading shall all be invalidated. All pages of the petition shall be assembled and filed with the board as a single instrument.

(2) Each page of the petition shall contain an authentication signed by the circulator of the petition specifying as follows:

I personally have circulated this page of the petition, all signatures were made in my presence, I believe that the signers signed their own names and that each person who has signed is eligible to vote in a school district election according to Minnesota election law.

Signed: ..... Signature of Petition Circulator

Date: .....

The signatures on any page which does not contain such an authentication shall all be invalidated.

(3) Signers of the petition shall personally sign their own names in ink or indelible pencil and shall indicate after the name the place of residence by street and number, or other description sufficient to identify the place. Except as provided in clause (4) of this subdivision, any signature which does not meet these requirements shall be invalidated.

(4) Individuals who are unable to write their names shall be required to make their marks on the petition. The circulator of the petition shall certify the mark by signing the individual's name and address and shall thereafter print the phrase "mark certified by petition circulator."

(5) A petition, to be valid, must contain the minimum number of valid signatures of eligible voters specified in the law authorizing the petition and election.

Sec. 71. Minnesota Statutes 1986, section 206.56, is amended by adding a subdivision to read:

Subd. 17. [MUNICIPALITY.] "Municipality" means city, town, or school district.

Sec. 72. Minnesota Statutes 1986, section 206.58, subdivision 2, is amended to read:

Subd. 2. [MAY USE EXPERIMENTAL MACHINES.] The governing body of a municipality may provide for the experimental use of



lever voting machines or an electronic voting system in one or more precincts without formal adoption of the machines or system. Use of the machines or system at an election shall be as valid for all purposes as if the machines or system had been permanently adopted.

When the governing body of a municipality decides to use lever voting machines or an electronic voting system, it shall, at a regular or special meeting held not less than 30 days before the election, prescribe suitable rules and instructions consistent with the provisions of sections 206.55 to 206.87 and 123.32, subdivision 7, for using the machine or system and shall submit the rules and instructions to the secretary of state for approval. When approved, a printed copy of the rules and instructions shall be posted prominently in the polling place and shall remain open to inspection by the voters throughout election day.

Sec. 73. [206.685] [VOTING MACHINES AT SCHOOL ELECTIONS.]

Where lever voting machines are used in precincts containing more than one school district or more than one school election district, separate voting machines must be used and must be allocated between the school districts or school election districts in proportion to the number of voters eligible to vote in the precinct from each district.

Sec. 74. Minnesota Statutes 1986, section 209.02, is amended to read:

209.02 [CONTESTANT; GROUNDS.]

Subdivision 1. Any eligible voter, including a candidate, may contest in the manner provided in this chapter: (1) the nomination or election of any person for whom the voter had the right to vote if that person is declared nominated or elected to the senate or the house of representatives of the United States, or to a statewide, county, legislative, or municipal, school, or district court office; or (2) the declared result of a constitutional amendment or other question voted upon at an election. The contest may be brought over an irregularity in the conduct of an election or canvass of votes, over the question of who received the largest number of votes legally cast, or on the grounds of deliberate, serious, and material violations of the Minnesota election law.

Sec. 75. Minnesota Statutes 1986, section 209.021, subdivision 3, is amended to read:

Subd. 3. [NOTICE SERVED ON PARTIES.] In all contests relating to the nomination or election of a candidate, the notice of contest must be served on the candidate who is the contestee, a copy of the

notice must be sent to the contestee's last known address by certified mail, and a copy must be furnished to the official authorized to issue the certificate of election. If personal or substituted service on the contestee cannot be made, an affidavit of the attempt by the person attempting to make service and the affidavit of the person who sent a copy of the notice to the contestee by certified mail is sufficient to confer jurisdiction upon the court to decide the contest.

If the contest relates to a constitutional amendment or other question voted on statewide or voted on in more than one county, notice of contest must be served on the secretary of state, who is the contestee. If a contest relates to a question voted on within only one county, school district, or one municipality, a copy of the notice of contest must be served on the county auditor, clerk of the school district, or municipal clerk, respectively, who is the contestee. If the contest relates to an irregularity in the conduct of an election or canvass of votes, a copy of the notice of contest must be served on the county auditor of the county where the irregularity is said to have occurred. If the contest is upon the question of consolidation or reorganization of a school district, a copy of the notice of contest must be served on the county auditor authorized by law to issue the order.

Sec. 76. Minnesota Statutes 1986, section 210A.01, subdivision 3, is amended to read:

Subd. 3. [CANDIDATE.] "Candidate" means any individual for whom it is contemplated or desired that votes may be cast at any primary or election, and who either tacitly or expressly consents to be so considered, except candidates for president and vice president of the United States. In sections 210A.22 to 210A.28, 210A.32 and 210A.33, "candidate" does not mean an individual for whom it is contemplated or desired that votes may be cast at any primary or election, and who either tacitly or expressly consents to be considered for constitutional office, member of the legislature, school board member, justice of the supreme court, court of appeals, or district court, county court, probate court, or county municipal court judge.

Sec. 77. [REPEALER.]

Minnesota Statutes 1986, section 201.095, is repealed.

Sec. 78. [EFFECTIVE DATE.]

Section 8 is effective the day following final enactment. Sections 1 to 7 and 9 to 77 are effective July 1, 1988.

## ARTICLE 2

## ORGANIC LAWS OF SCHOOL DISTRICTS

Section 1. Minnesota Statutes 1986, section 6.54, is amended to read:

6.54 [EXAMINATION OF MUNICIPAL RECORDS PURSUANT TO PETITION.]

The registered voters in a home rule charter or statutory city or the electors at an annual or special town meeting of a town may petition the state auditor to examine the books, records, accounts, and affairs of the home rule charter or statutory city, town, or of any organizational unit, activity, project, enterprise, or fund thereof; and the scope of the examination may be limited by the petition, but the examination shall cover, at least, all cash received and disbursed and the transactions relating thereto, provided that the state auditor shall not examine more than the six latest years preceding the circulation of the petition, unless it appears to the state auditor during the examination that the audit period should be extended to permit a full recovery under bonds furnished by public officers or employees, and may if it appears to the auditor in the public interest confine the period or the scope of audit or both period and scope of audit, to less than that requested by the petition. In the case of a home rule charter or statutory city, the petition shall be signed by a number of registered voters at least equal to 20 percent of those voting in the last presidential election. The eligible voters of any school district, as defined in section 123.32, subdivision 1a, may petition the state auditor, who shall be subject to the same restrictions regarding the scope and period of audit, provided that the petition shall be signed by at least ten eligible voters for each 50 resident pupils in average daily membership during the preceding school year as shown on the records in the office of the commissioner of education. In the case of school districts, the petition shall be signed by at least ten eligible voters. At the time it is circulated, every petition shall contain a statement that the cost of the audit will be borne by the city or school district as provided by law. Thirty days before the petition is delivered to the state auditor it shall be presented to the appropriate city or school district clerk and the county auditor. The county auditor shall determine and certify whether the petition is signed by the required number of registered voters or eligible voters as the case may be. The certificate shall be conclusive evidence thereof in any action or proceeding for the recovery of the costs, charges and expenses of any examination made pursuant to the petition.

Sec. 2. Minnesota Statutes 1986, section 122.22, subdivision 2, is amended to read:

Subd. 2. Proceedings under this section may be instituted by:

(a) Resolution of the county board of the county containing the greatest land area of the district proposed for dissolution when the

district is dissolved pursuant to sections 122.32 to 122.52.

(b) Petition executed by a majority of the eligible voters, as defined in section 123.32, subdivision 1a, of the district proposed for dissolution and addressed to the county board of the county containing the greatest land area of the district.

(c) Certification by the clerk of the district proposed for dissolution to the county board of the county containing the greatest land area of the district to the effect that a majority of votes cast at an election were in favor of dissolving the district.

Sec. 3. Minnesota Statutes 1986, section 122.22, subdivision 4, is amended to read:

Subd. 4. A petition executed pursuant to subdivision 2(b) shall be filed with the auditor. It shall contain the following:

(a) A statement that petitioners desire proceedings instituted leading to dissolution of the district and other provisions made for the education of the inhabitants of the territory and that petitioners are eligible voters, as defined in section 123.32, subdivision 1a, of the district;

(b) An identification of the district; and

(c) The reasons supporting the petition which may include recommendations as to disposition of territory to be dissolved. The recommendations are advisory in nature only and are not binding on any petitioners or county board for any purpose.

The persons circulating the petition shall attach their affidavit swearing or affirming that the persons executing the petition are eligible voters, as defined in section 123.32, subdivision 1a, of the district and that they signed in the presence of one of the circulators.

The auditor shall present the petition to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing. The hearing shall be not less than 20 nor more than 60 days from the date of that meeting.

Sec. 4. Minnesota Statutes 1986, section 122.23, subdivision 2, is amended to read:

Subd. 2. Upon a resolution of a school board in the area proposed for consolidation or upon receipt of a petition therefor executed by 25 percent of the voters resident in the area proposed for consolidation or by 50 such voters, whichever is lesser, the county auditor of the county which contains the greatest land area of the proposed new district shall forthwith cause a plat to be prepared. The resolution or

petition shall show the approximate area proposed for consolidation. The resolution or petition may propose either that the bonded debt of the component districts will be paid according to the levies previously made for that debt under chapter 475, as provided in subdivision 16a, or that the taxable property in the newly created district will be taxable for the payment of the bonded debt previously incurred by any component district as provided in subdivision 16b. The resolution or petition may also propose that referendum levies previously approved by voters of the component districts pursuant to section 124A.03, subdivision 2, or its predecessor provision, be combined as provided in section 122.531, subdivision 2a or 2b, or that the referendum levies be discontinued. The resolution or petition may also propose that the board of the newly created district consist of seven members, and may also propose the establishment of separate election districts from which school board members will be elected, the boundaries of these election districts, and the initial term of the member elected from each of these election districts. If a county auditor receives more than one request for a plat and the requests involve parts of identical districts, the auditor shall forthwith prepare a plat which in the auditor's opinion best serves the educational interests of the inhabitants of the districts or areas affected. The plat shall show:

- (a) Boundaries of the proposed district, as determined by the county auditor, and present district boundaries,
- (b) The location of school buildings in the area proposed as a new district and the location of school buildings in adjoining districts,
- (c) The boundaries of any proposed separate election districts, in accordance with the provisions of section 123.32, and
- (d) Other pertinent information as determined by the county auditor.

Sec. 5. Minnesota Statutes 1986, section 122.23, subdivision 9, is amended to read:

Subd. 9. If the approved plat contains land area in more than one independent district maintaining a secondary school, or common district maintaining a secondary school, and if each board entitled to act on the plat approves the plat, each board shall cause notice of its action to be published at least once in its official newspaper. If five percent of the eligible voters, as defined in section 123.32, subdivision 1a, of any such district petition the clerk of the district, within 30 days after the publication of the notice, for an election on the question, the consolidation shall not become effective until approved by a majority vote in the district at an election held in the manner provided in subdivisions 11, 12, and 13.

Sec. 6. Minnesota Statutes 1986, section 122.23, subdivision 10, is amended to read:

Subd. 10. If an approved plat contains land area in any district not entitled to act on approval or rejection of the plat by action of its

board, the plat may be approved by the residents of the land area within 60 days of approval of plat by the state board in the following manner:

A petition calling upon the county auditor to call and conduct an election on the question of adoption or rejection of the plat may be circulated in the land area by any person residing in the area. Upon the filing of the petition with the county auditor, executed by at least 25 percent of the eligible voters, as defined in section 123.32, subdivision 1a, in each district or part of a district contained in the land area, the county auditor shall forthwith call and conduct a special election of the electors resident in the whole land area on the question of adoption of the plat. For the purposes of this section, the term "electors resident in the whole land area" means any person residing on any remaining portion of land, a part of which is included in the consolidation plat. Any eligible voter, as defined in section 123.32, subdivision 1a, owning land included in the plat who lives upon land adjacent or contiguous to that part of the voter's land included in the plat shall be included and counted in computing the 25 percent of the eligible voters, as defined in section 123.32, subdivision 1a, necessary to sign the petition and shall also be qualified to sign the petition. Failure to file the petition within 60 days of approval of the plat by the state board terminates the proceedings.

Sec. 7. Minnesota Statutes 1986, section 122.25, subdivision 1, is amended to read:

Subdivision 1. If six or more eligible voters, as defined in section 123.32, subdivision 1a, of a common district desire to change the organization of their district to an independent district, they may call for a vote upon the question at the next annual meeting by filing a petition therefor with the clerk. In the notice for the meeting, the clerk shall include a statement that the question will be voted upon at the meeting.

Sec. 8. Minnesota Statutes 1986, section 123.11, subdivision 7, is amended to read:

Subd. 7. Upon the filing of a petition therefor, executed by five eligible voters, as defined in section 123.32, subdivision 1a Minnesota election law, of the common district, specifying the business to be acted upon, or upon the adoption of a proper resolution so specifying, signed by a majority of the members of the board, the clerk shall forthwith call a special meeting of the district upon ten days' posted notice and one week's published notice if there be a newspaper printed in the district and specify in the notice the business named in the request or resolution and the time and place of the meeting. If there be no clerk in the district or if the clerk fails for three days after receiving a request or resolution to give notice of a meeting, it may be called by like notice by five eligible voters, as

defined in ~~section 123.32, subdivision 1a~~ Minnesota election law, of the district. No business except that named in the notice shall be transacted at the meeting. If there are not five eligible voters, as defined in ~~section 123.32, subdivision 1a~~ Minnesota election law, or if there is not a board therein, the county auditor may call a special meeting by giving notice thereof as provided in this section. The voters at a special meeting have power to repeal or modify their proceedings.

Sec. 9. Minnesota Statutes 1986, section 123.33, subdivision 4, is amended to read:

Subd. 4. Any other vacancy in a board shall be filled by the board appointment at any a regular or special meeting thereof. Such The appointment shall be evidenced by a resolution entered in the minutes and shall continue until July 1 next following such appointment an election is held under this subdivision. All elections to fill vacancies shall be for the unexpired term. If the vacancy occurs before the first day to file affidavits of candidacy for the next school district general election and more than two years remain in the unexpired term, a special election shall be held in conjunction with the school district general election. The appointed person shall serve until the qualification of the successor elected to fill the unexpired part of the term at that special election. If the vacancy occurs on or after the first day to file affidavits of candidacy for the school district general election or when less than two years remain in the unexpired term, there shall be no special election to fill the vacancy and the appointed person shall serve the remainder of the unexpired term and until a successor is elected and qualifies at the school district election.

Sec. 10. Minnesota Statutes 1986, section 123.351, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] Two or more independent school districts may enter into an agreement to establish a cooperative center to provide for vocational education and other educational services upon the vote of a majority of the full membership of each of the boards of the districts entering into the agreement. When a resolution approving this action has been adopted by the board of a district, the resolution shall be published once in a newspaper of general circulation in the district. If a petition for referendum on the question of the district entering into the agreement, containing signatures of qualified voters of the district equal to five percent of the number of voters at the last ~~annual~~ school district general election, is filed with the clerk of the board within 60 days after publication of the resolution, the board shall not enter into the agreement until the question has been submitted to the voters of the district at a special election. This election shall be conducted and canvassed in accordance with section 123.32 the same manner as school district general elections. If a majority of the total number of

votes cast on the question within the district is in favor of the proposition, the board may thereupon enter into an agreement to establish the center for purposes herein described in this section.

Sec. 11. Minnesota Statutes 1986, section 123.51, is amended to read:

123.51 [SPECIAL SCHOOL DISTRICTS, LAWS APPLICABLE.]

Special districts as now organized shall continue to operate under the special legislation and charter provisions governing them until conversion to independent districts. The provisions of law relating to independent districts shall apply to and govern each special district unless the special laws and charter provisions governing the special district provide for the matter, in which case the special laws and charter provisions relating to the special district shall apply and control. Article 1, sections 58 to 68, control and supersede inconsistent provisions of special laws or charters in the administration of school district elections in special districts.

Sec. 12. Minnesota Statutes 1986, section 127.09, is amended to read:

127.09 [REFUSING TO SERVE ON SCHOOL BOARD.]

Any person who accepts election or appointment to any school board and who refuses or neglects to qualify or to serve or to perform any of the duties of the office, shall be fined \$10 for each offense. The fine shall be collected in an action before a county or municipal court. It may be prosecuted in the name of the district by any school board member or eligible voter, ~~as defined in section 123.32, subdivision 1a,~~ of the district.

Sec. 13. Minnesota Statutes 1986, section 127.11, is amended to read:

127.11 [DRAWING ILLEGAL ORDER.]

Any school district clerk who illegally draws an order upon the treasurer, any chair or other officer who attests the order, and any school district treasurer who knowingly pays the order, shall each forfeit to the district twice the amount of the order, to be collected in an action brought in the name of the district by any eligible voter, ~~as defined in section 123.32, subdivision 1a,~~ of the district.

Sec. 14. [REPEALER.]

Minnesota Statutes 1986, sections 123.015 and 123.32, are repealed.



## Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 14 are effective July 1, 1988."

Delete the title and insert:

"A bill for an act relating to elections; providing for school district elections to be conducted according to Minnesota election law; amending Minnesota Statutes 1986, sections 6.54; 122.22, subdivisions 2 and 4; 122.23, subdivisions 2, 9, and 10; 122.25, subdivision 1; 123.11, subdivision 7; 123.33, subdivision 4; 123.351, subdivision 1; 123.51; 127.09; 127.11; 200.01; 200.015; 200.02, by adding a subdivision; 201.016, subdivision 2; 201.018, subdivision 2; 201.061, subdivisions 3 and 6; 201.071, subdivisions 1, 3, 5, 6, and by adding a subdivision; 201.221, subdivisions 3 and 4; 201.27, subdivision 2; 203B.01, subdivision 2; 203B.04, subdivisions 1 and 2; 203B.05, subdivisions 1 and 2; 203B.06, subdivision 2; 203B.08, subdivision 4; 203B.10; 203B.11, subdivision 1; 203B.12, subdivision 6; 203B.13; 203B.15; 203B.19; 203B.23; 204B.02; 204B.09, subdivision 2; 204B.16, subdivision 1; 204B.18, subdivision 2; 204B.19, subdivision 1; 204B.21, subdivision 2; 204B.25, subdivision 1; 204B.29; 204B.31; 204B.32; 204B.34, by adding a subdivision; 204B.35, subdivision 1; 204C.02; 204C.06, subdivision 2; 204C.07, subdivision 3; 204C.08, subdivision 4; 204C.10, subdivision 2; 204C.19, subdivision 2; 204C.20, subdivision 4; 204C.24, subdivision 2; 204C.25; 204C.26, subdivisions 2 and 3; 204C.27; 204C.28, subdivision 2, and by adding a subdivision; 204C.29, subdivision 1; 204C.36; 206.56, by adding a subdivision; 206.58, subdivision 2; 209.02; 209.021, subdivision 3; 210A.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 206; proposing coding for new law as Minnesota Statutes, chapter 205A; repealing Minnesota Statutes 1986, sections 123.015; 123.32; and 201.095."

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

The report was adopted.

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

H. F. No. 290, 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 1986, section 214.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 148A.

Reported the same back with the following amendments:

Page 1, after line 19, insert:

"Subd. 4. [COUNTY AGENCY SOCIAL WORKER.] "County agency social worker" means an individual who is employed by a

county social service agency in Minnesota in social work practice or clinical social work.

Subd. 5. [STATE AGENCY SOCIAL WORKER.] “State agency social worker” means an individual who is employed by a state social service agency in Minnesota in social work practice or clinical social work.”

Page 2, line 1, delete “4” and insert “6”

Renumber the subdivisions in sequence

Page 2, line 27, delete “5, clauses (1), (2), and (3)” and insert “6”

Page 3, line 16, delete “7” and insert “9”

Page 3, line 16, delete “levels” and insert “categories”

Page 3, line 31, delete “psychotherapy”

Page 3, delete line 32

Page 3, line 33, delete “and”

Page 3, line 34, after “needs” insert “; and psychotherapy when conducted under supervision as defined in subdivision 12”

Page 4, after line 10, insert:

“Social work practice is not medical care nor any other type of remedial care that may be reimbursed under medical assistance, chapter 256B, except to the extent such care is reimbursed under section 256B.02, subdivision 8, clause (5).”

Page 4, line 33, delete “In addition, the”

Page 5, line 1, delete “and”

Page 5, line 3, delete the period and insert “; and”

Page 5, after line 3, insert “(5) in addition, at least one member shall be a person of color and at least two members shall reside outside of the seven-county metropolitan area.”

Page 5, line 26, after “ethics” insert “and requirements for continuing education”

Page 7, line 17, delete “10” and insert “12”

Page 7, line 18, after "years" insert "in full-time employment"

Page 7, line 30, delete "10" and insert "12"

Page 8, line 5, after "years" insert "in full-time employment"

Page 8, line 7, delete "10" and insert "12"

Page 8, line 24, after "years" insert "in full-time employment"

Page 8, line 25, delete "10" and insert "12"

Page 9, line 2, delete "annually" and insert "during each three-year period"

Page 9, line 3, delete "15" and insert "45"

Page 9, line 14, after "years" insert "in full-time employment"

Page 9, line 28, after "years" insert "in full-time employment"

Page 10, line 1, after "years" insert "in full-time employment"

Page 11, line 22, after the period insert "County agency social workers and state agency social workers who are not licensed under sections 1 to 11 may use the title county agency social worker or state agency social worker."

Page 12, line 17, delete "PUBLIC" and insert "COUNTY AND STATE"

Page 12, line 18, delete "public" and insert "county and state"

Page 12, line 18, delete everything after "voluntary"

Page 12, delete lines 19 and 20 and insert "County and state agencies employing social workers shall not be required to employ licensed social workers, nor shall they require their social worker employees to be licensed."

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

The report was adopted.

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

H. F. No. 415, A bill for an act relating to state government; regulating the state council for the handicapped; extending the time for appeals by the council from state building code decisions affecting the interests of handicapped persons; changing the name of the council; amending the duties and responsibilities of the council; authorizing the council to initiate or intervene in proceedings affecting handicapped persons; amending Minnesota Statutes 1986, sections 16B.67; and 256.482.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 16B.67, is amended to read:

16B.67 [APPEALS.]

A person aggrieved by the final decision of any municipality as to the application of the code, including any rules adopted under sections 471.465 to 471.469, may, within ~~30~~ 180 days of the decision, appeal to the commissioner. Appellant shall submit a fee of \$20, payable to the commissioner, with the request for appeal. The final decision of the involved municipality is subject to review de novo by the commissioner or a designee. The commissioner shall submit written findings to the parties. Any person aggrieved by a ruling of the commissioner may appeal in accordance with chapter 14. For the purpose of this section "any person aggrieved" includes the state council for the handicapped on disability. No fee shall be required when the council for the handicapped on disability is the appellant.

Sec. 2. Minnesota Statutes 1986, section 256.482, is amended to read:

256.482 [COUNCIL FOR THE HANDICAPPED ON DISABILITY.]

Subdivision 1. [ESTABLISHMENT; MEMBERS.] There is hereby established the council for the handicapped on disability which shall consist of 21 members appointed by the governor. Members shall be appointed from the general public and from organizations which provide services for handicapped persons who have a disability. A majority of council members shall be handicapped persons with a disability or parents or guardians of handicapped persons with a disability. There shall be at least one member of the council appointed from each of the state development regions. The commissioners of the departments of education, human services, health,

jobs and training, and human rights and the directors of the division of ~~vocational~~ rehabilitation services and state services for the blind or their designees shall serve as ex officio members of the council without vote. In addition, ~~there the council may be~~ appoint ex officio members from other bureaus, divisions, or sections of state departments which are directly concerned with the provision of services to handicapped persons with a disability.

The terms of members serving as of December 31, 1983, shall expire on that date. Thereafter, Notwithstanding the provisions of section 15.059, each member of the council appointed by the governor shall serve a three-year term and until a successor is appointed and qualified, provided that of the members initially appointed to serve starting in 1984, ~~one-third shall be appointed for one year, one-third for two years, and one-third for three years as designated by the governor.~~ The compensation and removal of all members and expiration of the council shall be as provided in section 15.059. The governor shall appoint a chair of the council from among the members appointed from the general public or ~~handicapped who are persons with a disability~~ or their parents or guardians. Vacancies shall be filled by the appointing authority for the remainder of the unexpired term. The council shall not expire as provided in section 15.059.

Subd. 2. [EXECUTIVE DIRECTOR; STAFF] The council may select an executive director of the council by a vote of a majority of all council members. The executive director shall be in the unclassified service of the state and shall provide administrative support for the council and provide administrative leadership to implement council mandates, policies, and objectives. The executive director shall employ and direct staff authorized according to state law and necessary to carry out council mandates, policies, activities, and objectives. The salary of the executive director and staff shall be established pursuant to chapter 43A. The executive director and staff shall be reimbursed for the actual and necessary expenses incurred as a result of their council responsibilities.

Subd. 3. [RECEIPT OF FUNDS.] Whenever any person, firm or corporation offers to the council funds by the way of gift, grant or loan, for purposes of assisting the council to carry out its powers and duties, the council may accept ~~such~~ the offer by majority vote and upon ~~such~~ acceptance the chair shall receive ~~such~~ the funds subject to the terms of the offer, ~~but~~. However, no money shall be accepted or received as a loan nor shall any indebtedness be incurred except in the manner and under the limitations otherwise provided by law.

Subd. 4. [ORGANIZATION; COMMITTEES.] The council shall organize itself in conformity with its responsibilities under sections 256.481 to 256.482 and shall establish committees which shall give detailed attention to the special needs of each category of ~~handicapped persons who have a disability~~. The members of ~~such~~ the

committees shall be designated by the chair with the approval of a majority of the council. ~~Committees established shall include a committee on children which shall study the special needs of handicapped children and a committee on employment which shall study the special employment needs of handicapped persons.~~ The council shall serve as liaison in Minnesota for the president's committee on employment of the handicapped and for any other organization for which it is so designated by the governor or state legislature.

Subd. 5. [DUTIES AND POWERS.] The council shall have the following duties and powers:

(1) to advise and otherwise aid the governor; appropriate state agencies, including but not limited to the departments of education, human services, jobs and training, and human rights, and the divisions of ~~vocational rehabilitation services~~ and services for the blind; the state legislature; and the public on matters pertaining to public policy and the administration of programs, services and facilities for ~~handicapped persons~~ who have a disability in Minnesota;

(2) to encourage and assist in the development of coordinated, interdepartmental goals and objectives and the coordination of programs, services and facilities among all state departments and private providers of service as they relate to ~~handicapped persons~~ with a disability;

(3) to serve as a source of information to the public regarding all services, programs and legislation pertaining to ~~handicapped persons~~ with a disability;

(4) to review and make comment to the governor, state agencies, the legislature, and the public concerning adequacy of state programs, plans and budgets for services to ~~handicapped persons~~ with a disability and for funding under the various federal grant programs;

(5) to research, formulate and advocate plans, programs and policies which will serve the needs of ~~handicapped persons~~ who are disabled;

(6) to advise the departments of labor and industry and jobs and training on the administration and improvement of the workers' compensation law as the law it relates to programs, facilities and personnel providing assistance to workers who are injured and ~~handicapped workers~~ disabled;

(7) to advise the workers' compensation division of the department of labor and industry and the workers' compensation court of appeals as to the necessity and extent of any alteration or remodeling of an

existing residence or the building or purchase of a new or different residence which is proposed by a licensed architect under section 176.137;

(8) to initiate or seek to intervene as a party in any administrative proceeding and judicial review thereof to protect and advance the right of all persons who are disabled to an accessible physical environment as provided in section 16B.67; and

(9) to initiate or seek to intervene as a party in any administrative or judicial proceeding which concerns programs or services provided by public or private agencies or organizations and which directly affects the legal rights of persons with a disability.

Subd. 5a. [COLLECTION OF FEES.] The council is empowered to establish and collect fees for documents or technical services provided to the public. The fees shall be set at a level to reimburse the council for the actual cost incurred in providing the document or service. Notwithstanding the provisions of section 16A.72, all fees collected shall be deposited into the state treasury and credited to a separate dedicated account for council services. All money in this dedicated account is annually appropriated to the council to provide documents and technical services to the public.

### Sec. 3. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the words "council for the handicapped" or "state council for the handicapped" wherever they appear in Minnesota Statutes to "council on disability" in the next edition of Minnesota Statutes."

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

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 442, A bill for an act relating to agriculture; establishing an interest rate buy-down program for agriculture-related small business; appropriating money.

Reported the same back with the following amendments:

Page 1, line 10, delete "AGRICULTURE-RELATED"

Page 1, line 11, delete "Agriculture-related"

Page 1, line 12, delete “the” and insert “that is not located in Anoka, Dakota, Carver, Hennepin, Ramsey, Scott, and Washington counties. A small business for the purposes of sections 1 to 9 may have gross sales up to \$2,000,000.”

Page 1, delete lines 13 to 18

Page 1, line 21, delete “an” and insert “a”

Page 1, line 22, delete “agriculture-related”

Page 2, line 12, delete “an agriculture-related” and insert “a”

Page 2, line 20, delete “farm” and insert “business”

Page 2, line 32, delete “FARMER” and insert “BUSINESS”

Page 3, after line 4, insert:

“The commissioner shall determine the procedure for the calculation of the debt-to-asset ratio as part of the guideline required under section 4. In determining the procedure, the commissioner shall take into consideration the various options for the organization of business including sole proprietorship, cooperatives, partnerships, and corporations.”

Page 4, line 20, delete “FARMER” and insert “BUSINESS”

Amend the title as follows:

Page 1, line 2, delete “agriculture” and insert “small business”

Page 1, line 3, delete “agriculture-related”

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

The report was adopted.

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

H. F. No. 450, A bill for an act relating to commerce; regulating the advertisement of interest rates of investment products; prescribing the powers and duties of the commissioner; providing for uniformity in the enforcement powers of the commissioner; prescribing penalties; providing remedies; amending Minnesota Statutes 1986, section 60A.17, subdivision 6c; proposing coding for new law in Minnesota Statutes, chapter 45; repealing Minnesota Statutes 1986,



sections 72A.23; 72A.24; 72A.28; 80A.20; 80A.21; 80C.15; 80C.16, subdivision 1; 82.25; 82.26; 83.34; and 83.35, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [45.025] [ADVERTISEMENT OF INTEREST RATES.]

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

(a) "Advertisement" includes:

(1) printed or published material, audio visual material, and descriptive literature of an issuer or agent used in direct mail, newspapers, magazines, other periodicals, radio scripts, television scripts, billboards, and other similar displays, excluding advertisements prepared for the sole purpose of obtaining employees, agents, or agencies;

(2) descriptive literature and sales ads of all kinds issued by an issuer or agent for presentation to members of the public, including but not limited to circulars, leaflets, booklets, depictions, illustrations, and form letters;

(3) prepared sales talks, presentations, and materials for use by issuers and agents and representations made by issuers and agents in accordance with these talks, presentations, and materials; and

(4) statements, written or oral, by an agent or issuer.

(b) "Agent" is a person who effects or attempts to effect or assist in the purchase or sale of an investment product.

(c) "Commissioner" means the commissioner of commerce.

(d) "Effective annual yield" is the annualized income expressed as a simple interest rate per annum based on the initial investment principal which may include compounding interest.

(e) "Effective net annual yield" means the effective annual yield, based on a hypothetical \$1,000 investment, minus any annual fee or similar regular periodic charges.

(f) "Investment product" includes but is not limited to:

(1) certificate of deposits, deposits, or fiduciary funds entrusted to banks, savings associations, trust companies, credit unions, savings banks, industrial loan and thrift companies, and any other financial

institution whether or not licensed by or registered with the department of commerce;

(2) annuities, endowment policies, or other life insurance products;

(3) securities including a note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit sharing agreement; collateral trust certificate; preorganizational certificate or subscription; transferrable shares; investment contract, including but not limited to metals, gems, and coins; voting trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas, or mining right, title or lease, or in payments out of production under the right, title or lease; or in general any interest or instrument commonly known as a security, or any certificate of interest or participation in, temporary or interim certificate for, receipt for guarantee of, or warrant or right to subscribe to or purchase, any of the securities listed in this clause.

(g) "Issuer" includes but is not limited to: banks, savings associations, trust companies, credit unions, savings banks, industrial loan and thrift companies, insurance companies, investment companies, trusts, or a person who issues an investment product.

(h) "Person" means an individual, corporation, a partnership, an association, a joint stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, a political subdivision of a government, or any other entity.

Subd. 2. [GENERAL RESTRICTION.] No person shall advertise the interest rate of an investment product unless the following disclosures are made in an equally prominent manner:

(a) The effective annual yield.

(b) The effective net annual yield.

(c) Any prepayment expense, surrender charge, or withdrawal penalty, charged by the issuer. If the expense, charge, or penalty varies according to the length of time the product is held, the advertisement shall disclose the expense, fee, or penalty imposed if surrendered or terminated within one year.

(d) The name and address of the issuer.

Subd. 3. [VARIABLE RATES.] An investment product whose interest rate varies according to the income or earnings of the issuer shall not advertise projections of effective annual yield for a period

exceeding one year. In addition, the advertisement shall include in an equally prominent manner the following statement:

"The effective annual yield or total return will fluctuate along with market and other economic conditions. Past performance does not guarantee future results."

Subd. 4. [PAST PERFORMANCE.] If the advertisement refers to the past performance of an investment product, the advertisement must disclose the effective net annual yield for the one-year period immediately preceding the most recent quarter. Quarters for the purposes of this subdivision end on March 31, June 30, September 30, and December 31.

Subd. 5. [COMPARATIVE ILLUSTRATIONS.] Illustrations comparing a life insurance policy or annuity contract of one company with a life insurance policy or an annuity contract of another company must clearly disclose with equal prominence for each policy or contract:

- (1) the guaranteed rate of interest paid on the cash value;
- (2) the current dividend scale or current rate of interest paid on the cash value;
- (3) the nonguaranteed nature of any current dividends, current interest rates, charges, or other fees applied to the policy or contract, including the issuer's rights to alter any of these factors;
- (4) any limitations on the crediting of dividends or interest;
- (5) the frequency and timing by which dividends or the current interest rate is determined; and
- (6) the net cash surrender value at all ages and contract durations illustrated.

This subdivision does not apply to individual life insurance policy and annuity contract illustrations based upon the prospective purchaser's age and sex which do not provide a comparison with another policy or contract.

Subd. 6. [WAIVER.] The commissioner may by rule or order waive the provisions of subdivisions 2 to 5 with regard to any person or persons who comply with similar or more stringent restrictions imposed by the Securities and Exchange Commission or other federal regulatory agency."

Amend the title as follows:

Page 1, line 3, delete "prescribing the"

Page 1, delete lines 4 to 7

Page 1, line 8, delete "60A.17, subdivision 6c;"

Page 1, line 9, delete "; repealing Minnesota" and insert a period

Page 1, delete lines 10 to 12

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 523, A bill for an act relating to elections; changing certain voter registration procedures to increase voter participation; providing for a computerized central registration system, voter registration forms in state income tax forms and booklets, and a combined voter registration, driver's license, and identification card form; appropriating money; amending Minnesota Statutes 1986, sections 201.021; 201.054, subdivision 1; 201.061, subdivision 1; 201.071, subdivision 4; 201.081; 201.121, subdivision 1; 201.13; 201.15; 201.161; 201.171; 201.221, subdivision 2; 290.39, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 201.

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

The report was adopted.

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

H. F. No. 547, A bill for an act relating to state government; creating a legislative commission on fiscal policy; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

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

The report was adopted.

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

H. F. No. 564, A resolution memorializing the Federal Energy Regulatory Commission; expressing the Legislature's opposition to Northern States Power Company's application to install additional hydropower generating facilities at the Falls of St. Anthony in Minneapolis, Minnesota.

Reported the same back with the following amendments:

Delete everything after the title and insert:

*Whereas*, Father Louis Hennepin first sighted the Falls of St. Anthony in 1680 on his exploration of the territory that would later become known as the State of Minnesota; and

*Whereas*, the Falls of St. Anthony acted as the cornerstone of a community of pioneer settlers that later became known as the City of Minneapolis; and

*Whereas*, the Falls of St. Anthony was a vital part in the economic development of the City of Minneapolis and the State of Minnesota; and

*Whereas*, the Falls of St. Anthony were incorporated into the Great Seal of the State of Minnesota from the earliest beginnings of statehood; and

*Whereas*, the Falls of St. Anthony continues to be a part of the Great Seal of the State of Minnesota to depict the Falls of St. Anthony's importance in transportation and industry and is on the State's list of privately owned historic sights; and

*Whereas*, there has always been a history of multiple use of the Falls of St. Anthony including lumber milling, grain milling, hydropower production, recreational, scenic, and river transportation; and

*Whereas*, the Federal Government, the State of Minnesota, the Metropolitan Council, and the City of Minneapolis have made a major investment of public funds to reclaim the Mississippi Riverfront area surrounding the Falls of St. Anthony for recreational, scenic, and economic development purposes; and

*Whereas*, the potential private investment in area around the Falls of St. Anthony is expected to exceed \$800,000,000 and the aesthetic value of the Falls of St. Anthony is integral to that development; and

*Whereas*, the redevelopment of the riverfront area will open the area to people who have been underserved by such amenities in the past; and

*Whereas*, the Corp of Engineers and Northern States Power Company have both investigated in recent years the possibility of installing additional hydropower facilities; and

*Whereas*, Northern States Power Company has demonstrated sensitivity to community concerns about the impact of such additional hydropower development by withdrawing its recent license application to the Federal Energy Regulatory Commission; and

*Whereas*, additional power generating turbines could capture virtually all of the constant flow of the Mississippi River at the Falls of St. Anthony, for power generating purposes only; and

*Whereas*, additional power generating turbines would permanently alter the character of the Falls of St. Anthony and take permanently the historic, aesthetic, and recreational qualities of the Falls of St. Anthony out of the public domain; *Now, Therefore*,

*Be It Resolved* by the Legislature of the State of Minnesota that it urges the Federal Energy Regulatory Commission to deny any application for additional hydropower generation at the Falls of St. Anthony in Minneapolis, Minnesota.

*Be It Further Resolved* that the Secretary of State of the State of Minnesota is directed to prepare certified copies of this resolution and present them to the Federal Energy Regulatory Commission and to Minnesota's Senators and Representatives in Congress."

Amend the title as follows:

Page 1, line 3, after "to" insert "the"

Page 1, line 4, delete "Northern States Power Company's application to install" and insert "installation of"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 576, A bill for an act relating to commerce; regulating securities; restricting certain charges made by investment advisors and broker dealers; providing for the denial, suspension, and revocation of licenses and the censure of licensees; exempting the sale of

certain stock of a closely-held corporation; exempting certain industrial revenue bond transactions; regulating real estate brokers and salespersons; prohibiting commission-splitting and rebating on timeshare and other recreational lands; providing for continuing education of brokers; regulating licensees acting as principals; regulating business corporations; providing for the indemnification of certain persons against expenses and liabilities; regulating abandoned property; establishing a presumption of abandonment for certain profits or sums held by a cooperative; regulating the preparation and retention of abstracts of title to real property; transferring the powers and duties of the commissioner for the regulation of social and charitable organizations to the attorney general; amending Minnesota Statutes 1986, sections 80A.06, subdivision 5; 80A.07, subdivision 1; 80A.14, subdivision 18; 80A.15, subdivision 2; 82.17, subdivision 4; 82.19, subdivision 3; 82.21, subdivision 1; 82.22, subdivision 6; 82.24, subdivision 2; 82.34, subdivision 19; 302A.161, subdivision 22; 345.39; 386.375; and 302A.521, by adding a subdivision; repealing Minnesota Statutes 1986, section 309.55.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [45.025] [REGULATION OF BUSINESS OF FINANCIAL PLANNING.]

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

(a) "Person" means an individual, corporation, partnership, joint venture, joint stock association, trust, or unincorporated association.

(b) "Financial planner" means a person who provides or offers to provide financial planning services or financial counseling or advice on a group or individual basis. A person who, on advertisements, cards, signs, circulars, letterheads, or in another manner, indicates that the person is a "financial planner," "financial counselor," "financial adviser," "investment counselor," "estate planner," "investment adviser," "financial consultant," or other similar designation, title, or combination is considered to be representing himself or herself to be engaged in the business of financial planning.

(c) "Advertisement" includes:

(1) printed or published material, audiovisual material, and descriptive literature of a financial planner used in direct mail, newspapers, magazines, other periodicals, radio scripts, television scripts, billboards, and other similar displays, excluding advertisements prepared for the sole purpose of obtaining employees, agents, or agencies;

(2) descriptive literature and sales ads of all kinds issued by a financial planner for presentation to members of the public, including but not limited to, circulars, leaflets, booklets, depictions, illustrations, and form letters;

(3) prepared sales talks, presentations, and materials for use by a financial planner and any representations made by a financial planner in accordance with these talks, presentations, and materials; and

(4) statements, written or oral, by a financial planner.

Subd. 2. [LIABILITY.] A person who represents himself or herself as a financial planner is liable to a person for whom the services are performed for compensation and who is damaged by reason of reliance upon the services.

A person damaged through reliance upon the services of a financial planner may bring a civil action for equitable relief as determined by the court and for damages resulting from the reliance, together with costs and disbursements, including the cost of investigation and attorney's fees.

Subd. 3. [PENALTY.] A financial planner who damages a person in the course of rendering financial planning services is subject to the penalties specified in chapter 45.

## Sec. 2. [45.026] [INVESTIGATIONS AND SUBPOENAS.]

Subdivision 1. [GENERAL POWERS.] In connection with the administration of chapters 45 to 83, 309, and 332, the commissioner of commerce may:

(1) make such public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate chapters 45 to 83, 309, and 332 or any rule or order under those chapters, or to aid in the enforcement of chapters 45 to 83, 309, and 332 or in the prescribing of rules or forms under those chapters;

(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;

(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the administration of chapters 45 to 83, 309, and 332;



(4) conduct investigations and hold hearings for the purpose of compiling information with a view to recommending changes in chapters 45 to 83, 309, and 332 to the legislature;

(5) examine the books, accounts, records, and files of every licensee under chapters 45 to 83, 309, and 332 and of every person who is engaged in any activity regulated under chapters 45 to 83, 309, and 332 and the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;

(6) publish information which is contained in any order issued by the commissioner; and

(7) require any person subject to chapters 45 to 83, 309, and 332 to report all sales or transactions that are regulated under chapters 45 to 83, 309, and 332. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction.

Subd. 2. [POWER TO COMPEL PRODUCTION OF EVIDENCE.] For the purpose of any investigation, hearing, or proceeding under chapters 45 to 83, 309, and 332, the commissioner or a designated representative may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of books, papers, correspondence, memoranda, agreements, or other documents or records that the commissioner considers relevant or material to the inquiry.

Subd. 3. [COURT ORDERS.] In case of contumacy by, or refusal to obey a subpoena issued to any person, the district court, upon application by the commissioner, may issue to any person an order directing that person to appear before the commissioner, or the officer designated by the commissioner, there to produce documentary evidence if so ordered or to give evidence relating to the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.

Subd. 4. [SCOPE OF PRIVILEGE.] No person is excused from attending and testifying or from producing any document or record before the commissioner, or in obedience to the subpoena of the commissioner or any officer designated by the commissioner or in proceeding instituted by the commissioner, on the ground that the testimony or evidence required may tend to incriminate that person or subject that person to a penalty of forfeiture. No person may be prosecuted or subjected to a penalty or forfeiture for or on account of a transaction, matter, or thing concerning which the person is compelled, after claiming the privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except

that the individual is not exempt from prosecution and punishment for perjury or contempt committed in testifying.

Subd. 5. [LEGAL ACTIONS; INJUNCTIONS; CEASE AND DESIST ORDERS.] Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapters 45 to 83, 309, and 332 or any rule or order adopted under those chapters, the commissioner has the following powers: (1) the commissioner may bring an action in the name of the state in the district court of the appropriate county to enjoin the acts or practices and to enforce compliance with chapters 45 to 83, 309, and 332 or any rule or order adopted or issued under those chapters, or the commissioner may refer the matter to the attorney general or the county attorney of the appropriate county. Upon a proper showing, a permanent or temporary injunction, restraining order, or other appropriate relief must be granted; (2) the commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from violations of chapters 45 to 83, 309, and 332 or any rule or order adopted or issued under those chapters. The order must be calculated to give reasonable notice of the rights of the person to request a hearing and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days after receiving the administrative law judge's report the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. Unless otherwise provided, all hearings must be conducted in accordance with chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted under this subdivision.

Subd. 6. [VIOLATIONS AND PENALTIES.] The commissioner may impose a civil penalty not to exceed \$2,000 per violation upon a person who violates chapters 45 to 83, 309, and 332, unless a different penalty is specified.

Subd. 7. [POWERS ADDITIONAL.] The powers contained in subdivisions 1 to 6 are in addition to all other powers of the commissioner.

Sec. 3. [45.027] [SERVICE OF PROCESS.]

Subdivision 1. [REQUIREMENT.] When a person, including any nonresident of this state, engages in conduct prohibited or made

actionable by chapters 45 to 83, 309, and 332 or any rule or order under those chapters, and the person has not filed a consent to service of process under chapters 45 to 83, 309, and 332, that conduct is equivalent to an appointment of the commissioner as the person's attorney to receive service of process in any noncriminal suit, action, or proceeding against the person which is based on that conduct and is brought under chapters 45 to 83, 309, and 332 or any rule or order under those chapters.

Subd. 2. [HOW MADE.] Service of process under this section may be made by leaving a copy of the process in the office of the commissioner, and is not effective unless: (1) the plaintiff, who may be the commissioner in an action or proceeding instituted by the commissioner, sends notice of the service and a copy of the process by certified mail to the defendant or respondent at this last known address; and (2) the plaintiff's affidavit of compliance is filed in the action or proceeding on or before the return day of the process, if any, or within such further time as the court allows.

Sec. 4. Minnesota Statutes 1986, section 60A.17, subdivision 6c, is amended to read:

Subd. 6c. [REVOCAION OR SUSPENSION OF LICENSE.] (a) The commissioner may by order suspend or revoke an insurance agent's or agency's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

- (1) any materially untrue statement in the license application;
- (2) any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;
- (3) violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;
- (4) obtaining or attempting to obtain any license through misrepresentation or fraud;
- (5) improperly withholding, misappropriating, or converting to the licensee's own use any moneys belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;
- (6) misrepresentation of the terms of any actual or proposed insurance contract;

(7) conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;

(8) that the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;

(9) that in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;

(10) that the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;

(11) that the licensee has forged another's name to an application for insurance; or

(12) that the licensee has violated subdivision 6b.

(b) The commissioner may by order suspend or revoke an insurance agent's or insurance agency's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at the commissioner's discretion shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapters 60A to 72A or of any rule or order of the commissioner:

(1) The commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order shall give reasonable notice of the time and place of hearing and shall state the reasons for the entry of the order. A hearing shall be held not later than seven days after the issuance of the order unless the person requests a delay. After the hearing and within 30 days of filing of any exceptions to the administrative law judge's report, the commissioner shall issue an order vacating

the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) The commissioner may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with chapters 60A to 72A and any rule or order of the commissioner; and

(3) In any proceeding under chapters 60A to 72A relating to injunction, the request for injunction may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case shall have precedence over other matters on the court calendar and shall not be continued without the consent of the state of Minnesota, except upon good cause shown to the court, and then only for a reasonable length of time as may be necessary in the opinion of the court to protect the rights of the defendant.

(e) The commissioner may, in the manner prescribed by chapter 14, impose a civil penalty not to exceed \$5,000 upon a person whose license has lapsed, or been suspended, revoked, or otherwise terminated, for engaging in conduct prohibited by paragraph (a) before, during, or after the period of licensure.

Sec. 5. [47.208] [DELIVERY OF SATISFACTION OF MORTGAGE.]

Subdivision 1. [DELIVERY REQUIRED.] Upon written request, a good and valid satisfaction of mortgage in recordable form shall be delivered to any party paying the full and final balance of a mortgage indebtedness that is secured by Minnesota real estate; such delivery shall be in hand or by certified mail postmarked within 14 days of the receipt of the written request to the holder of any interest of record in said mortgage and within 14 days of the payment of all sums due thereon.

Subd. 2. [PENALTY.] If a lender fails to comply with the requirements of subdivision 1, the lender may be held liable to the party paying the balance of the mortgage debt, for a civil penalty of up to \$500, in addition to any actual damages caused by the violation.

Sec. 6. Minnesota Statutes 1986, section 80A.06, subdivision 5, is amended to read:

Subd. 5. No investment adviser who shall recommend the purchase or sale of a security to a client, and no licensed broker-dealer

acting as a broker-dealer for a customer in the purchase or sale of a security shall take or accept any remuneration or other thing of value from any person other than the client or customer in connection with ~~such~~ the purchase or sale unless, prior to or contemporaneously with ~~such~~ the recommendation in the case of an investment adviser and prior to or contemporaneously with the confirmation of the transaction in the case of a licensed broker-dealer so acting, written disclosure to the client or customer is made of the acceptance or intended acceptance of ~~such~~ the remuneration or other thing of value and of the amount ~~thereof~~ of it. All charges made by an investment adviser for services and all charges by a licensed broker-dealer for services rendered as a broker-dealer or for advice with respect to securities shall be reasonable, and except in compliance with rules adopted by the commissioner, no ~~such~~ charges shall be based upon or measured by profits accrued or to accrue from transactions recommended or carried out by an investment adviser, or licensed broker-dealer. This subdivision shall not be construed to prohibit charges by an investment adviser based upon the total value of the assets under management averaged over a definite period, or as of definite dates, or taken as of a definite date, nor charges based upon the performance of the managed assets as compared to an established index in compliance with rules ~~promulgated~~ adopted by the commissioner.

Sec. 7. Minnesota Statutes 1986, section 80A.07, subdivision 1, is amended to read:

Subdivision 1. The commissioner may by order deny, suspend, or revoke any license or may censure the licensee, if the commissioner finds (a) that the order is in the public interest and (b) that the applicant or licensee or, in the case of a broker-dealer or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser:

(1) has filed an application for license which as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained any statement which was, in light of the circumstances under which it was made, false or misleading with respect to any material fact;

(2) has willfully violated or failed to comply with any provision of this chapter or a predecessor law or any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or order under any of these statutes, ~~or any order thereunder~~ of which that person has notice and is subject;

(3) has been convicted, within the past ten years, of any misdemeanor involving a security or any aspect of the securities business, or any felony;

(4) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities business;

(5) is the subject of an order of the commissioner denying, suspending, or revoking a license as a broker-dealer, agent or investment adviser;

(6) is the subject of an order entered within the past five years by the securities administrator of any other state or by the securities and exchange commission denying or revoking registration or license as a broker-dealer, agent, or investment adviser, or is the subject of an order of the securities and exchange commission suspending or expelling that person from a national securities exchange or association registered under the Securities Exchange Act of 1934, or is the subject of a United States post office fraud order. The commissioner may not institute a revocation or suspension proceeding under this clause more than one year from the date of the order relied on, and may not enter an order under this clause on the basis of an order under another state law unless the order was based on facts which would currently constitute a ground for an order under this section;

(7) has engaged in dishonest or fraudulent practices in the securities business;

(8) has failed to maintain the minimum net capital or to comply with the limitation on aggregate indebtedness which the commissioner by rule prescribes;

(9) is not qualified on the basis of such factors as training, experience, and knowledge of the securities business;

(10) has failed reasonably to supervise agents, investment adviser representatives, or employees to assure their compliance with this chapter;

(11) has failed to pay the proper filing fee, but the commissioner shall vacate the order when the deficiency has been corrected;

(12) has offered or sold securities in this state through any unlicensed agent;

(13) has made any material misrepresentation to the commissioner, or upon request reasonably made by the commissioner, has withheld or concealed information from, or refused to furnish information to, the commissioner; or

(14) has failed to reasonably supervise agents, investment adviser representatives, or employees if that person has assumed or has been

designated to carry out the supervisory procedures of the broker-dealer or investment adviser; or

(15) has failed, within 20 business days after receiving written instructions from a customer, to do any of the following:

(a) transfer or deliver securities which have been purchased;

(b) transfer or deliver any free credit balances reflecting completed transactions; or

(c) transfer or deliver a customer's account securities positions and balances to another broker-dealer.

This clause shall not serve as a basis for denial, suspension, or revocation of a broker-dealer or agent's license if the transfer or delivery is between broker-dealers and meets the rules and requirements established by the New York stock exchange with regard to such transfers or deliveries.

Sec. 8. Minnesota Statutes 1986, section 80A.09, subdivision 1, is amended to read:

Subdivision 1. The following securities may be registered by notification:

(a) any industrial revenue bond issued by the state of Minnesota or any of its political subdivisions, municipalities, governmental agencies, or instrumentalities; and

(b) any securities issued by a person organized exclusively for social, religious, educational, benevolent, fraternal, charitable, reformatory, athletic, chamber of commerce, trade, industrial development, or professional association purposes and not for pecuniary gain, and no part of the net earnings of which inures to the benefit of any private stockholder or individual; provided that no securities issued by any person offering and furnishing a burial service or funeral benefit, directly or indirectly for financial consideration, may be registered under this section.

Sec. 9. Minnesota Statutes 1986, section 80A.12, is amended by adding a subdivision to read:

Subd. 11. Within two business days after receipt of an order of the commissioner withdrawing, suspending, or revoking effectiveness of an issuer's registration statement, the issuer must notify all persons making a market in the issuer's securities of the termination of the effectiveness of the registration statement. Failure to provide this



notice may result in the imposition of a civil penalty not to exceed \$2,000 per violation.

Sec. 10. Minnesota Statutes 1986, section 80A.14, subdivision 18, is amended to read:

Subd. 18. [SECURITY.] (a) "Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable shares; investment contract; investment metal contract or investment gem contract; voting trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas or mining right, title or lease or in payments out of production under the right, title or lease; or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, temporary or interim certificate for, receipt for guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include:

(a) any insurance or endowment policy or annuity contract under which an insurance company promises to pay money either in a lump sum or periodically for life or for some other specified period;

(b) stock of a closely-held corporation offered or sold pursuant to a transaction in which 100 percent of the stock of that corporation is sold as a means to effect the sale of the business of the corporation if the transaction has been negotiated on behalf of all purchasers, and all purchasers have access to inside information regarding the corporation before consummating the transaction.

Sec. 11. Minnesota Statutes 1986, section 80A.15, subdivision 1, is amended to read:

Subdivision 1. The following securities are exempted from sections 80A.08 and 80A.16:

(a) Any security, including a revenue obligation, issued or guaranteed by the United States, any state, any political subdivision of a state or any corporate or other instrumentality of one or more of the foregoing; but this exemption shall not include any industrial revenue bond. Pursuant to section 106(c) of the Secondary Mortgage Market Enhancement Act of 1984, Public Law Number 98-440, this exemption does not apply to a security that is offered or sold pursuant to section 106(a)(1) or (2) of that act.

(b) Any security issued or guaranteed by Canada, any Canadian province, any political subdivision of any province, any agency or corporate or other instrumentality of one or more of the foregoing, if the security is recognized as a valid obligation by the issuer or guarantor; but this exemption shall not include any revenue obliga-

tion payable solely from payments to be made in respect of property or money used under a lease, sale or loan arrangement by or for a nongovernmental industrial or commercial enterprise.

(c) Any security issued by and representing an interest in or a debt of, or guaranteed by, any bank organized under the laws of the United States, or any bank, savings institution or trust company organized under the laws of any state and subject to regulation in respect of the issuance or guarantee of its securities by a governmental authority of that state.

(d) Any security issued by and representing an interest in or a debt of, or guaranteed by, any federal savings and loan association, or any building and loan or similar association organized under the laws of any state and authorized to do business in this state.

(e) Any security issued or guaranteed by any federal credit union or any credit union, or similar association organized and supervised under the laws of this state.

(f) Any security listed or approved for listing upon notice of issuance on the New York Stock Exchange, the American Stock Exchange, the Midwest Stock Exchange, the Pacific Stock Exchange, or the Chicago Board Options Exchange; any other security of the same issuer which is of senior or substantially equal rank; any security called for by subscription rights or warrants so listed or approved; or any warrant or right to purchase or subscribe to any of the foregoing.

(g) Any commercial paper which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions, and which evidences an obligation to pay cash within nine months of the date of issuance, exclusive of days of grace, or any renewal of the paper which is likewise limited, or any guarantee of the paper or of any renewal which are not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television or direct mailing.

(h) Any interest in any employee's savings, stock purchase, pension, profit sharing or similar benefit plan, or a self-employed person's retirement plan.

(i) Any security issued or guaranteed by any railroad, other common carrier or public utility which is subject to regulation in respect to the issuance or guarantee of its securities by a governmental authority of the United States.

(j) Any interest in a common trust fund or similar fund maintained by a state bank or trust company organized and operating under the laws of Minnesota, or a national bank wherever located, for the collective investment and reinvestment of funds contributed

thereto by the bank or trust company in its capacity as trustee, executor, administrator, or guardian; and any interest in a collective investment fund or similar fund maintained by the bank or trust company, or in a separate account maintained by an insurance company, for the collective investment and reinvestment of funds contributed thereto by the bank, trust company or insurance company in its capacity as trustee or agent, which interest is issued in connection with an employee's savings, pension, profit sharing or similar benefit plan, or a self-employed person's retirement plan.

(k) Any security which meets all of the following conditions:

(1) If the issuer is not organized under the laws of the United States or a state, it has appointed a duly authorized agent in the United States for service of process and has set forth the name and address of the agent in its prospectus;

(2) A class of the issuer's securities is required to be and is registered under section 12 of the Securities Exchange Act of 1934, and has been so registered for the three years immediately preceding the offering date;

(3) Neither the issuer nor a significant subsidiary has had a material default during the last seven years, or for the period of the issuer's existence if less than seven years, in the payment of (i) principal, interest, dividend, or sinking fund installment on preferred stock or indebtedness for borrowed money, or (ii) rentals under leases with terms of three years or more;

(4) The issuer has had consolidated net income, before extraordinary items and the cumulative effect of accounting changes, of at least \$1,000,000 in four of its last five fiscal years including its last fiscal year; and if the offering is of interest bearing securities, has had for its last fiscal year, net income, before deduction for income taxes and depreciation, of at least 1½ times the issuer's annual interest expense, giving effect to the proposed offering and the intended use of the proceeds. For the purposes of this clause "last fiscal year" means the most recent year for which audited financial statements are available, provided that such statements cover a fiscal period ended not more than 15 months from the commencement of the offering;

(5) If the offering is of stock or shares other than preferred stock or shares, the securities have voting rights and the rights include (i) the right to have at least as many votes per share, and (ii) the right to vote on at least as many general corporate decisions, as each of the issuer's outstanding classes of stock or shares, except as otherwise required by law; and

(6) If the offering is of stock or shares, other than preferred stock or shares, the securities are owned beneficially or of record, on any

date within six months prior to the commencement of the offering, by at least 1,200 persons, and on that date there are at least 750,000 such shares outstanding with an aggregate market value, based on the average bid price for that day, of at least \$3,750,000. In connection with the determination of the number of persons who are beneficial owners of the stock or shares of an issuer, the issuer or broker-dealer may rely in good faith for the purposes of this clause upon written information furnished by the record owners.

(1) Any certificate of indebtedness sold or issued for investment, other than a certificate of indebtedness pledged as a security for a loan made contemporaneously therewith, and any savings account or savings deposit issued, by an industrial loan and thrift company.

Sec. 12. Minnesota Statutes 1986, section 80A.15, subdivision 2, is amended to read:

Subd. 2. The following transactions are exempted from sections 80A.08 and 80A.16:

(a) Any isolated sales, whether or not effected through a broker-dealer, provided that no person shall make more than ten sales of securities of the same issuer pursuant to this exemption during any period of 12 consecutive months; provided further, that in the case of sales by an issuer, except sales of securities registered under the Securities Act of 1933 or exempted by section 3(b) of that act, (1) the seller reasonably believes that all buyers are purchasing for investment, and (2) the securities are not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television, electronic means or similar communications media, or through a program of general solicitation by means of mail or telephone.

(b) Any nonissuer distribution of an outstanding security if (1) either Moody's, Fitch's, or Standard & Poor's Securities Manuals, or other recognized manuals approved by the commissioner contains the names of the issuer's officers and directors, a balance sheet of the issuer as of a date not more than 18 months prior to the date of the sale, and a profit and loss statement for the fiscal year preceding the date of the balance sheet, and (2) the issuer or its predecessor has been in active, continuous business operation for the five-year period next preceding the date of sale, and (3) if the security has a fixed maturity or fixed interest or dividend provision, the issuer has not, within the three preceding fiscal years, defaulted in payment of principal, interest, or dividends on the securities.

(c) The execution of any orders by a licensed broker-dealer for the purchase or sale of any security, pursuant to an unsolicited offer to purchase or sell; provided that the broker-dealer acts as agent for the purchaser or seller, and has no direct material interest in the sale or distribution of the security, receives no commission, profit, or other

compensation from any source other than the purchaser and seller and delivers to the purchaser and seller written confirmation of the transaction which clearly itemizes the commission, or other compensation.

(d) Any nonissuer sale of notes or bonds secured by a mortgage lien if the entire mortgage, together with all notes or bonds secured thereby, is sold to a single purchaser at a single sale.

(e) Any judicial sale, exchange, or issuance of securities made pursuant to an order of a court of competent jurisdiction.

(f) The sale, by a pledge holder, of a security pledged in good faith as collateral for a bona fide debt.

(g) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

(h) Any sales by an issuer to the number of persons that shall not exceed 25 persons in this state, or 35 persons if the sales are made in compliance with Regulation D promulgated by the Securities and Exchange Commission, Code of Federal Regulations, title 17, sections 230.501 to 230.506, (other than those designated in paragraph (a) or (g)), whether or not any of the purchasers is then present in this state, if (1) the issuer reasonably believes that all of the buyers in this state (other than those designated in clause (g)) are purchasing for investment, and (2) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyer in this state (other than those designated in clause (g)), except reasonable and customary commissions paid by the issuer to a broker-dealer licensed under this chapter, and (3) the issuer has, ten days prior to any sale pursuant to this paragraph, supplied the commissioner with a statement of issuer on forms prescribed by the commissioner, containing the following information: (i) the name and address of the issuer, and the date and state of its organization; (ii) the number of units, price per unit, and a description of the securities to be sold; (iii) the amount of commissions to be paid and the persons to whom they will be paid; (iv) the names of all officers, directors and persons owning five percent or more of the equity of the issuer; (v) a brief description of the intended use of proceeds; (vi) a description of all sales of securities made by the issuer within the six-month period next preceding the date of filing; and (vii) a copy of the investment letter, if any, intended to be used in connection with any sale. Sales that are made more than six months before the start of an offering made pursuant to this exemption or are made more than six months after completion of an offering made pursuant to this exemption will not be considered part of the offering, so long as

during those six-month periods there are no sales of unregistered securities (other than those made pursuant to paragraph (a) or (g)) by or for the issuer that are of the same or similar class as those sold under this exemption. The commissioner may by rule or order as to any security or transaction or any type of security or transaction, withdraw or further condition this exemption, or increase the number of offers and sales permitted, or waive the conditions in clause (1), (2), or (3) with or without the substitution of a limitation or remuneration.

(i) Any offer (but not a sale) of a security for which a registration statement has been filed under sections 80A.01 to 80A.31, if no stop order or refusal order is in effect and no public proceeding or examination looking toward an order is pending; and any offer of a security if the sale of the security is or would be exempt under this section. The commissioner may by rule exempt offers (but not sales) of securities for which a registration statement has been filed as the commissioner deems appropriate, consistent with the purposes of sections 80A.01 to 80A.31.

(j) The offer and sale by a cooperative association organized under chapter 308, of its securities when the securities are offered and sold only to its members, or when the purchase of the securities is necessary or incidental to establishing membership in such association, or when such securities are issued as patronage dividends.

(l) The issuance and delivery of any securities of one corporation to another corporation or its security holders in connection with a merger, exchange of shares, or transfer of assets whereby the approval of stockholders of the other corporation is required to be obtained, provided, that the commissioner has been furnished with a general description of the transaction and with other information as the commissioner by rule prescribes not less than ten days prior to the issuance and delivery.

(m) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter or among underwriters.

(n) The distribution by a corporation of its or other securities to its own security holders as a stock dividend or as a dividend from earnings or surplus or as a liquidating distribution; or upon conversion of an outstanding convertible security; or pursuant to a stock split or reverse stock split.

(o) Any offer or sale of securities by an affiliate of the issuer thereof if: (1) a registration statement is in effect with respect to securities of the same class of the issuer and (2) the offer or sale has been exempted from registration by rule or order of the commissioner.

(p) Any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, nontransferable warrants, or transferable warrants exercisable within not more than 90 days of their issuance, if: (1) no commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in this state; and (2) the commissioner has been furnished with a general description of the transaction and with other information as the commissioner may by rule prescribe no less than ten days prior to the transaction.

(q) Any nonissuer sales of industrial revenue bonds issued by the state of Minnesota or any of its political or governmental subdivisions, municipalities, governmental agencies, or instrumentalities.

Sec. 13. Minnesota Statutes 1986, section 80A.19, subdivision 1, is amended to read:

Subdivision 1. This chapter shall be administered by the commissioner of commerce. ~~The commissioner shall appoint two deputy commissioners and shall file with the secretary of state an order delegating authority to one of such deputy commissioners to exercise all of the rights and powers and perform all of the duties of the commissioner during the disability of the commissioner, the commissioner's absence from the office or during a vacancy in the office of the commissioner pending the filling thereof as provided by law.~~

Sec. 14. Minnesota Statutes 1986, section 82.17, subdivision 4, is amended to read:

Subd. 4. "Real estate broker" or "broker" means any person who:

(a) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys or rents, manages, or offers or attempts to negotiate a sale, option, exchange, purchase or rental of an interest or estate in real estate, or advertises or holds out as engaged in these activities;

(b) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly negotiates or offers or attempts to negotiate a loan, secured or to be secured by a mortgage or other encumbrance on real estate;

(c) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys, rents, manages, offers or attempts to negotiate a sale, option, exchange, purchase or

rental of any business opportunity or business, or its good will, inventory, or fixtures, or any interest therein;

(d) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly offers, sells or attempts to negotiate the sale of property that is subject to the registration requirements of chapter 83, concerning subdivided land;

(e) engages in the business of charging an advance fee or contracting for collection of a fee in connection with any contract whereby the person undertakes to promote the sale of real estate through its listing in a publication issued primarily for this purpose;

(f) engages wholly or in part in the business of selling real estate to the extent that a pattern of real estate sales is established, whether or not the real estate is owned by the person. A person shall be presumed to be engaged in the business of selling real estate if the person engages as principal in five or more transactions during any 12-month period, unless the person is represented by a licensed real estate broker or salesperson;

(g) ~~offers or makes more than five conventional loans under section 47.20 secured by real estate during any 12-month period and who is not a bank, savings bank, mutual savings bank, building and loan association, or savings and loan association organized under the laws of this state or the United States, trust company, trust company acting as a fiduciary, or other financial institution subject to the supervision of the commissioner of commerce, or mortgagee or lender approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs, or approved or certified by the administrator of the Farmers Home Administration, or approved or certified by the Federal Home Loan Mortgage Corporation, or approved or certified by the Federal National Mortgage Association.~~

Sec. 15. Minnesota Statutes 1986, section 82.19, subdivision 3, is amended to read:

Subd. 3. No real estate broker or salesperson shall offer, pay or give, and no person shall accept, any compensation or other thing of value from any real estate broker or salesperson by way of commission-splitting, rebate, finder's fees or otherwise, in connection with any real estate or business opportunity transaction; provided this subdivision does not apply to transactions (1) between a licensed real estate broker or salesperson and the person by whom the broker or salesperson is engaged to purchase or sell real estate or business opportunity, (2) among persons licensed as provided herein, and (3) between a licensed real estate broker or salesperson and persons from other jurisdictions similarly licensed in that jurisdiction, and (4) involving timeshare or other recreational lands where



the amount offered or paid does not exceed \$150, and payment is not conditioned upon any sale but is made merely for providing the referral and the person paying the fee is bound by any representations the person receiving the fee makes. A licensed real estate broker or salesperson may assign or direct that commissions or other compensation earned in connection with any real estate or business opportunity transaction be paid to a corporation of which the licensed real estate broker or salesperson is the sole owner.

Sec. 16. Minnesota Statutes 1986, section 82.21, subdivision 1, is amended to read:

Subdivision 1. [AMOUNTS.] The following fees shall be paid to the commissioner:

(a) A fee of \$50 for each initial individual broker's license, and a fee of \$25 for each annual renewal thereof;

(b) A fee of \$25 for each initial salesperson's license, and a fee of \$10 for each annual renewal thereof;

(c) A fee of \$50 for each initial corporate or partnership license, and a fee of \$25 for each annual renewal thereof;

(d) A fee not to exceed \$40 per year for payment to the education, research and recovery fund in accordance with section 82.34;

(e) A fee of \$10 for each transfer;

(f) A fee of \$25 for a corporation or partnership name change;

(g) A fee of \$5 for an agent name change;

(h) A fee of \$10 for a license history;

(i) A fee of \$15 for a NSF check;

(j) A fee of \$50 for an initial course approval;

(k) A fee of \$10 for notices of repeat course offerings;

(l) A fee of \$50 for instructor or coordinator approval; and

~~(m)~~ A fee of \$5 for a duplicate license; and

(j) A fee of \$5 for each hour or fraction of one hour of course approval sought.

Sec. 17. Minnesota Statutes 1986, section 82.22, subdivision 6, is amended to read:

Subd. 6. [INSTRUCTION; NEW LICENSES.] (a) After January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 60 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after January 1, 1987, shall, within one year of licensure, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(b) After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after December 31, 1983, and before January 1, 1987, shall, within one year of the date a license was first issued, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(c) The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the national association of realtors, its affiliates, or private real estate schools. The commissioner shall not approve any course offered by, sponsored by, or affiliated with any person or company licensed to engage in the real estate business. The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors.

(d) After January 1, 1988, an applicant for a broker's license must successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner. The course must have been completed within six months of the date of application for the broker's license.

Sec. 18. Minnesota Statutes 1986, section 82.24, subdivision 2, is amended to read:

Subd. 2. [LICENSEE ACTING AS PRINCIPAL.] Any licensed ~~A~~ real estate ~~broker or salesperson~~ licensee acting in the capacity of

principal in the sale or rental of interests in a real estate owned or rented by the licensee transaction where the seller retains any liability, contingent or otherwise, for the payment of an obligation on the property shall deposit in a Minnesota bank or trust company, any foreign bank which authorizes the commissioner to examine its records of the deposits, or an industrial loan and thrift company organized under chapter 53 with deposit liabilities, in a trust account, those parts of all payments received on contracts that are necessary to meet any amounts concurrently due and payable on any existing mortgages, contracts for deed or other conveyancing instruments, and reserve for taxes and insurance or any other encumbrance on the receipts. The deposits must be maintained until disbursement is made under the terms of the encumbrance and proper accounting on the property made to the parties entitled to an accounting. The provisions of this subdivision relating to rental of interests in real estate apply only to single-family residential property.

Sec. 19. Minnesota Statutes 1986, section 82.34, subdivision 19, is amended to read:

Subd. 19. The commissioner shall include in the annual report of the department of commerce pursuant to section 45.033, on or before October 1 in each even-numbered year, prepare and file in the office of the governor for the preceding two fiscal years ending June 30 a report on the activities of the real estate education, research and recovery fund; noting the amount of money received by the fund, the amount of money expended and the purposes therefor.

Sec. 20. Minnesota Statutes 1986, section 308.12, is amended by adding a subdivision to read:

Subd. 5. Notwithstanding the provisions of section 345.43, a cooperative association organized under the laws of this state may, in lieu of paying or delivering to the commissioner of commerce the unclaimed property specified in its report of unclaimed property, distribute the unclaimed property to a corporation or organization which is exempt from taxation under section 290.05, subdivision 1, paragraph (b), or 2. A cooperative association making this election shall, within 20 days after the time specified in section 345.42 for claiming the property from the holder, file with the commissioner a verified written explanation of the proof of claim of any owner establishing a right to receive the abandoned property; any error in the presumption of abandonment; and the name, address, and exemption number of the corporation or organization to which the property was or is to be distributed and the approximate date of distribution. Nothing in this subdivision alters the procedure provided in sections 345.41 and 345.42 whereby cooperative associations report unclaimed property to the commissioner and claims of owners are made to the cooperative associations for a period of 65 days following the publication of lists of abandoned property. The

rights of an owner to unclaimed property held by a cooperative association is extinguished upon the disbursement of the property by the cooperative association to a tax-exempt organization in accordance with this section.

Sec. 21. Minnesota Statutes 1986, section 309.50, subdivision 6, is amended to read:

Subd. 6. "Professional fund raiser" means any person who for financial compensation or profit ~~participates in public solicitation in this state of contributions for, or on behalf of any charitable organization performs for a charitable organization any service in connection with which contributions are, or will be, solicited in this state by such compensated person or by any compensated person he employs, procures, or engages to solicit; or any person who for compensation or profit plans, manages, advises, consults, or prepares material for, or with respect to, the solicitation in this state of contributions for a charitable organization. No investment adviser, investment adviser representative, broker-dealer, or agent licensed pursuant to chapter 80A, or lawyer, accountant, or banker who advises a person to make a charitable contribution or who provides legal, accounting, or financial advice in the ordinary course of their profession or business shall be deemed, as a result of such advice, to be a professional fund raiser. A bona fide salaried officer or, employee or volunteer of a charitable organization is not a professional fund raiser unless the officer's or employee's salary or other compensation is computed on the basis of funds to be raised, or actually raised.~~

Sec. 22. Minnesota Statutes 1986, section 309.502, is amended to read:

### 309.502 [RULES.]

The commissioner shall promulgate rules to implement the provisions of sections 16A.134 and 309.501. The rules shall not require the modification of any existing payroll deduction fund drive for state employees previously authorized by Minnesota Statutes 1982, section 15.375, subdivision 1. The rules shall permit any registered combined organization which secures contributions for distribution to 50 or more charitable agencies in a single, consolidated effort to conduct an exclusive solicitation among the employees of the state or any agency for a period of not more than 60 consecutive days specified by the commissioner. The rules shall require that in establishing the period of time during which a registered combined organization may conduct this solicitation, the commissioner shall, if possible, specify that the solicitation will be conducted contemporaneously with that organization's single, consolidated effort among the employees of other entities.

Sec. 23. Minnesota Statutes 1986, section 309.515, subdivision 1, is amended to read:

Subdivision 1. Subject to the provisions of subdivisions 2 and 3, sections 309.52 and 309.53 shall not apply to any of the following:

(a) Charitable organizations:

(1) which did not receive total contributions in excess of \$10,000 \$25,000 from the public within or without this state during the accounting year last ended, and

(2) which do not plan to receive total contributions in excess of such amount from the public within or without this state during any accounting year, and

(3) whose functions and activities, including fund raising, are performed wholly by persons who are unpaid for their services, and

(4) none of whose assets or income inure to the benefit of or are paid to any officer.

For purposes of this chapter, a charitable organization shall be deemed to receive in addition to contributions solicited from the public by it, the contributions solicited from the public by any other person and transferred to it. Any organization constituted for a charitable purpose receiving an allocation from a community chest, united fund or similar organization shall be deemed to have solicited that allocation from the public.

(b) A religious society or organization which is exempt from filing a federal annual information return pursuant to Internal Revenue Code, sections 6033(a)(2)(A)(i) and (ii) and 6033(a)(2)(C)(i).

(c) Any educational institution which is under the general supervision of the state board of education, the state university board, the state board for community colleges, or the University of Minnesota or any educational institution which is accredited by the University of Minnesota or the North Central association of colleges and secondary schools, or by any other national or regional accrediting association.

(d) A fraternal, patriotic, social, educational, alumni, professional, trade or learned society which limits solicitation of contributions to persons who have a right to vote as a member. The term "member" shall not include those persons who are granted a membership upon making a contribution as the result of a solicitation.

(e) A charitable organization soliciting contributions for any person specified by name at the time of the solicitation if all of the

contributions received are transferred to the person named with no restrictions on the person's expenditure of it and with no deductions whatsoever.

(f) A private foundation, as defined in section 509(a) of the Internal Revenue Code of 1954, which did not solicit contributions from more than 100 persons during the accounting year last ended.

Sec. 24. Minnesota Statutes 1986, section 309.52, subdivision 1a, is amended to read:

Subd. 1a. A charitable organization whose total contributions received during any accounting year are in excess of ~~\$10,000~~ \$25,000 shall file a registration statement with the ~~department attorney general~~ department attorney general within 30 days after the date on which the organization's total contributions exceeded ~~\$10,000~~ \$25,000. The registration shall exist unless revoked by a court of competent jurisdiction, or the ~~department attorney general~~, or as provided in subdivision 7. This subdivision shall not apply to a charitable organization which had filed a registration statement pursuant to this section for the accounting year last ended or to organizations described in section 309.515, subdivision 1.

Sec. 25. Minnesota Statutes 1986, section 309.52, subdivision 2, is amended to read:

Subd. 2. The first registration statement filed by a charitable organization shall include a registration fee of \$25 and a financial statement of ~~its~~ the organization's operation for its most recent 12 months period immediately preceding the filing of the first registration statement.

Sec. 26. Minnesota Statutes 1986, section 309.53, subdivision 1a, is amended to read:

Subd. 1a. A charitable organization may, but need not, file an annual report pursuant to this section if the organization:

(a) Did not receive total contributions in excess of ~~\$10,000~~ \$25,000 from the public within or without this state during the accounting year last ended.

(b) Does not plan to receive total contributions in excess of ~~\$10,000~~ \$25,000 from the public within or without this state during any accounting year, and

(c) Does not employ a professional fund raiser.

Sec. 27. Minnesota Statutes 1986, section 309.53, subdivision 3, is amended to read:

Subd. 3. The financial statement shall include a balance sheet, statement of income and expense, and statement of functional expenses, shall be consistent with forms furnished by the ~~department~~ attorney general, and shall be prepared in accordance with generally accepted accounting principles so as to make a full disclosure of the following, including necessary allocations between each item and the basis of such allocations:

- (a) Total receipts and total income from all sources;
- (b) Cost of management and general;
- (c) Cost of fund raising;
- (d) Cost of public education;
- (e) Funds or properties transferred out of state, with explanation as to recipient and purpose;
- (f) Total net amount disbursed or dedicated within this state, broken down into total amounts disbursed or dedicated for each major purpose, charitable or otherwise;
- (g) Names of professional fund raisers used during the accounting year and the financial compensation or profit resulting to each professional fund raiser. Unless otherwise required by this subdivision, the financial statement need not be certified.

A financial statement of a charitable organization which has solicited from the public within or outside this state total contributions in excess of \$50,000 \$100,000 for the 12 months of operation covered by the statement shall be accompanied by an opinion signed by a certified public accountant that such statement fairly represents the financial operations of the charitable organization in sufficient detail to permit public evaluation of its operations. In giving such opinion an audited financial statement prepared in accordance with generally accepted accounting principles which has been examined by an independent certified public accountant for the purpose of expressing an opinion thereon. In preparing the audit, the certified public accountant shall take into consideration capital, endowment or other reserve funds, if any, controlled by the charitable organization. The opinion need not conform to the wording of the opinion form of the annual report forms provided by the department.

Sec. 28. Minnesota Statutes 1986, section 309.53, subdivision 4, is amended to read:

Subd. 4. Where a registration statement has been filed by a parent organization or affiliate as provided in section 309.52, subdivision 4, the registered parent organization may file the annual report required under this section on behalf of the chapter, branch, area office, similar affiliate or person in addition to or as part of its own report or the registered affiliate may file the annual report required under this section on behalf of the parent organization in addition to or as part of its own report. The accounting information required under this section shall be set forth separately and not in consolidated form with respect to every chapter, branch, area office, similar affiliate or person within the state which raises or expends more than ~~\$10,000~~ \$25,000. ~~The department of commerce attorney general~~ may permit any chapter, branch, area office, similar affiliate or person to file a consolidated statement with any other chapter, branch, area office, similar affiliate or person or parent organization if ~~the attorney general determines that~~ the interests of the charitable beneficiaries will not be prejudiced thereby and ~~that~~ separate accounting information is not required for proper supervision.

Sec. 29. Minnesota Statutes 1986, section 309.53, is amended by adding a subdivision to read:

Subd. 8. A reregistration fee of \$25 shall be paid by every charitable organization submitting the annual report required by this section.

Sec. 30. Minnesota Statutes 1986, section 309.531, is amended to read:

309.531 [LICENSING REGISTRATION OF PROFESSIONAL FUND RAISERS; BOND REQUIRED.]

Subdivision 1. No person shall act as a professional fund raiser unless licensed by registered with the ~~department attorney general~~. Applications for a license ~~The registration statement as hereinafter described shall be in writing, under oath, in the form prescribed by the department attorney general and shall be accompanied by an application fee of \$25~~ \$50. Each ~~license registration~~ shall be effective for a period of not more than 12 months from the date of issuance, and in any event shall expire on July 30 next following the date of issuance. The registration may be renewed for additional one-year periods upon application and payment of the fee.

Subd. 2. ~~The department shall have the power, in connection with any application for license as a professional fund raiser, to require the applicant to file a surety bond in such amount, not exceeding \$20,000, and containing such terms and conditions as the department determines are necessary and appropriate for the protection of~~



the public. The applicant may deposit cash in and with a depository acceptable to the department in such amount and in such a manner as may be prescribed and approved by the department in lieu of the bond. The registration statement of the professional fund raiser shall consist of the following:

(a) If the professional fund raiser at any time has custody of contributions from a solicitation, the registration statement shall include a bond, in which the professional fund raiser shall be the principal obligor. The bond shall be in the sum of \$20,000, with one or more responsible sureties whose liability in the aggregate as such sureties will at least equal that sum. In order to maintain the registration, the bond shall be in effect for the full term of the registration. The bond, which may be in the form of a rider to a larger blanket liability bond, shall run to the state and to any person who may have a cause of action against the principal obligor of the bond for any liabilities resulting from the obligor's conduct of any activities subject to sections 309.50 to 309.61 or arising out of a violation of such statutes or any regulation adopted pursuant thereto.

(b) If the professional fund raiser or any person the professional fund raiser employs, procures, or engages solicits in this state, the registration statement shall include a completed "Solicitation Notice" on a form provided by the attorney general. The Solicitation Notice shall include a copy of the contract described in paragraph (c), the projected dates when soliciting will commence and terminate, the location and telephone number from where the solicitation will be conducted, the name and residence address of each person responsible for directing and supervising the conduct of the campaign, a statement as to whether the professional fund raiser will at any time have custody of contributions, and a description of the charitable program for which the solicitation campaign is being carried out. The charitable organization on whose behalf the professional fund raiser is acting shall certify that the solicitation notice and accompanying material are true and complete to the best of its knowledge.

(c) The professional fund raiser shall also include, as part of the registration statement, a copy of the contract between the charitable organization and the professional fund raiser. The contract shall:

(1) be in writing;

(2) contain such information as will enable the attorney general to identify the services the professional fund raiser is to provide, including whether the professional fund raiser will at any time have custody of contributions; and

(3) if the professional fund raiser or any person the professional fund raiser employs, procures, or engages, directly or indirectly,

solicits in this state, the contract shall disclose the percentage or a reasonable estimate of the percentage of the total amount solicited from each person which shall be received by the charitable organization for charitable purposes.

The stated percentages required by this section and section 309.556, subdivision 2, shall exclude any amount which the charitable organization is to pay as expenses of the solicitation campaign, including the cost of merchandise or services sold or events staged.

(d) The registration statement shall also include the financial report for previous campaigns conducted by the professional fund raiser in this state as set forth in subdivision 4.

Subd. 3. No professional fund raiser shall ~~solicit in~~ use the name of or ~~in~~ solicit on behalf of any charitable organization unless such solicitor has written authorization from two officers of such organization, a copy of which shall be filed with the department attorney general. Such written authorization shall bear the signature of the solicitor and shall expressly state on its face the period for which it is valid, which shall not exceed one year from the date issued.

Subd. 4. The department may require that any licensed professional fund raiser submit financial reports, not more frequently than quarterly, in such form and containing such information as the department by rule or order requires conform to the requirements of the contract described in subdivision 2, paragraph (c). Within 90 days after a solicitation campaign has been completed, and on the anniversary of the commencement of a solicitation campaign lasting more than one year, the professional fund raiser who solicited contributions in this state in conjunction with a charitable organization, shall file with the attorney general a financial report for the campaign, including gross revenue and an itemization of all expenses incurred. The report shall be completed on a form prescribed by the attorney general. The report shall be signed by an authorized official of the professional fund raiser and an authorized official from the charitable organization and they shall certify, under oath, that it is true to the best of their knowledge.

Sec. 31. Minnesota Statutes 1986, section 309.533, is amended by adding a subdivision to read:

Subd. 5. In connection with an investigation under this section, the attorney general may obtain discovery from any person regarding any matter, fact, or circumstance, not privileged, which is relevant to the subject matter involved in the investigation, in accordance with the provisions of section 8.31.

Sec. 32. Minnesota Statutes 1986, section 309.54, is amended to read:

309.54 [PUBLIC RECORD.]

Subdivision 1. Registration statements, annual reports, and other documents required to be filed shall become public records in the

office of the department attorney general. Investigative data obtained by the attorney general in anticipation of or in connection with litigation or an administrative proceeding shall be nonpublic data.

Subd. 2. Every person subject to sections 309.50 to 309.61 shall maintain, for not less than three years from the date of preparation, accurate and detailed books and records to provide the information required by sections 309.50 to 309.61. All such books and records shall be open to inspection at all reasonable times by the department or by the attorney general.

Subd. 3. Every charitable organization which is required to file an annual report under section 309.53 shall keep and maintain within Minnesota, at the place designated in its registration statement, the original books and records, or true copies thereof, pertaining to all money or other property collected from residents of this state and to the disbursement of such money or property. Such books and records shall be preserved for a period of not less than ~~10~~ three years from the date of preparation thereof.

Sec. 33. Minnesota Statutes 1986, section 309.55, subdivision 6, is amended to read:

Subd. 6. No person shall, either as an individual or as agent, officer or employee of a charitable organization sell or otherwise furnish for a consideration to any other person any list of contributors unless the contributor has consented to the transaction.

Sec. 34. Minnesota Statutes 1986, section 309.556, is amended to read:

309.556 [PUBLIC DISCLOSURE REQUIREMENTS.]

Subdivision 1. [IDENTITY OF ORGANIZATION AND, PERCENTAGE OF DEDUCTIBILITY, AND DESCRIPTION OF PROGRAM.] In connection with any charitable solicitation, the following information shall be clearly disclosed:

(a) The name, address and telephone number of each charitable organization on behalf of which the solicitation is made;

(b) The percentage of the contribution which may be deducted as a charitable contribution under both federal and state income tax laws; and

(c) A description of the charitable program for which the solicitation campaign is being carried out; and, if different, a description of the programs and activities of the organization on whose behalf the solicitation campaign is being carried out.

If the solicitation is made by direct contact, the required information shall be disclosed prominently on a card which shall be exhibited to the person solicited. If the solicitation is made by radio, television, letter, telephone or any other means not involving direct personal contact, the required information shall be clearly disclosed in the solicitation.

Subd. 2. [PERCENTAGE RECEIVED FOR CHARITABLE PURPOSES.] In addition to the disclosures required by subdivision 1, any professional fund raiser soliciting contributions in this state shall also disclose the percentage or a reasonable estimate of the percentage of the total amount solicited from each person which shall be received by the charitable agency for charitable purposes. A professional fund raiser shall also disclose the name of the professional fund raiser as on file with the attorney general and that the solicitation is being conducted by a "professional fund raiser." The disclosure disclosures required by this subdivision shall be given in the same manner as the disclosures required by subdivision 1.

Sec. 35. Minnesota Statutes 1986, section 309.56, subdivision 1, is amended to read:

Subdivision 1. Any charitable organization or professional fund raiser which solicits contributions in this state, but does not maintain an office within the state shall be subject to service of process, as follows:

(a) By service thereof on its registered agent within the state, or if there be no such registered agent, then upon the person, if any, who has been designated in the registration statement as having custody of books and records within this state; where service is effected upon the person so designated in the registration statement a copy of the process shall, in addition, be mailed to the charitable organization or professional fund raiser at its last known address;

(b) When a charitable organization or professional fund raiser has solicited contributions in this state, but maintains no office within the state, has no registered agent within the state, and no designated person having custody of its books and records within the state, or when a registered agent or person having custody of its books and records within the state cannot be found as shown by the return of the sheriff of the county in which such registered agent or person having custody of books and records has been represented by the charitable organization or professional fund raiser as maintaining an office, service may be made by leaving a copy of the process in the office of the commissioner as in any other civil suit, or in the manner provided by section 303.13, subdivision 1, paragraph (3), or in such manner as the court may direct. Service upon the commissioner is not effective unless (a) the plaintiff, who may be the commissioner in a suit, action, or proceeding instituted by the commissioner, forthwith sends notice of the service and a copy of the

process by certified mail to the defendant or respondent at that person's last known address or takes other steps which are reasonably calculated to give actual notice, and (b) the plaintiff's affidavit of compliance with this subdivision is filed in the case on or before the return day of the process, if any, or within a further time the court allows.

Sec. 36. Minnesota Statutes 1986, section 309.57, is amended to read:

309.57 [DISTRICT COURT JURISDICTION, PENALTIES, ENFORCEMENT.]

Subdivision 1. Upon the application of the attorney general the district court is vested with jurisdiction to restrain and enjoin violations of sections 309.50 to 309.61. The court may make any necessary order or judgment including but not limited to injunctions, restitution, appointment of a receiver for the defendant or the defendant's assets, denial, revocation, or suspension of the defendant's registration, awards of reasonable attorneys' fees, and costs of investigation and litigation, and may award to the state civil penalties up to \$25,000 for each violation of sections 309.50 to 309.61. In ordering injunctive relief, the attorney general shall not be required to establish irreparable harm but only a violation of statute or that the requested order promotes the public interest. The court may, as appropriate, enter a consent judgment or decree without the finding of illegality.

Subd. 2. The attorney general may accept an assurance of discontinuance of any method, act, or practice in violation of sections 309.50 to 309.61 from any person alleged to be engaged or to have been engaged in such method, act, or practice. Such assurance may, among other terms, include a stipulation for the voluntary payment by such person of the costs of investigation, or of an amount to be held in escrow pending the outcome of an action or as restitution to aggrieved persons, or both. Any such assurance of discontinuance shall be in writing and be filed with the district court of the county in which the alleged violator resides or has a principal place of business or in Ramsey county. An assurance shall not be considered an admission of a violation for any purpose. Failure to comply with the assurance of discontinuance shall be punishable as contempt.

Sec. 37. Minnesota Statutes 1986, section 345.39, is amended to read:

345.39 [MISCELLANEOUS PERSONAL PROPERTY HELD FOR ANOTHER PERSON.]

Subdivision 1. All intangible personal property, not otherwise covered by sections 345.31 to 345.60, including any income or increment thereon, but excluding any charges that may lawfully be

withheld, that is held or owing in this state in the ordinary course of the holder's business and has remained unclaimed by the owner for more than five years after it became payable or distributable is presumed abandoned. Property covered by this section includes, but is not limited to: (a) unclaimed wages or worker's compensation; (b) deposits or payments for repair or purchase of goods or services; (c) credit checks or memos, or customer overpayments; (d) unidentified remittances, unrefunded overcharges; (e) unpaid claims, unpaid accounts payable or unpaid commissions; (f) unpaid mineral proceeds, royalties or vendor checks; and (g) credit balances, accounts receivable and miscellaneous outstanding checks. This section does not include money orders.

Subd. 2. [PRESUMED ABANDONMENT.] Notwithstanding subdivision 1, any profit, distribution, or other sum held or owing by a cooperative for or to a participating patron of the cooperative is presumed abandoned only if it has remained unclaimed by the owner for more than seven years after it became payable or distributable.

Sec. 38. Minnesota Statutes 1986, section 386.375, is amended to read:

#### 386.375 [STORAGE OF ABSTRACTS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, "lender" means all state banks and trust companies, national banking associations, state and federally chartered savings and loan associations, mortgage banks, mutual savings banks, insurance companies, credit unions making a loan, or any person making a conventional loan as defined under section 47.20, subdivision 2, clause (3), or cooperative apartment loan as defined under section 47.20, subdivision 2, clause (4). A "selling lender" is a lender who sells, assigns, or transfers a loan and/or the servicing of a loan to a "purchasing lender" or "servicing agent."

Subd. 2. [RESPONSIBILITY FOR STORAGE.] Any title company, lender, or anyone other than the mortgagor or fee simple owner holding an abstract of title to Minnesota real estate shall transfer the abstract of title to the mortgagor or fee simple owner of the real estate to which the abstract pertains ~~before August 1, 1987. After August 1, 1987, the abstract of title shall be provided to the mortgagor or fee simple owner at the time of closing.~~ This section does not apply if the holder of the abstract of title is the mortgagor or fee simple owner of the real estate to which the abstract pertains.

Subd. 3. [PENALTIES.] If a title company or lender fails to comply with the requirements of subdivision 2 within ten days of receipt of a written request of the mortgagor or fee simple owner, the mortgagor or fee simple owner has the right to have an abstract made at the expense of the lender or title company holding the abstract. The

lender and the title company are jointly and severally liable for the cost of preparing and providing the abstract to the mortgagor or fee simple owner.

Sec. 39. [APPROPRIATIONS.]

The sum of \$65,066 is appropriated from the general fund to the attorney general to be available for fiscal year 1988. The sum of \$34,414 is appropriated from the general fund to the attorney general to be available for fiscal year 1989. The general fund complement of the attorney general is increased by one.

Sec. 40. [INSTRUCTION TO THE REVISOR.]

The revisor of statutes shall substitute the term "attorney general" for the term "commissioner" or "commissioner of commerce" or "department" in Minnesota Statutes, sections 309.52, subdivisions 1 and 7; 309.53, subdivisions 1 and 2; 309.533, subdivision 1; 309.591; and 309.60.

Sec. 41. [INSTRUCTION TO THE REVISOR.]

The revisor of statutes shall delete all references to the "commissioner" in Minnesota Statutes, section 309.581.

Sec. 42. [REPEALER.]

Minnesota Statutes 1986, sections 72A.23; 72A.24; 72A.28; 80A.20; 80A.21; 80C.15; 80C.16, subdivision 1; 82.25; 82.26; 83.34; 83.35, subdivision 3; 238.085; 309.515, subdivision 3; 309.532; 309.533, subdivisions 2, 3, and 4; 309.534; 309.555; and 309.58 are repealed.

Sec. 43. [EFFECTIVE DATE.]

Section 20 is effective June 30, 1987."

Delete the title and insert:

"A bill for an act relating to commerce; regulating securities; regulating the business of financial planning; restricting certain charges made by investment advisors and broker dealers; providing for the registration of securities; providing for the denial, suspension, and revocation of licenses and the censure of licensees; exempting the sale of certain stock of a closely-held corporation; exempting certain industrial revenue bond transactions; regulating real estate brokers and salespersons; prohibiting commission-splitting and rebating on timeshare and other recreational lands; providing for continuing education of brokers; regulating licensees acting as principals; regulating abandoned property; establishing a presump-

tion of abandonment for certain profits or sums held by a cooperative; regulating the preparation and retention of abstracts of title to real property; transferring the powers and duties of the commissioner for the regulation of social and charitable organizations to the attorney general; amending Minnesota Statutes 1986, sections 60A.17, subdivision 6c; 80A.06, subdivision 5; 80A.07, subdivision 1; 80A.09, subdivision 1; 80A.12, by adding a subdivision; 80A.14, subdivision 18; 80A.15, subdivisions 1 and 2; 80A.19, subdivision 1; 82.17, subdivision 4; 82.19, subdivision 3; 82.21, subdivision 1; 82.22, subdivision 6; 82.24, subdivision 2; 82.34, subdivision 19; 308.12, by adding a subdivision; 309.50, subdivision 6; 309.502; 309.515, subdivision 1; 309.52, subdivisions 1a and 2; 309.53, subdivisions 1a, 3, 4, and by adding a subdivision; 309.531; 309.533, by adding a subdivision; 309.54; 309.55, subdivision 6; 309.556; 309.56, subdivision 1; 309.57; 345.39; and 386.375; proposing coding for new law in Minnesota Statutes, chapters 45 and 47; repealing Minnesota Statutes 1986, sections 72A.23; 72A.24; 72A.28; 80A.20; 80A.21; 80C.15; 80C.16, subdivision 1; 82.25; 82.26; 83.34; 83.35, subdivision 3; 238.085; 309.515, subdivision 3; 309.532; 309.533, subdivisions 2, 3, and 4; 309.534; 309.555; and 309.58."

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

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 651, A bill for an act relating to elections; setting times for changing election precincts and reapportioning certain election districts; amending Minnesota Statutes 1986, sections 204B.14, subdivision 3; and 375.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B.

Reported the same back with the following amendments:

Page 1, line 22, delete "and until new precinct and city ward"

Page 1, line 23, delete "boundaries are established"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Taxes to which was referred:

H. F. No. 737, A resolution memorializing the President and Congress to prevent from taking effect the proposed Internal Reve-



nue Service regulations that limit the lobbying activities by non-profit organizations.

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

The report was adopted.

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

H. F. No. 750, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water in East Grand Forks, Polk county.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [SALE OF CERTAIN TAX-FORFEITED LAND; POLK COUNTY.]

Notwithstanding Minnesota Statutes, section 282.018, Polk county may sell certain tax-forfeited land located in the city of East Grand Forks that is described in this section.

The land that may be sold consists of lots that border public water in the city of East Grand Forks, Polk county, described as:

(1) Prestige Addition, Block 3, Lots 1 and 4; and

(2) Riverview 3rd Addition, Block 1, Lot 3; and Block 3, Lots 2, 4, 7, and 8.

The lots have special assessments levied against them for improvements, are presently located between developed residential homes outside of the floodplain, and allowing development of the lots would increase the tax base for the city.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment.”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 758, A bill for an act relating to occupations and professions; establishing a board of marriage and family therapy; licensing and regulating marriage and family therapists; providing penalties; appropriating money; amending Minnesota Statutes 1986, section 214.01, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 148B.

Reported the same back with the following amendments:

Page 3, after line 28, insert:

“Marriage and family therapy practice is not medical care nor any other type of remedial care that may be reimbursed under medical assistance, chapter 256B, except to the extent such care is reimbursed under section 256B.02, subdivision 8, clause (5).”

Page 6, line 3, delete “licensed”

Page 6, line 3, after “psychologists” insert “licensed by the board of psychology”

Page 6, line 13, after the period insert “Psychologists licensed by the board of psychology who have demonstrated competence in marriage and family therapy as determined by the board of psychology may hold themselves out to the public as providing marriage and family therapy services.”

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

The report was adopted.

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

H. F. No. 763, A bill for an act relating to human services; creating the office of ombudsman for older Minnesotans; proposing coding for new law in Minnesota Statutes, chapter 256.

Reported the same back with the following amendments:

Page 1, line 9, delete “department of human” and insert “board on aging”

Page 1, line 10, delete “services”

Page 1, line 15, delete "of the state" and insert "pursuant to section 256.01, subdivision 7" and after "grants" delete "to"

Page 1, line 16, delete "enable area agencies on aging to grant money" and after "programs" insert "or area agencies on aging for"

Page 1, line 17, delete "providing" and insert "the provision of"

Page 2, line 17, delete "investigate" and insert "gather information and evaluate"

Page 3, line 1, delete "acting" and insert "designated"

Page 3, line 2, delete "or ombudsman representative" and insert "pursuant to this section" and delete "any"

Page 3, line 3, delete "or criminal"

Page 3, line 4, delete "that person is acting" and insert "the person's actions are"

Page 3, line 5, before the period insert ", are within the scope of the person's responsibilities as an ombudsman, and do not constitute willful or reckless misconduct"

Page 3, line 19, delete "AND LOCAL"

Page 3, line 20, delete "or local government"

Page 3, line 21, delete "that is"

Page 3, line 23, before the period insert "or any other law" and after the period insert "The data requested must relate to a specific case and must be treated according to section 13.03, subdivision 4."

Page 3, line 28, delete "complaints,"

Page 3, line 32, delete "By February 1 of each year" and insert "At the request of the majority leader of the senate or the speaker of the house of representatives"

Page 3, delete lines 33 and 34

Page 3, line 35, delete everything before the period and insert "a report to the legislature"

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

The report was adopted.

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

H. F. No. 799, A bill for an act relating to Koochiching county; permitting the county to establish a bidstead development authority.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [PURPOSE; PROGRAM.]

Subdivision 1. [PURPOSE; PROGRAM.] The legislature finds problems of declining population and depressed economic conditions exist in Koochiching county caused by the steady decline in jobs relating to farming and logging. These problems have impaired the value of private investments in the county and threaten sources of public revenue, causing underutilization of schools, other public facilities and land located in existing service corridors. It is found that these factors are injurious to the stability, health, safety, and welfare of the residents of the county.

It is, therefore, in the public interest to establish a public program to encourage the homesteading of land serviced by existing public services and facilities, to encourage people with transferable livelihoods to establish residences within the county, to stabilize or increase the tax base, increase employment opportunities, alleviate problems of economic depression and declining population, and assure the stability of the community and the availability of governmental services and facilities.

It is hereby declared that the activities necessary to implement the public program to be known as the bidstead program, which activities cannot be accomplished by private enterprise alone, constitutes a public purpose.

Subd. 2. [PROGRAM.] The Koochiching bidstead program is a program to exchange parcels of land held by the authority, not to exceed 40 acres a parcel, for a commitment of a person or persons to build a home, sustain a livelihood, pay property taxes, and remain on the parcel for ten consecutive years. At the end of the ten-year period, a warranty deed shall be issued to the bidsteader upon the completion of specified covenants. The county will receive, in return, stabilization of the tax base, economic revitalization, and fuller utilization of existing services and infrastructure.

## Sec. 2. [BIDSTEAD DEVELOPMENT AUTHORITY.]

Subdivision 1. [AUTHORITY.] A public body corporate and political, may be created by the Koochiching county board, having all of the powers and duties of an economic development authority under Minnesota Statutes, sections 458C.01 to 458C.23, except as otherwise provided in this act and the powers and duties to operate the bidstead program. For the purposes of applying sections 458C.01 to 458C.23, the authority has all the powers and duties of a city and the commissioners of the authority have all the powers and duties of a city council, except as otherwise provided in this act. The authority may exercise all of the powers of the economic development authority act, including those contained in section 458C.14, within or without an economic development district.

The powers and duties of the authority may not be exercised until the Koochiching county board of commissioners passes a resolution establishing the authority. The resolution shall require the affirmative vote of three county board members.

Subd. 2. [AREA OF OPERATION.] The area of operation shall include all of Koochiching county. The city council of any city within Koochiching county must approve the use of any parcel within the city before the parcel is available to the authority for the purposes defined in this act.

Subd. 3. [MEMBERSHIP.] The authority shall consist of five commissioners who shall be members of the county board of commissioners. The county board may set the terms of the commissioners to coincide with their terms of office as members of the county board.

## Sec. 3. [BIDSTEAD POWERS AND PROCEDURES.]

Subdivision 1. [MARKETING; CONVEYANCE.] The authority may advertise and market the bidstead program and convey and receive public lands from other political subdivisions.

Subd. 2. [GUIDELINES.] The authority shall promulgate guidelines for the bidstead program. The authority shall take into consideration such factors as highest and best use of the land, the number of jobs to be created, veteran status, and other factors in determining the allotment of land parcels.

Subd. 3. [ADVISORY COMMITTEE.] The commissioners of the authority may establish an advisory committee. The committee membership shall be geographically representative of the county. The committee shall advise the authority on the operation of the bidstead program.

## Sec. 4. [EFFECTIVE DATE.]

This act takes effect the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Koochiching county board."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 817, A bill for an act relating to human services; limiting reimbursement for certain general assistance medical care providers and medical assistance providers; authorizing publication of a list, and criteria for the list, for selecting health services requiring prior authorization; and authorizing second medical opinion for outpatient surgery; amending Minnesota Statutes 1986, sections 256.969, subdivision 2; 256B.02, subdivision 8; 256B.03, subdivision 1; and 256D.03, subdivision 4.

Reported the same back with the following amendments:

Page 2, line 9, after the period insert "The state shall be responsible for the nonfederal share of adjusted claims paid on or after August 1, 1985, regardless of approval by the federal health care financing agency."

Page 2, line 31, after the period insert "Effective July 1, 1987, the commissioner shall limit the annual increase in pass-through cost payments for depreciation, rents and leases, and interest expense to the annual growth in the consumer price index for all urban consumers (CPI-U)."

Page 8, after line 35, insert:

"Sec. 4. Minnesota Statutes 1986, section 256B.04, subdivision 15, is amended to read:

Subd. 15. [UTILIZATION REVIEW.] (1) Establish on a statewide basis a new program to safeguard against unnecessary or inappropriate use of medical assistance services, against excess payments, against unnecessary or inappropriate hospital admissions or lengths of stay, and against underutilization of services in prepaid health plans, long-term care facilities or any health care delivery system subject to fixed rate reimbursement. In implementing the program, the state agency shall utilize both prepayment and postpayment review systems to determine if utilization is reasonable and neces-

sary. The determination of whether services are reasonable and necessary shall be made by the commissioner in consultation with a professional services advisory group appointed by the commissioner. An aggrieved party may appeal the commissioner's determination pursuant to the contested case procedures of chapter 14.

(2) Contracts entered into for purposes of meeting the requirements of this subdivision shall not be subject to the set-aside provisions of chapter 16B.

(3) A recipient aggrieved by the commissioner's termination of services or denial of future services may appeal pursuant to section 256.045. A vendor aggrieved by the commissioner's determination that services provided were not reasonable or necessary may appeal pursuant to the contested case procedures of chapter 14. To appeal, the vendor shall notify the commissioner in writing within 30 days of receiving the commissioner's notice. The appeal request shall specify each disputed item, the reason for the dispute, an estimate of the dollar amount involved for each disputed item, the computation that the vendor believes is correct, the authority in statute or rule upon which the vendor relies for each disputed item, the name and address of the person or firm with whom contacts may be made regarding the appeal, and other information required by the commissioner."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after the semicolon insert "256B.04, subdivision 15;"

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

The report was adopted.

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

H. F. No. 835, A bill for an act relating to natural resources; establishing a state flood hazard mitigation grant program; authorizing grants-in-aid to local government units; appropriating money; amending Minnesota Statutes 1986, section 104.02; proposing coding for new law in Minnesota Statutes, chapter 104.

Reported the same back with the following amendments:

Page 2, line 23, after "acquisition" insert "by local governments"

Page 2, line 33, delete "provision" and insert "promotion"

Page 5, line 2, delete "total" and insert "local"

Page 5, after line 7, insert:

“Sec. 5. Minnesota Statutes 1986, section 105.482, subdivision 5, is amended to read:

Subd. 5. [LIMITATIONS.] If the cost of repair or reconstruction of a state owned dam or a grant to a local governmental unit is less than \$75,000 ~~\$250,000~~, the commissioner may direct that the state owned dam be repaired or reconstructed or that a grant be made to repair or reconstruct a dam owned by a local governmental unit without the approval of the state executive council. If the cost of repair or reconstruction of a state owned dam, or a grant to a local governmental unit is \$75,000 or more but less than \$150,000, the expenditure shall be made only with the approval of the state executive council. If the cost of repair or reconstruction of a state owned dam or a grant to a local governmental unit is \$150,000 ~~\$250,000~~ or more, the commissioner may recommend the project to the legislature for its consideration and action, except in the following emergency situations. With the approval of the executive council commissioner of finance, the commissioner may direct that a state owned dam be repaired or reconstructed or a grant be made to a local governmental unit where the commissioner determines that an emergency condition exists and that there is danger that life will be lost or that substantial property losses will be suffered if such action is not promptly taken.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert “105.482, subdivision 5;”

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 841, A bill for an act relating to utilities; providing for prevention of unlawful meter bypass, tampering, and use; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reported the same back with the following amendments:

Page 1, line 8, delete “216B.023” and insert “325E.026”

Page 1, after line 24, insert:

“(c) “Unauthorized connection” means the physical connection or physical reconnection of utility service by a person without the



authorization or consent of the utility.”

Page 1, line 25, delete “(c)” and insert “(d)”

Page 2, line 4, delete “(d)” and insert “(e)”

Page 2, lines 10, 13, and 14, before “or” insert “unauthorized connection.”

Page 2, line 14, delete “is”

Page 2, line 15, delete “entitled to” and insert “may”

Page 2, line 18, after the semicolon, insert “and”

Page 2, line 20, delete everything after “employees”

Page 2, line 21, delete everything before the period

Page 2, delete lines 22 to 32

Page 2, line 33, delete “4” and insert “3”

Page 2, line 35, delete “may” and insert “must”

Page 3, line 2, delete “5” and insert “4”

Amend the title as follows:

Page 1, line 5, delete “216B” and insert “325E”

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

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 862, A bill for an act relating to commerce; creating a legislative commission to study proposed low-level military air training in northeastern Minnesota; prescribing its duties.

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

The report was adopted.

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

H. F. No. 887, A bill for an act relating to environment; creating the clean water partnership program for the control of nonpoint source water pollution and providing for administration by the pollution control agency; requiring a state water quality assessment; authorizing technical and financial assistance to local governments; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115.

Reported the same back with the following amendments:

Page 2, line 22, delete "municipality" and insert "statutory or home rule charter city"

Page 2, delete lines 28 and 29

Page 2, line 30, delete "7. [NONPOINT SOURCES.]" and insert "6. [NONPOINT SOURCE.]"

Renumber the subdivisions

Page 2, line 36, delete "managment" and insert "management"

Page 3, line 2, delete "offical" and insert "official"

Page 4, line 25, delete "and"

Page 4, after line 25, insert:

"(2) evidence that the applicant has consulted with the local soil and water conservation districts and watershed districts, where they exist, in preparing the application; and"

Page 4, line 26, delete "(2)" and insert "(3)"

Page 5, line 5, delete "contain a technical assessment of" and insert "identify"

Page 6, lines 15 and 16, delete "and may adopt emergency rules"

Page 7, line 29, after "Stabilization" insert "and Conservation"

Page 7, line 31, after "council," insert "Association of Minnesota Counties, League of Minnesota Cities,"

Page 7, line 33, after "shall" insert "advise the agency in preparation of rules,"

Page 7, line 34, after the first "projects" insert " ,"

Page 8, delete lines 5 to 8

Page 8, line 12, delete "June 30, 1989" and insert "expended"

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

The report was adopted.

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

H. F. No. 889, A bill for an act relating to local government; providing notice conditions for town road contracts; amending Minnesota Statutes 1986, section 160.17, subdivision 2.

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

The report was adopted.

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

H. F. No. 912, A bill for an act relating to human services; providing for eligibility requirements for receiving medical assistance and general assistance medical care; allowing recovery of benefits paid after death of recipient; requiring assignment of benefits; providing services for pregnant women; allowing certain agencies to collect personal property by affidavit; amending Minnesota Statutes 1986, sections 256B.02, subdivision 8; 256B.06, subdivision 1, and by adding a subdivision; 256B.15; 256B.17, subdivisions 4 and 5; 256B.35, subdivisions 1 and 2; 256D.03, subdivision 3, and by adding a subdivision; and 524.3-1201; repealing Minnesota Statutes 1986, sections 256B.07; and 256D.051, subdivision 12.

Reported the same back with the following amendments:

Page 7, line 32, strike "resources" and insert "assets"

Page 7, delete line 36

Page 8, delete lines 1 and 2

Page 8, line 3, delete everything before the period

Page 9, line 10, reinstate the stricken "unless"

Page 9, line 14, strike "unless"

Page 10, line 4, delete "before the period of medical assistance"

Page 10, line 5, delete "eligibility" and insert "more than 24 months immediately prior to the period of medical assistance eligibility and personal jewelry acquired within 24 months immediately prior to the period of medical assistance eligibility and not purchased with assets of the applicant or recipient"

Page 10, line 6, delete "is" and insert "are"

Page 15, line 29, after "256D.05" insert "or 256D.051"

Page 15, line 32, delete "and"

Page 15, line 33, delete "(3)"

Page 15, line 36, delete "(4)"

Page 17, line 4, delete "that"

Page 17, delete line 5

Page 17, line 6, delete the new language and insert "with a claim authorized by section 256B.15,"

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

The report was adopted.

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

H. F. No. 919, A bill for an act relating to recreation and natural resources; authorizing grants to local government units for park acquisition and betterment; authorizing dam safety projects; authorizing the acquisition of natural habitat; authorizing acquisition and betterment of units of the outdoor recreation system including, but not limited to, state parks, trails, forests, fishing management lands, wildlife management areas, scientific and natural areas, wild, scenic, and recreational rivers, canoe and boating routes, and public water access; authorizing acquisition and development of amateur athletic training facilities; imposing the sales tax on certain clubs dues; providing for deposit and expenditures of certain sales tax revenues; authorizing the issuance of state bonds; appro-

priating money; amending Minnesota Statutes 1986, sections 297A.01, subdivision 3; and 297A.44, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 16A.

Reported the same back with the following amendments:

Page 1, line 27, delete "\$78,045,000" and insert "\$74,320,000"

Page 2, line 20, after "105.482" insert ", and for flood damage reduction projects under Minnesota Statutes, sections 104.01 to 104.38"

Page 3, line 1, delete "and in accordance with"

Page 3, delete line 2

Page 3, line 3, delete "Statutes, section 89.021"

Page 3, line 6, delete "and in accordance with"

Page 3, delete line 7

Page 3, line 8, delete "Statutes, section 89.021"

Page 3, line 20, delete "97.48, subdivision 13," and insert "97A.135"

Page 3, line 21, delete "97.481" and insert "97A.145"

Page 3, line 26, delete "97.48, subdivision 13," and insert "97A.135"

Page 3, line 27, delete "97.481" and insert "97A.145"

Page 3, line 36, delete "97.48," and insert "97A.141"

Page 4, line 1, delete "subdivision 15"

Page 4, line 5, delete "and" and insert "to"

Page 4, line 6, delete the first comma

Page 5, delete lines 4 to 7, and insert:

"(3) For a speedskating center in the city of Roseville, as approved by the metropolitan council in January 1985

(4) For statewide ski jumping planning

\$	<u>3,500,000</u>
\$	<u>25,000</u>

Page 5, delete lines 15 and 16, and insert:

"(2) <u>For a canoe and kayak center</u>	\$	<u>100,000</u>
(3) <u>For a fieldhouse and multi-sport complex</u>	\$	<u>3,400,000</u>
(4) <u>Water system</u>	\$	<u>1,700,000</u>
(5) <u>Sewage system</u>	\$	<u>1,700,000"</u>

Page 9, line 9, delete "fund" and insert "account"

Page 9, line 16, delete "are" and insert "is"

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

The report was adopted.

Voss moved that H. F. No. 919 be recalled from the Committee on Taxes and be re-referred to the Committee on Appropriations. The motion prevailed.

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

S. F. No. 403, A bill for an act relating to newspapers; providing that only qualified newspapers may accept legal notices for publication; amending Minnesota Statutes 1986, section 331A.02, subdivision 1.

Reported the same back with the following amendments:

Amend the title as follows:

Page 1, line 2, delete "only" and insert "a newspaper that is not"

Page 1, delete line 3, and insert "must inform public bodies that it is not qualified;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 450, 564, 651 and 737 were read for the second time.

## SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, McLaughlin moved that the rule therein be suspended and an urgency be declared so that H. F. No. 737 be given its third reading and be placed upon its final passage. The motion prevailed.

McLaughlin moved that the Rules of the House be so far suspended that H. F. No. 737 be given its third reading and be placed upon its final passage. The motion prevailed.

H. F. No. 737, A resolution memorializing the President and Congress to prevent from taking effect the proposed Internal Revenue Service regulations that limit the lobbying activities by non-profit organizations.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Onnen	Segal
Anderson, R.	Gutknecht	Lieder	Orenstein	Shaver
Battaglia	Hartle	Long	Osthoff	Simoneau
Bauerly	Heap	Marsh	Otis	Skoglund
Beard	Himle	McDonald	Ozment	Solberg
Begich	Hugoson	McEachern	Pappas	Sparby
Bennett	Jacobs	McKasy	Pauly	Stanisus
Bertram	Jaros	McLaughlin	Pelowski	Steensma
Boo	Jefferson	McPherson	Peterson	Sviggum
Brown	Jennings	Milbert	Price	Swenson
Burger	Jensen	Miller	Quinn	Tjornhom
Carlson, L.	Johnson, A.	Minne	Redalen	Tompkins
Carruthers	Johnson, R.	Morrison	Reding	Trimble
Clark	Johnson, V.	Munger	Rest	Tunheim
Clausnitzer	Kahn	Murphy	Rice	Uphus
Cooper	Kalis	Nelson, C.	Richter	Valento
Dauner	Kelly	Nelson, D.	Riveness	Vanasek
DeBlicek	Kelso	Nelson, K.	Rodosovich	Vellenga
Dempsey	Kinkel	Neuenschwander	Rose	Voss
Dille	Kludt	O'Connor	Rukavina	Wagenius
Dorn	Knickerbocker	Ogren	Sarna	Waltman
Forsythe	Knuth	Olsen, S.	Schafer	Welle
Frederick	Kostohryz	Olson, E.	Scheid	Wenzel
Frerichs	Krueger	Olson, K.	Schoenfeld	Winter
Greenfield	Larsen	Omann	Seaberg	Wynia
				Spk. Norton

Those who voted in the negative were:

Carlson, D.	Haukoos	Schreiber
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The bill was passed and its title agreed to.

**SECOND READING OF HOUSE BILLS, Continued**

H. F. Nos. 750, 799 and 889 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 403 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Nelson, D., introduced:

H. F. No. 1299, A bill for an act relating to local government; conforming the Minnesota open meeting law and the Minnesota government data practices act; amending Minnesota Statutes 1986, section 471.705, subdivision 1.

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

Nelson, D., introduced:

H. F. No. 1300, A bill for an act relating to collection and dissemination of data; enacting the uniform criminal history records act; prescribing penalties; amending Minnesota Statutes 1986, section 13.82, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 13B; repealing Minnesota Statutes 1986, section 13.87.

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

Nelson, D., introduced:

H. F. No. 1301, A bill for an act relating to collection and dissemination of data; enacting the uniform information practices code; repealing the government data practices act; prescribing penalties; proposing coding for new law as Minnesota Statutes,



chapter 13B; repealing Minnesota Statutes 1986, sections 13.01 to 13.90.

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

Solberg and Neuenschwander introduced:

H. F. No. 1302, A bill for an act relating to Itasca county; permitting the county to levy a tax for economic development.

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

Winter, Bishop and DeBlicke introduced:

H. F. No. 1303, A bill for an act relating to state parks; regulating the use of metal detectors in state parks; proposing coding for new law in Minnesota Statutes, chapter 85.

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

Milbert, Quinn, Voss, Skoglund and Osthoff introduced:

H. F. No. 1304, A bill for an act relating to insurance; regulating cancellations of insurance agency contracts; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

Sparby introduced:

H. F. No. 1305, A bill for an act relating to education; providing for loans to certain school districts having property tax delinquencies; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Scheid, Osthoff and Voss introduced:

H. F. No. 1306, A bill for an act relating to taxation; property; eliminating the open space property tax benefits to certain recre-

ational property; amending Minnesota Statutes 1986, section 273.112, subdivisions 3, 6, and 7a.

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

Winter, Steensma and DeBlieck introduced:

H. F. No. 1307, A bill for an act relating to traffic regulations; requiring damage vehicle release sticker on motor vehicle damaged in accident; requiring garages and vehicle towers to report to law enforcements agencies under certain circumstances; amending Minnesota Statutes 1986, section 169.09, subdivisions 9, 12, and by adding subdivisions.

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

Lieder and Dempsey introduced:

H. F. No. 1308, A bill for an act relating to transportation; requiring the licensing of limousine services by the registrar of motor vehicles; providing for conditions of licensure and operation of limousines; requiring bonds; providing penalties; amending Minnesota Statutes 1986, sections 169.01, subdivision 50; and 169.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 326.

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

DeBlieck; Johnson, V.; Nelson, D.; Winter and Jennings introduced:

H. F. No. 1309, A bill for an act relating to soil and water conservation; simplifying and clarifying the law governing soil and water conservation districts; amending Minnesota Statutes 1986, sections 40.01; 40.02; 40.03; 40.035; 40.036; 40.038; 40.04; 40.05; 40.06; 40.07; 40.071; 40.072; 40.073; 40.12; 40.13; 40.14; and 40.15.

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

Murphy, Otis and Clark introduced:

H. F. No. 1310, A bill for an act relating to multifamily housing developments; changing certain income limit restrictions; amending Minnesota Statutes 1986, section 462C.05, subdivision 2.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Murphy, Cooper, Vellenga, Stanius and Boo introduced:

H. F. No. 1311, A bill for an act relating to human services; including certain pension costs as operating costs for purposes of nursing home reimbursement; amending Minnesota Statutes 1986, section 256B.431, subdivision 2b.

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

Kelly, Vellenga, Marsh, McKasy and Orenstein introduced:

H. F. No. 1312, A bill for an act relating to peace officers; requiring licensure as a prerequisite to exercising the authority of a peace officer; prohibiting persons from misrepresenting themselves as peace officers or part-time peace officers; prescribing penalties; amending Minnesota Statutes 1986, section 626.84; proposing coding for new law in Minnesota Statutes, chapter 626.

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

Scheid, Long, Voss, Schreiber and Redalen introduced:

H. F. No. 1313, A bill for an act relating to taxation; property; requiring distribution of unclaimed overpayments to the affected taxing districts; proposing coding for new law in Minnesota Statutes, chapter 276.

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

Carruthers, Long, Blatz and Rest introduced:

H. F. No. 1314, A bill for an act relating to courts; conforming fees for the filing of an unlawful detainer action in Hennepin county with other civil fees and unlawful detainer fees collected throughout the state; changing Hennepin county conciliation court filing and counterclaim fees; amending Minnesota Statutes 1986, sections 488A.03, subdivision 11; and 488A.14, subdivisions 1 and 5.

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

Pappas, Kahn and Krueger introduced:

H. F. No. 1315, A bill for an act relating to state agencies; establishing a telecommunications and computer expenditure committee.

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

Jacobs introduced:

H. F. No. 1316, A bill for an act relating to taxation; clarifying determination of estimated property taxes for settlement with local taxing districts; providing an appeal mechanism; amending Minnesota Statutes 1986, section 276.11.

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

Price introduced:

H. F. No. 1317, A bill for an act relating to occupations and professions; creating the Minnesota task force on interior designers and decorators and providing for its duties.

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

Redalen introduced:

H. F. No. 1318, A bill for an act appropriating funds for the Chatfield Brass Band Music Lending Library.

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

Schoenfeld and Scheid introduced:

H. F. No. 1319, A bill for an act relating to state government; authorizing the use of certain mechanical lifting devices in public buildings; amending Minnesota Statutes 1986, section 16B.61, subdivision 5.

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

Beard introduced:

H. F. No. 1320, A bill for an act relating to civil commitment; defining "mentally ill person"; and "the least restrictive alternative principle"; providing that mentally ill persons can be committed only to regional centers or hospitals that are appropriately accredited; amending Minnesota Statutes 1986, sections 253B.02, subdivision 13, and by adding subdivisions; and 253B.09, subdivision 1.

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

Carlson, L.; Heap; Carruthers; Rest and Scheid introduced:

H. F. No. 1321, A bill for an act relating to education; changing the weighting of pupils enrolled in the sixth grade of a middle school from elementary to secondary; amending Minnesota Statutes 1986, section 124.17, subdivision 1.

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

Morrison; Tompkins; Johnson, A.; Battaglia and Valento introduced:

H. F. No. 1322, A bill for an act relating to local government; providing for the discharge of charter commissions; amending Minnesota Statutes 1986, section 410.05, by adding a subdivision.

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

Jefferson, Trimble, Orenstein and Rodosovich introduced:

H. F. No. 1323, A bill for an act relating to human services; endorsing the Store-to-Door grocery delivery program for certain elderly citizens; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Price, Pelowski, Dorn, Omann and Gruenes introduced:

H. F. No. 1324, A bill for an act relating to education; establishing a task force on financing post-secondary education; appropriating

money; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Gutknecht, Kalis and Frerichs introduced:

H. F. No. 1325, A bill for an act relating to motor vehicles; permitting seven characters on personalized license plates; amending Minnesota Statutes 1986, section 168.12, subdivision 2a.

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

Pelowski, Sarna, Otis, Redalen and Burger introduced:

H. F. No. 1326, A bill for an act relating to energy; authorizing loans to cities and counties for energy conservation investments and authorizing repayment of those loans; authorizing issuance of bonds; appropriating money; amending Minnesota Statutes 1986, sections 116J.37; 275.50, subdivision 5; 471.65; and 475.51, subdivision 4.

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

Skoglund, Scheid, Knickerbocker, Orenstein and Steensma introduced:

H. F. No. 1327, A bill for an act relating to elections; specifying the time for precinct caucuses; amending Minnesota Statutes 1986, section 202A.14, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Solberg, Blatz, Onnen and Neuenschwander introduced:

H. F. No. 1328, A bill for an act relating to human services; extending the deadline for community work experience program pilot projects; amending Minnesota Statutes 1986, section 256.737, subdivision 1.

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

Kinkel, Solberg, Kahn, Clark and Milbert introduced:

H. F. No. 1329, A bill for an act relating to human services; clarifying eligibility of persons governed by federally recognized American Indian tribal governments for certain services; amending Minnesota Statutes 1986, section 256E.03, subdivision 2.

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

Jefferson, Clark and Trimble introduced:

H. F. No. 1330, A bill for an act relating to human services; appropriating money for dispersal of group residential facilities.

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

Jefferson, Clark, Ogren and Trimble introduced:

H. F. No. 1331, A bill for an act relating to human services; providing for annual utilities assistance adjustment payments under aid to families with dependent children; amending Minnesota Statutes 1986, section 256.73, by adding a subdivision.

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

Clark, Begich and Battaglia introduced:

H. F. No. 1332, A bill for an act relating to employment; requiring employees to promptly pay premiums on employee health plans; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Shaver, Munger, Jensen and Battaglia introduced:

H. F. No. 1333, A bill for an act relating to game and fish; changing the mandatory closing date for private shooting preserves; amending Minnesota Statutes 1986, section 97A.121, subdivision 2.

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

Blatz, Otis, Osthoff, Schreiber and Vanasek introduced:

H. F. No. 1334, A bill for an act relating to taxation; providing for payment of refunds to certain purchasers of energy conservation equipment; appropriating money.

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

Jefferson, Clark, Trimble and Rice introduced:

H. F. No. 1335, A bill for an act relating to state government; creating the council on Martin Luther King, Jr. holidays and providing for the council's powers and duties; proposing coding for new law as Minnesota Statutes, chapter 44B.

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

Kelly, Ogren, Osthoff, Scheid and Schreiber introduced:

H. F. No. 1336, A bill for an act relating to tax increment financing; requiring an authority to obtain permission from the county wherein the proposed district is located before including the county's portion of the assessed value within the captured assessed value; amending Minnesota Statutes 1986, section 273.76, subdivision 2.

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

Carruthers; O'Connor; Skoglund; Carlson, D., and Bishop introduced:

H. F. No. 1337, A bill for an act relating to financial institutions; reciprocal interstate banking; authorizing acquisitions by those who express a commitment to provide certain forms of affordable credit; amending Minnesota Statutes 1986, sections 48.93, subdivision 3; and 48.99, subdivision 1.

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



Pappas, Jefferson, Trimble and Johnson, R., introduced:

H. F. No. 1338, A bill for an act relating to education; establishing a pilot truancy prevention program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Kelso, Stanius and Vellenga introduced:

H. F. No. 1339, A bill for an act relating to human services; requiring the commissioner of human services to initiate contested case hearings on nursing home appeals within a certain time period; amending Minnesota Statutes 1986, section 256B.50, subdivision 1.

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

Quist, Vanasek, Rodosovich and Jensen introduced:

H. F. No. 1340, A bill for an act relating to taxation; sales; changing the requirements for designation of a distressed county for purposes of the capital equipment exemption; amending Minnesota Statutes 1986, section 297A.257, subdivision 1.

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

Quist introduced:

H. F. No. 1341, A bill for an act relating to education; providing aid for teachers in a district's gifted and talented program; appropriating money; amending Minnesota Statutes 1986, section 124.247, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Scheid, Osthoff, Jacobs, Bennett and Quinn introduced:

H. F. No. 1342, A bill for an act relating to intoxicating liquor; requiring cities to issue off-sale wine licenses to general food stores in the metropolitan area upon application; imposing restrictions; amending Minnesota Statutes 1986, sections 340A.101, subdivision

29; and 340A.412, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 340A.

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

Jaros, Munger, Murphy, Sarna and Rukavina introduced:

H. F. No. 1343, A bill for an act relating to public safety; providing an exception from certain regulations for steam turbines which receive steam from remote municipal facilities; amending Minnesota Statutes 1986, section 183.56.

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

Dauner and Kludt introduced:

H. F. No. 1344, A bill for an act relating to the city of Sabin; providing for apportionment of debt service levy in rural and urban service districts in the city; permitting inclusion of platted land in a rural service district in the city.

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

Kinkel; Johnson, R.; Rose and Anderson, G., introduced:

H. F. No. 1345, A bill for an act relating to game and fish; authorizing annual and 14-day husband and wife angling licenses; amending Minnesota Statutes 1986, section 97A.475, subdivision 7.

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

Frederick introduced:

H. F. No. 1346, A bill for an act relating to crime; imposing criminal penalties on persons who sign certain documents with a false or fictitious name; amending Minnesota Statutes 1986, section 171.22.

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

Jefferson, Kelso and Stanius introduced:

H. F. No. 1347, A bill for an act relating to human services; exempting nursing homes from the prepayment demonstration project; amending Minnesota Statutes 1986, section 256B.69, subdivisions 2 and 3.

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

Kelly introduced:

H. F. No. 1348, A bill for an act relating to retirement; public employees retirement association; authorizing coverage for employees of the St. Paul Ramsey Medical Center commission; amending Minnesota Statutes 1986, section 246A.12, subdivisions 5, 6, and by adding a subdivision.

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

Jennings, Gruenes and Jefferson introduced:

H. F. No. 1349, A bill for an act relating to human services; allowing certain exceptions to the moratorium on nursing home beds; allowing upgrading of certified boarding care beds to skilled nursing beds; requiring the development of criteria to determine the need for additional nursing home beds; allowing nursing homes to reduce the number of beds in each room; providing for relocation procedures for a nursing home terminated from participation in the medical assistance program; amending Minnesota Statutes 1986, sections 144A.071, subdivisions 2, 3, 4, and by adding a subdivision; and 256B.48, subdivision 1a.

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

Clark, Otis, Greenfield and McLaughlin introduced:

H. F. No. 1350, A bill for an act relating to jobs and training; establishing limits for rates under the child care sliding fee program; amending Minnesota Statutes 1986, section 268.91, subdivision 8.

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

Tunheim, Sparby and Battaglia introduced:

H. F. No. 1351, A bill for an act relating to natural resources; authorizing the taking of elk and amending related laws; authorizing compensation for certain crop damage caused by elk; appropriating money; amending Minnesota Statutes 1986, sections 97A.421, subdivision 6; 97A.431; 97A.465, subdivisions 1 and 3; 97A.471, subdivision 3; 97A.475, subdivision 2; 97A.525, subdivision 1; 97A.535; and 97B.201; proposing coding for new law in Minnesota Statutes, chapters 3 and 97B.

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

Clark, Greenfield, Jefferson and McLaughlin introduced:

H. F. No. 1352, A bill for an act relating to appropriations; providing funding for the establishment of a community-based juvenile residential correctional facility to serve American Indian juveniles in Hennepin county.

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

Greenfield and Clark introduced:

H. F. No. 1353, A bill for an act relating to human services; creating a work incentive subsidized housing program for AFDC recipients; appropriating money; amending Minnesota Statutes 1986, section 256.736, by adding a subdivision.

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

Greenfield introduced:

H. F. No. 1354, A bill for an act relating to children; providing for protective supervision of children who are dependent because of the minority of a parent; amending Minnesota Statutes 1986, sections 260.015, subdivision 6; 260.155, by adding a subdivision; and 260.191, by adding a subdivision.

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

Greenfield introduced:

H. F. No. 1355, A bill for an act relating to the city of Minneapolis; giving the city certain powers pertaining to conventions and tourism activities.

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

Greenfield, Clark and Vellenga introduced:

H. F. No. 1356, A bill for an act relating to health; authorizing the board of medical examiners to release certain information about disciplinary investigations and proceedings; amending Minnesota Statutes 1986, section 147.01, subdivision 4.

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

Greenfield and Jefferson introduced:

H. F. No. 1357, A bill for an act relating to human services; clarifying inpatient hospital rate determinations; amending Minnesota Statutes 1986, section 256.969, subdivision 3.

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

Greenfield and Clark introduced:

H. F. No. 1358, A bill for an act relating to human services; establishing limits for rates under the child care sliding fee program; amending Minnesota Statutes 1986, section 268.91, subdivision 8.

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

Greenfield, Murphy, Jennings, Jefferson and Onnen introduced:

H. F. No. 1359, A bill for an act relating to human services; authorizing Minnesota supplemental aid for a licensed boarding care facility; amending Minnesota Statutes 1986, section 256D.37, subdivision 1.

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

Dille, Schoenfeld, Wenzel and Uphus introduced:

H. F. No. 1360, A bill for an act relating to agriculture; appropriating money for control of pseudorabies in swine herds.

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

Clark introduced:

H. F. No. 1361, A bill for an act relating to public utilities; increasing time that public utilities commission must approve or deny certificate of need; authorizing commission to recover costs of evaluating need for large energy facility; amending Minnesota Statutes 1986, sections 216B.243, subdivision 5; and 216B.62, subdivisions 2, 6, and by adding a subdivision; repealing Minnesota Statutes 1986, section 216B.243, subdivision 6.

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

McLaughlin and Jacobs introduced:

H. F. No. 1362, A bill for an act relating to utilities; providing for expedited hearings by public utilities commission to review adjustments to rates of public utilities and telephone companies due to tax reform act; providing for repeal.

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

Winter introduced:

H. F. No. 1363, A bill for an act relating to education; appropriating money for Worthington community college to join certain telecommunications networks.

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

Thiede introduced:

H. F. No. 1364, A bill for an act relating to taxation; income; excluding net capital gain.

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

Valento introduced:

H. F. No. 1365, A bill for an act relating to liquor; authorizing the city of Little Canada to issue two additional on-sale licenses.

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

Kinkel, Simoneau, Sarna, Bennett and Jacobs introduced:

H. F. No. 1366, A bill for an act relating to occupations and professions; requiring the licensing of interior designers; defining the practice of interior design; providing for exemptions; providing for administration of licensing requirements; amending Minnesota Statutes 1986, sections 214.01, subdivision 3; 214.04, subdivision 3; 326.02, subdivision 1, and by adding a subdivision; 326.03, subdivision 1, and by adding a subdivision; 326.04; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, 2a, and by adding a subdivision; 326.11, subdivision 1; 326.12; 326.13; and 326.14.

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

Welle, Lasley, Simoneau, Tompkins and Price introduced:

H. F. No. 1367, A bill for an act relating to retirement; establishing a voluntary retirement plan for certain qualified employees of public and private ambulance services; proposing coding for new law as Minnesota Statutes, chapter 353A.

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

Tunheim, Battaglia and Kinkel introduced:

H. F. No. 1368, A bill for an act relating to education; providing categorical aids and certain levy replacement money for Pine Point School; amending Minnesota Statutes 1986, section 128B.03, by adding subdivisions.

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

Tunheim, Battaglia and Olsen, S., introduced:

H. F. No. 1369, A bill for an act relating to education; appropriating money for Indian education at the Grand Portage school.

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

Kelso and Jensen introduced:

H. F. No. 1370, A bill for an act relating to Scott county; authorizing the issuance of county bonds for capital improvements.

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

Knuth and Kelly introduced:

H. F. No. 1371, A bill for an act relating to courts; specifying certain locations for holding court in Ramsey county; providing for the disposition of fees and fines from the courts in Ramsey county; amending Minnesota Statutes 1986, section 488A.20, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 488A.

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

Riveness, McLaughlin, Dorn, Rukavina and Knuth introduced:

H. F. No. 1372, A bill for an act relating to taxation; property tax refund; updating references to federal law; expanding the definition of household income; requiring filing with the income tax return; requiring additional reporting by landlords; requiring auditing of claims; allowing the right to the refund to lapse if the claimant cannot be located; repealing obsolete provisions; increasing penalties; appropriating money; amending Minnesota Statutes 1986, sections 290A.03, subdivisions 3, 8, and by adding a subdivision; 290A.06; 290A.18; and 290A.19; repealing Minnesota Statutes 1986, section 290A.04, subdivisions 2e and 2g.

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

Simoneau; Nelson, D.; Kludt; Jefferson and Trimble introduced:

H. F. No. 1373, A bill for an act relating to taxation; property tax refund; updating references to federal law; expanding the definition



of household income; requiring filing with the income tax return; requiring additional reporting by landlords; requiring auditing of claims; allowing the right to the refund to lapse if the claimant cannot be located; repealing obsolete provisions; increasing penalties; appropriating money; amending Minnesota Statutes 1986, sections 290A.03, subdivisions 3, 8, and by adding a subdivision; 290A.06; 290A.18; and 290A.19; repealing Minnesota Statutes 1986, section 290A.04, subdivisions 2e and 2g.

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

Simoneau introduced:

H. F. No. 1374, A bill for an act relating to the office of the attorney general; removing the numerical limit on the number of assistant attorneys general; authorizing the attorney general to delegate contract review duties; amending Minnesota Statutes 1986, section 8.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 8.

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

Jacobs and Bennett introduced:

H. F. No. 1375, A bill for an act relating to alcoholic beverages; restricting sales to tax delinquent licensees; limiting imports by individuals; maximum volume for volume prices; purchases by delinquent licensees; restricting employment of minors in nonintoxicating liquor premises; repealing nondiscriminatory price law; amending Minnesota Statutes 1986, sections 297A.151, subdivisions 2 and 3; 297C.09; 340A.302, subdivision 1; 340A.312, subdivision 2; 340A.318, subdivisions 1 and 3; and 340A.411, by adding a subdivision; repealing Minnesota Statutes 1986, section 340A.307, subdivision 3.

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

Hartle introduced:

H. F. No. 1376, A bill for an act relating to state lands; directing sale and conveyance of certain state-owned lands to the city of Owatonna.

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

Hartle introduced:

H. F. No. 1377, A bill for an act relating to local government; removing limitations on tax adjustments related to annexations; amending Minnesota Statutes 1986, section 414.035.

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

Clark introduced:

H. F. No. 1378, A bill for an act relating to utilities; energy; establishing a least-cost electrical energy pilot project; appropriating money; amending Minnesota Statutes 1986, section 216B.241, by adding a subdivision.

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

Greenfield, Norton, Clark and Jaros introduced:

H. F. No. 1379, A bill for an act relating to crimes; sexual conduct; prohibiting sexual penetration in a public place; abolishing the crimes of consensual sodomy, fornication, and adultery; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1986, sections 609.293; 609.34; and 609.36.

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

Reding, Norton, Knuth and Dorn introduced:

H. F. No. 1380, A bill for an act relating to state government; appropriating money to fund a nonprofit institute for invention and innovation; proposing coding for new law in Minnesota Statutes, chapter 138.

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

Clark introduced:

H. F. No. 1381, A bill for an act relating to occupational safety and health; requiring training for employees of nursing homes and

correction facilities for exposure to infectious agents; amending Minnesota Statutes 1986, section 182.653, subdivision 4f.

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

Clark introduced:

H. F. No. 1382, A bill for an act relating to occupations and professionals; establishing a system of licensure for acupuncture practitioners; proposing coding for new law in Minnesota Statutes, chapter 148.

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

Jennings introduced:

H. F. No. 1383, A bill for an act relating to utilities; imposing minimum requirements for coin-operated telephones; providing that free or reduced telephone rates for employees of telephone companies not be paid for by ratepayers; providing for public utilities commission to reopen telephone rate case; requiring application for rehearing before judicial review; amending Minnesota Statutes 1986, sections 237.01, subdivision 2, and by adding a subdivision; and 237.14; 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.

Jennings introduced:

H. F. No. 1384, A bill for an act relating to utilities; providing for investigation by and limited proceedings in certain cases before the public utilities commission; providing for triennial rate filing; prohibiting commission from ordering interim rate schedule for six months after final determination in previously filed rate change, with exceptions; providing that management practices be a factor in determining rates; providing for limited hearings in certain circumstances; allowing the commission to order refunds of discriminatory rates; providing that appellants have ten days to apply for rehearing of commission order; providing for commission review of sales or acquisitions of utilities located outside of the state under certain circumstances; prohibiting utility from shutting off gas or electric service to tenant when utility contracted for service with defaulting landlord; exempting small utilities and telephone companies from indirect cost assessments; amending Minnesota Statutes 1986, sec-

tions 216.13; 216.14; 216.15; 216.16; 216B.16, subdivision 3, and by adding subdivisions; 216B.17, subdivision 1; 216B.23, subdivision 1; 216B.27, subdivisions 1 and 2; 216B.50, subdivision 1; 216B.62, subdivision 3; 237.075, subdivision 3, and by adding subdivisions; 237.081, subdivision 1a; 237.295, subdivision 2; and 325E.025, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 216B and 237.

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

Clark; Olson, K.; Otis and Jennings introduced:

H. F. No. 1385, A bill for an act relating to job creation; allowing commissioner of jobs and training to contract with service providers to deliver wage subsidies; requiring that a certain percentage of wage subsidy money be allocated to priority groups; allowing eligible local service units to retain a certain percentage of money repaid by employers receiving wage subsidies; appropriating money; amending Minnesota Statutes 1986, sections 268.673, subdivision 5, and by adding a subdivision; 268.6751, subdivision 1; 268.676, subdivision 1; 268.677, subdivision 1; 268.678, subdivision 4; and 268.681, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Anderson, R., introduced:

H. F. No. 1386, A bill for an act relating to veterans; authorizing the housing and care of veterans in nonmetropolitan residential treatment centers; proposing coding for new law in Minnesota Statutes, chapters 198 and 253.

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

Nelson, D., introduced:

H. F. No. 1387, A bill for an act relating to health-care information; providing conditions for the disclosure of health-care information; enacting the Uniform Health-Care Information Act; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 143.

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

Jefferson, Gutknecht, O'Connor, Clark and Simoneau introduced:

H. F. No. 1388, A bill for an act relating to state government; establishing a certification process in the department of transportation for set-aside programs; authorizing rulemaking; proposing coding for new law in Minnesota Statutes, chapter 161.

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

Nelson, D., and Vellenga introduced:

H. F. No. 1389, A bill for an act relating to firearms; allowing possession of machine guns by ammunition manufacturers for testing purposes only; amending Minnesota Statutes 1986, section 609.67, subdivision 3.

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

Ogren introduced:

H. F. No. 1390, A bill for an act relating to utilities; providing for representation of small business by attorney general in certain proceedings relating to utility rates, service, and other matters; amending Minnesota Statutes 1986, section 8.33.

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

Welle, Wagenius, Rest, Quinn and Dempsey introduced:

H. F. No. 1391, A bill for an act relating to certain commercial transactions; adopting an article of the uniform commercial code that governs leases; amending Minnesota Statutes 1986, section 336.1-201; proposing coding for new law in Minnesota Statutes, chapter 336.

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

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Clark; Johnson, R.; Jefferson and McLaughlin introduced:

H. A. No. 11, A proposal to study ways to ensure adequate funding for American Indian housing programs.

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

Clark; Nelson, K., and McLaughlin introduced:

H. A. No. 12, A proposal to study the feasibility of alternative school schedules for American Indians during the ricing season.

The advisory was referred to the Committee on Education.

Clark; McLaughlin; Nelson, K.; Jefferson and Price introduced:

H. A. No. 13, A proposal to study the feasibility of full funding for alternative schools.

The advisory was referred to the Committee on Education.

Segal introduced:

H. A. No. 14, A proposal to study school bus safety.

The advisory was referred to the Committee on Transportation.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 127, A bill for an act relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reimburse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1986, section 317.65, subdivision 7.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Krueger moved that the House concur in the Senate amendments to H. F. No. 127 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 127, A bill for an act relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reimburse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1986, section 317.65, 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. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Seaberg
Anderson, R.	Gruenes	Lasley	Orenstein	Segal
Battaglia	Gutknecht	Lieder	Osthoff	Shaver
Bauerly	Hartle	Long	Otis	Simoneau
Beard	Haukoos	Marsh	Ozment	Skoglund
Begich	Heap	McDonald	Pappas	Solberg
Bennett	Himle	McEachern	Pauly	Sparby
Bertram	Hugoson	McKasy	Pelowski	Stanius
Blatz	Jacobs	McLaughlin	Peterson	Steensma
Boo	Jaros	McPherson	Poppenhagen	Sviggun
Brown	Jefferson	Milbert	Price	Swenson
Burger	Jennings	Miller	Quinn	Thiede
Carlson, D.	Jensen	Minne	Redalen	Tjornhom
Carlson, L.	Johnson, A.	Morrison	Reding	Tompkins
Carruthers	Johnson, R.	Munger	Rest	Trimble
Clark	Johnson, V.	Murphy	Rice	Uphus
Clausnitzer	Kahn	Nelson, C.	Richter	Valento
Cooper	Kalis	Nelson, D.	Riveness	Vanasek
Dauner	Kelly	Nelson, K.	Rodosovich	Vellenga
DeBlicck	Kelso	Neuenschwander	Rose	Voss
Dempsey	Kinkel	O'Connor	Rukavina	Wagenius
Dille	Kludt	Ogren	Sarna	Waltman
Dorn	Knickerbocker	Olsen, S.	Schafer	Welle
Forsythe	Knuth	Olson, E.	Scheid	Wenzel
Frederick	Kostohryz	Olson, K.	Schoenfeld	Wynia
Frerichs	Krueger	Omann	Schreiber	Spk. Norton

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. 73, 128 and 397.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 133, 291, 440 and 333.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 73, A bill for an act relating to game and fish; authorizing nonresident high school foreign exchange students to obtain resident licenses to take deer by archery; amending Minnesota Statutes 1986, section 97A.455.

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

S. F. No. 128, A bill for an act relating to liquor; authorizing municipalities to permit holders of both on-sale wine and nonintoxicating malt liquor licenses to sell intoxicating malt liquors; amending Minnesota Statutes 1986, section 340A.404, subdivision 5; repealing Laws 1979, chapter 200.

The bill was read for the first time.

Jaros moved that S. F. No. 128 and H. F. No. 447, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 397, A bill for an act relating to elections; setting times for changing election precincts and redistricting certain election districts; amending Minnesota Statutes 1986, sections 204B.14, subdivision 3; and 375.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time.

Scheid moved that S. F. No. 397 and H. F. No. 651, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.



S. F. No. 133, A resolution memorializing the President and Congress to enact legislation to exempt nonprofit organizations from the federal excise tax and the unrelated business income tax on charitable gambling it conducts.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 291, A bill for an act relating to intoxicating liquor; allowing counties to issue seasonal intoxicating liquor licenses subject to certain restrictions; amending Minnesota Statutes 1986, section 340A.404, subdivision 6.

The bill was read for the first time.

Tunheim moved that S. F. No. 291 and H. F. No. 603, now on the Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 440, A bill for an act relating to statutes; removing certain substantive gender references in Minnesota Statutes; amending Minnesota Statutes 1986, sections 13.83, subdivision 2; 88.11, subdivision 1; 176.111, subdivisions 3, 15, and 21; 218.021, subdivision 2; 252.07; 315.44; 315.48; 353.01, subdivision 2b; 358.14; 387.15; 387.16; 540.05; 548.06; 593.01, subdivision 1; 631.412; 641.06; 641.14; and 642.08; repealing Minnesota Statutes 1986, sections 176.011, subdivision 13; 315.49; 382.17; 459.16; and 593.02.

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

S. F. No. 333, A bill for an act relating to game and fish; allowing raccoon dog field trials to tree raccoons during certain periods by permit; amending Minnesota Statutes 1986, section 97B.621, subdivision 2.

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

### CONSENT CALENDAR

S. F. No. 279 was reported to the House.

Carlson, D., moved to amend S. F. No. 279, as follows:

Page 1, line 11, after "effect" delete "the day following final enactment" and insert "January 1, 1987."

The motion prevailed and the amendment was adopted.

S. F. No. 279, A bill for an act relating to the city of Brook Park; raising the city debt limit.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Bennett	Himle	McKasy	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlicek	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dille	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

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

S. F. No. 653, A resolution memorializing the Union of Soviet Socialist Republics to grant exit visas to Jewish prisoners of conscience.

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

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Onnen	Simoneau
Anderson, R.	Greenfield	Lasley	Orenstein	Skoglund
Battaglia	Gruenes	Lieder	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Marsh	Pappas	Stanius
Begich	Haukoos	McDonald	Pauly	Steensma
Bennett	Heap	McEachern	Pelowski	Sviggum
Bertram	Himle	McKasy	Poppenhagen	Swenson
Bishop	Hugoson	McLaughlin	Price	Thiede
Blatz	Jacobs	McPherson	Quinn	Tjornhom
Boo	Jefferson	Milbert	Quist	Tompkins
Brown	Jennings	Miller	Redalen	Tunheim
Burger	Jensen	Minne	Reding	Uphus
Carlson, D.	Johnson, A.	Morrison	Rest	Valento
Carlson, L.	Johnson, R.	Munger	Rice	Vanasek
Carruthers	Johnson, V.	Murphy	Richter	Vellenga
Clark	Kahn	Nelson, C.	Riveness	Voss
Clausnitzer	Kalis	Nelson, D.	Rodsoovich	Wagenius
Cooper	Kelly	Nelson, K.	Rose	Waltman
Dauner	Kelso	Neuenschwander	Sarna	Welle
DeBlicke	Kinkel	O'Connor	Schafer	Wenzel
Dempsey	Kludt	Ogren	Schoenfeld	Winter
Dille	Knickerbocker	Olsen, S.	Schreiber	Wynia
Dorn	Knuth	Olsen, E.	Seaberg	Spk. Norton
Forsythe	Kostohryz	Olson, K.	Segal	
Frederick	Krueger	Omann	Shaver	

The bill was passed and its title agreed to.

S. F. No. 529, A bill for an act relating to human services; regulating work activities of handicapped persons in state facilities; amending Minnesota Statutes 1986, section 246.56, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Cooper	Jaros	Lieder	O'Connor
Anderson, R.	Dauner	Jefferson	Long	Ogren
Battaglia	DeBlicke	Jennings	Marsh	Olsen, S.
Bauerly	Dempsey	Jensen	McDonald	Olson, K.
Beard	Dille	Johnson, R.	McEachern	Omann
Begich	Dorn	Johnson, V.	McKasy	Onnen
Bennett	Forsythe	Kahn	McLaughlin	Orenstein
Bertram	Frederick	Kalis	McPherson	Otis
Bishop	Frerichs	Kelly	Milbert	Ozment
Blatz	Greenfield	Kelso	Miller	Pauly
Boo	Gruenes	Kinkel	Minne	Pelowski
Brown	Gutknecht	Kludt	Morrison	Peterson
Burger	Hartle	Knickerbocker	Munger	Poppenhagen
Carlson, D.	Haukoos	Knuth	Murphy	Price
Carlson, L.	Heap	Kostohryz	Nelson, C.	Quinn
Carruthers	Himle	Krueger	Nelson, D.	Quist
Clark	Hugoson	Larsen	Nelson, K.	Redalen
Clausnitzer	Jacobs	Lasley	Neuenschwander	Reding

Rest	Schafer	Solberg	Tompkins	Wagenius
Rice	Schoenfeld	Sparby	Trimble	Waltman
Richter	Schreiber	Stanius	Tunheim	Welle
Riveness	Seaberg	Steensma	Uphus	Wenzel
Rodosovich	Segal	Sviggum	Valento	Winter
Rose	Shaver	Swenson	Vanasek	Wynia
Rukavina	Simoneau	Thiede	Vellenga	Spk. Norton
Sarna	Skoglund	Tjornhom	Voss	

The bill was passed and its title agreed to.

H. F. No. 286, A bill for an act relating to witnesses; removing the presumption against the competency of certain witnesses; amending Minnesota Statutes 1986, section 595.02, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Osthoff	Segal
Anderson, R.	Gruenes	Lasley	Otis	Shaver
Battaglia	Gutknecht	Lieder	Ozment	Simoneau
Bauerly	Hartle	Long	Pappas	Skoglund
Begich	Haukoos	Marsh	Pauly	Solberg
Bennett	Heap	McDonald	Pelowski	Sparby
Bertram	Himle	McEachern	Peterson	Stanius
Bishop	Hugoson	McKasy	Poppenhagen	Steensma
Blatz	Jacobs	McLaughlin	Price	Sviggum
Boo	Jaros	Milbert	Quinn	Swenson
Brown	Jefferson	Miller	Quist	Thiede
Burger	Jennings	Minne	Redalen	Tjornhom
Carlson, D.	Jensen	Morrison	Reding	Tompkins
Carlson, L.	Johnson, A.	Munger	Rest	Trimble
Carruthers	Johnson, R.	Murphy	Rice	Tunheim
Clark	Johnson, V.	Nelson, C.	Richter	Uphus
Clausnitzer	Kahn	Nelson, D.	Riveness	Valento
Cooper	Kalis	Nelson, K.	Rodosovich	Vanasek
Dauner	Kelly	Neuenschwander	Rose	Vellenga
DeBlieck	Kelso	O'Connor	Rukavina	Voss
Dempsey	Kinkel	Ogren	Sarna	Wagenius
Dille	Kludt	Olsen, S.	Schafer	Waltman
Dorn	Knickerbocker	Olsen, K.	Scheid	Welle
Forsythe	Knuth	Ormann	Schoenfeld	Wenzel
Frederick	Kostohryz	Onnen	Schreiber	Winter
Frerichs	Krueger	Orenstein	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 854, A bill for an act relating to judgments; clarifying the procedure and cost for filing foreign judgments; clarifying the procedure to be used in securing a judgment and execution; amending Minnesota Statutes 1986, sections 548.27; 548.30; 549.09; and 550.04.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Orenstein	Segal
Anderson, R.	Gutknecht	Lieder	Osthoff	Shaver
Battaglia	Hartle	Long	Otis	Simoneau
Bauerly	Haukoos	Marsh	Ozment	Skoglund
Beard	Heap	McDonald	Pappas	Solberg
Begich	Himle	McEachern	Pauly	Sparby
Bennett	Hugoson	McKasy	Pelowski	Stanius
Bertram	Jacobs	McLaughlin	Peterson	Steensma
Blatz	Jaros	McPherson	Poppenhagen	Sviggum
Boo	Jefferson	Milbert	Price	Swenson
Brown	Jennings	Miller	Quinn	Thiede
Burger	Jensen	Minne	Quist	Tjornhom
Carlson, L.	Johnson, A.	Morrison	Redalen	Tompkins
Carruthers	Johnson, R.	Munger	Reding	Trimble
Clark	Johnson, V.	Murphy	Rest	Tunheim
Clausnitzer	Kahn	Nelson, C.	Rice	Uphus
Cooper	Kalis	Nelson, D.	Richter	Valento
Dauner	Kelly	Neuenschwander	Riveness	Vanasek
DeBlicek	Kelso	Rodovich	Rodosovich	Vellenga
Dempsey	Kinkel	O'Connor	Rukavina	Voss
Dille	Kludt	Ogren	Sarna	Wagenius
Dorn	Knickerbocker	Olsen, S.	Schafer	Waltman
Forsythe	Knuth	Olson, E.	Scheid	Welle
Frederick	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Frerichs	Krueger	Omann	Schreiber	Winter
Greenfield	Larsen	Onnen	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

S. F. No. 499, A bill for an act relating to real property; providing for prima facie effect of certain statements in an acknowledgment; authorizing owners to create tenancies in common by direct conveyances to themselves and others; permitting the severance of joint tenancies by direct conveyances between spouses; providing for time limits upon actions relating to certain estates in real property; providing for the discharge of prior judgments against bankrupt debtors; providing for validation of certain conveyances executed by religious corporations; amending Minnesota Statutes 1986, sections 500.19, subdivision 4; 519.06; 519.09; and 519.101; Laws 1971, chapter 26; proposing coding for new law in Minnesota Statutes, chapters 358 and 548; repealing Minnesota Statutes 1986, section 548.18.

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

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steenma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggun
Bertram	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlicke	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dille	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

### CALENDAR

S. F. No. 137, A bill for an act relating to agriculture; clarifying the exceptions to prohibition against manufacture of food from adulterated milk or cream; amending Minnesota Statutes 1986, section 32.21, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Burger	Forsythe	Jaros	Kludt
Anderson, R.	Carlson, D.	Frederick	Jefferson	Knickerbocker
Battaglia	Carlson, L.	Frerichs	Jennings	Knuth
Bauerly	Carruthers	Greenfield	Jensen	Kostohryz
Beard	Clark	Gruenes	Johnson, A.	Krueger
Begich	Clausnitzer	Gutknecht	Johnson, R.	Larsen
Bennett	Cooper	Hartle	Johnson, V.	Lasley
Bertram	Dauner	Haukoos	Kahn	Lieder
Bishop	DeBlicke	Heap	Kalis	Long
Blatz	Dempsey	Himle	Kelly	Marsh
Boo	Dille	Hugoson	Kelso	McDonald
Brown	Dorn	Jacobs	Kinkel	McEachern

McKasy	Olsen, S.	Quinn	Schreiber	Trimble
McLaughlin	Olson, E.	Quist	Seaberg	Tunheim
McPherson	Olson, K.	Redalen	Segal	Uphus
Milbert	Omann	Reding	Shaver	Valento
Miller	Onnen	Rest	Simoneau	Vanasek
Minne	Orenstein	Rice	Skoglund	Vellenga
Morrison	Osthoff	Richter	Solberg	Voss
Munger	Otis	Riveness	Sparby	Wagenius
Murphy	Ozment	Rodosovich	Stanius	Waltman
Nelson, C.	Pappas	Rose	Steensma	Welle
Nelson, D.	Pauly	Rukavina	Sviggum	Wenzel
Nelson, K.	Pelowski	Sarna	Swenson	Winter
Neuenschwander	Peterson	Schafer	Thiede	Wynia
O'Connor	Poppenhagen	Scheid	Tjornhom	Spk. Norton
Ogren	Price	Schoenfeld	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 257, A bill for an act relating to state government; requiring the board of investments to adopt an investment policy; authorizing certain investments by the board of investments; providing that certain state employees who are eligible to retire are eligible for state-paid insurance benefits; modifying definition of terms and conditions of employment for public employees; amending Minnesota Statutes 1986, sections 11A.04; 11A.24, subdivisions 2, 4, 5, and 6; 11A.25; 43A.24, subdivision 2; and 179A.03, subdivision 19.

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

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Knickerbocker	O'Connor	Riveness
Anderson, R.	Frederick	Knuth	Ogren	Rodosovich
Battaglia	Frerichs	Kostohryz	Olsen, S.	Rose
Bauerly	Greenfield	Krueger	Olson, E.	Rukavina
Beard	Gruenes	Larsen	Olson, K.	Sarna
Begich	Gutknecht	Lasley	Omann	Schafer
Bennett	Hartle	Lieder	Onnen	Scheid
Bertram	Haukoos	Long	Orenstein	Schoenfeld
Bishop	Heap	Marsh	Osthoff	Schreiber
Blatz	Himle	McDonald	Otis	Seaberg
Boo	Hugoson	McEachern	Ozment	Segal
Brown	Jacobs	McKasy	Pappas	Shaver
Burger	Jaros	McLaughlin	Pauly	Simoneau
Carlson, D.	Jefferson	McPherson	Pelowski	Skoglund
Carlson, L.	Jensen	Milbert	Peterson	Solberg
Carruthers	Johnson, A.	Miller	Poppenhagen	Sparby
Clark	Johnson, R.	Minne	Price	Stanius
Clausnitzer	Johnson, V.	Morrison	Quinn	Steensma
Cooper	Kahn	Munger	Quist	Sviggum
Dauner	Kalis	Murphy	Redalen	Swenson
DeBlieck	Kelly	Nelson, C.	Reding	Thiede
Dempsey	Kelso	Nelson, D.	Rest	Tjornhom
Dille	Kinkel	Nelson, K.	Rice	Tompkins
Dorn	Kludt	Neuenschwander	Richter	Trimble

Tunheim	Vanasek	Wagenius	Wenzel	Spk. Norton
Uphus	Vellenga	Waltman	Winter	
Valento	Voss	Welle	Wynia	

The bill was passed and its title agreed to.

H. F. No. 660, A bill for an act relating to government data practices; providing an exception to the nondisclosure of welfare data to law enforcement officers in certain cases; amending Minnesota Statutes 1986, section 13.46, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Knickerbocker	Omann	Seaberg
Anderson, R.	Frederick	Knuth	Onnen	Segal
Battaglia	Frerichs	Lasley	Orenstein	Shaver
Bauerly	Greenfield	Lieder	Otis	Simoneau
Beard	Gruenes	Long	Ozment	Skoglund
Begich	Gutknecht	Marsh	Pauly	Solberg
Bennett	Hartle	McDonald	Pelowski	Sparby
Bertram	Haukoos	McEachern	Peterson	Stanius
Bishop	Heap	McKasy	Poppenhagen	Sviggum
Blatz	Himle	McLaughlin	Quinn	Swenson
Boo	Hugoson	McPherson	Quist	Thiede
Brown	Jacobs	Milbert	Redalen	Tjornhom
Burger	Jaros	Miller	Reding	Tompkins
Carlson, D.	Jefferson	Minne	Rest	Tunheim
Carlson, L.	Jennings	Morrison	Richter	Uphus
Carruthers	Jensen	Munger	Riveness	Valento
Clark	Johnson, A.	Murphy	Rodosovich	Vanasek
Clausnitzer	Johnson, R.	Nelson, C.	Rose	Vellenga
Cooper	Johnson, V.	Neuenschwander	Rukavina	Wagenius
Dauner	Kahn	O'Connor	Sarna	Waltman
DeBlieck	Kalis	Ogren	Schafer	Welle
Dempsey	Kelly	Olsen, S.	Scheid	Wenzel
Dille	Kelso	Olson, E.	Schoenfeld	Winter
Dorn	Kinkel	Olson, K.	Schreiber	Wynia
				Spk. Norton

Those who voted in the negative were:

Kludt	Larsen	Pappas	Steensma	Voss
Kostohryz	Nelson, D.	Rice	Trimble	

The bill was passed and its title agreed to.

S. F. No. 306, A bill for an act relating to local government; removing the compensation limitation for members of statutory city park boards; amending Minnesota Statutes 1986, section 412.501.

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



The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Orenstein	Simoneau
Anderson, R.	Gruenes	Lasley	Otis	Skoglund
Battaglia	Gutknecht	Lieder	Ozment	Solberg
Bauerly	Hartle	Long	Pauly	Sparby
Beard	Haukoos	Marsh	Pelowski	Stanius
Begich	Heap	McDonald	Peterson	Steensma
Bennett	Himle	McEachern	Price	Sviggum
Bertram	Hugoson	McKasy	Quinn	Swenson
Bishop	Jacobs	McLaughlin	Quist	Thiede
Blatz	Jaros	McPherson	Redalen	Tjornhom
Boo	Jefferson	Milbert	Reding	Tompkins
Brown	Jennings	Miller	Rest	Trimble
Burger	Jensen	Minne	Rice	Tunheim
Carlson, D.	Johnson, A.	Morrison	Richter	Uphus
Carlson, L.	Johnson, R.	Munger	Riveness	Valento
Carruthers	Johnson, V.	Murphy	Rodosovich	Vanasek
Clark	Kahn	Nelson, C.	Rose	Vellenga
Clausnitzer	Kalis	Nelson, D.	Rukavina	Voss
Cooper	Kelly	Neuenschwander	Sarna	Wagenius
Dauner	Kelso	O'Connor	Schafer	Waltman
DeBlieck	Kinkel	Ogren	Scheid	Welle
Dempsey	Kludt	Olsen, S.	Schoenfeld	Wenzel
Dille	Knickerbocker	Olson, E.	Schreiber	Winter
Dorn	Knuth	Olson, K.	Seaberg	Wynia
Forsythe	Kostohryz	Omann	Segal	Spk. Norton
Frerichs	Krueger	Onnen	Shaver	

The bill was passed and its title agreed to.

H. F. No. 294, A bill for an act relating to intoxicating liquor; authorizing counties to issue temporary on-sale licenses; amending Minnesota Statutes 1986, section 340A.404, subdivision 10.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Carlson, L.	Gruenes	Johnson, V.	Long
Anderson, R.	Carruthers	Gutknecht	Kahn	Marsh
Battaglia	Clark	Hartle	Kalis	McDonald
Bauerly	Clausnitzer	Haukoos	Kelly	McKasy
Beard	Cooper	Heap	Kelso	McLaughlin
Begich	Dauner	Himle	Kinkel	McPherson
Bennett	DeBlieck	Hugoson	Kludt	Milbert
Bertram	Dempsey	Jacobs	Knickerbocker	Miller
Bishop	Dille	Jaros	Knuth	Minne
Blatz	Dorn	Jefferson	Kostohryz	Morrison
Boo	Forsythe	Jennings	Krueger	Munger
Brown	Frederick	Jensen	Larsen	Murphy
Burger	Frerichs	Johnson, A.	Lasley	Nelson, C.
Carlson, D.	Greenfield	Johnson, R.	Lieder	Neuenschwander

O'Connor	Pelowski	Rose	Sparby	Voss
Ogren	Peterson	Rukavina	Stanius	Wagenius
Olsen, S.	Price	Sarna	Steensma	Waltman
Olson, E.	Quinn	Scheid	Sviggum	Welle
Olson, K.	Quist	Schoenfeld	Swenson	Wenzel
Omann	Redalen	Schreiber	Tjornhom	Winter
Orenstein	Reding	Seaberg	Trimble	Wynia
Osthoff	Rest	Segal	Tunheim	Spk. Norton
Otis	Rice	Shaver	Uphus	
Ozment	Richter	Simoneau	Valento	
Pappas	Riveness	Skoglund	Vanasek	
Pauly	Rodosovich	Solberg	Vellenga	

Those who voted in the negative were:

McEachern	Nelson, D.	Onnen	Schafer	Thiede
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The bill was passed and its title agreed to.

H. F. No. 342, A bill for an act relating to insurance; providing for premium reductions for automobile insurance for senior insureds who complete an approved accident prevention course; lowering the minimum age of eligibility; amending Minnesota Statutes 1986, section 65B.28.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Segal
Anderson, R.	Gruenes	Lasley	Orenstein	Shaver
Battaglia	Gutknecht	Lieder	Osthoff	Simoneau
Bauerly	Hartle	Long	Otis	Skoglund
Beard	Haukoos	Marsh	Ozment	Solberg
Begich	Heap	McDonald	Pappas	Sparby
Bennett	Himle	McEachern	Pauly	Stanius
Bertram	Hugoson	McKasy	Pelowski	Steensma
Bishop	Jacobs	McLaughlin	Peterson	Sviggum
Blatz	Jaros	McPherson	Poppenhagen	Swenson
Boo	Jefferson	Milbert	Price	Thiede
Brown	Jennings	Miller	Quinn	Tjornhom
Burger	Jensen	Minne	Quist	Tompkins
Carlson, D.	Johnson, A.	Morrison	Redalen	Trimble
Carlson, L.	Johnson, R.	Munger	Reding	Tunheim
Carruthers	Johnson, V.	Murphy	Rest	Uphus
Clark	Kahn	Nelson, C.	Rice	Valento
Clausnitzer	Kalis	Nelson, D.	Richter	Vanasek
Cooper	Kelly	Nelson, K.	Riveness	Vellenga
DeBlicek	Kelso	Neuenschwander	Rodosovich	Voss
Dempsey	Kinkel	O'Connor	Rose	Wagenius
Dille	Kludt	Ogren	Sarna	Waltman
Dorn	Knickerbocker	Olsen, S.	Schafer	Welle
Forsythe	Knuth	Olson, E.	Schoenfeld	Wenzel
Frederick	Kostohryz	Olson, K.	Schreiber	Winter
Frerichs	Krueger	Omann	Seaberg	Wynia
				Spk. Norton

Those who voted in the negative were:

Dauner            Scheid

The bill was passed and its title agreed to.

H. F. No. 354, A bill for an act relating to state government; providing for a job class entitled chiropractor in the state civil service; proposing coding for new law in Minnesota Statutes, chapter 43A.

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

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Onnen	Seaberg
Anderson, R.	Greenfield	Lasley	Orenstein	Shaver
Battaglia	Gruenes	Lieder	Osthoff	Simoneau
Bauerly	Gutknecht	Long	Otis	Skoglund
Beard	Hartle	Marsh	Ozment	Solberg
Begich	Heap	McDonald	Pappas	Stanius
Bennett	Himle	McEachern	Pauly	Steensma
Bertram	Hugoson	McKasy	Pelowski	Sviggum
Bishop	Jacobs	McLaughlin	Peterson	Swenson
Blatz	Jaros	McPherson	Price	Tjornhom
Boo	Jefferson	Milbert	Quinn	Tompkins
Brown	Jennings	Miller	Quist	Trimble
Burger	Jensen	Minne	Redalen	Tunheim
Carlson, D.	Johnson, A.	Morrison	Reding	Uphus
Carlson, L.	Johnson, R.	Munger	Rest	Valento
Carruthers	Johnson, V.	Murphy	Richter	Vanasek
Clark	Kahn	Nelson, C.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, D.	Rodosovich	Voss
Cooper	Kelly	Nelson, K.	Rose	Wagenius
Dauner	Kelso	Neuenschwander	Rukavina	Waltman
DeBlick	Kinkel	O'Connor	Sarna	Welle
Dempsey	Kludt	Ogren	Schafer	Wenzel
Dille	Knuth	Olson, E.	Scheid	Winter
Dorn	Kostohryz	Olson, K.	Schoenfeld	Wynia
Frederick	Krueger	Omann	Schreiber	Spk. Norton

Those who voted in the negative were:

Forsythe            Haukoos            Knickerbocker    Poppenhagen    Segal

The bill was passed and its title agreed to.

H. F. No. 554, A bill for an act relating to natural resources; changing certain provisions relating to state park motor vehicle permits; amending Minnesota Statutes 1986, section 85.05, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Battaglia	Gruenes	Lieder	Ozment	Shaver
Bauerly	Gutknecht	Long	Pappas	Simoneau
Beard	Hartle	Marsh	Pauly	Skoglund
Begich	Haukoos	McEachern	Pelowski	Solberg
Bennett	Heap	McKasy	Peterson	Sparby
Bertram	Himle	McLaughlin	Poppenhagen	Stanius
Bishop	Hugoson	McPherson	Price	Steensma
Blatz	Jacobs	Milbert	Quinn	Sviggum
Boo	Jaros	Minne	Quist	Swenson
Brown	Jensen	Morrison	Redalen	Thiede
Burger	Johnson, A.	Munger	Reding	Tjornhom
Carlson, L.	Johnson, R.	Murphy	Rest	Tompkins
Carruthers	Johnson, V.	Nelson, C.	Rice	Trimble
Clark	Kahn	Nelson, D.	Richter	Tunheim
Clausnitzer	Kalis	Nelson, K.	Riveness	Uphus
Cooper	Kelly	Neuenschwander	Rodosovich	Valento
Dauner	Kelso	O'Connor	Rose	Vanasek
DeBlicek	Kinkel	Ogren	Rukavina	Vellenga
Dempsey	Kludt	Olsen, S.	Sarna	Voss
Dille	Knickerbocker	Olson, E.	Schafer	Wagenius
Dorn	Knuth	Olson, K.	Scheid	Waltman
Forsythe	Kostohryz	Omann	Schoenfeld	Welle
Frederick	Krueger	Onnen	Schreiber	Wenzel
Frerichs	Larsen	Orenstein	Seaberg	Winter
Greenfield	Lasley	Otis	Segal	Wynia
				Spk. Norton

Those who voted in the negative were:

Carlson, D.	McDonald	Miller	Osthoff
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The bill was passed and its title agreed to.

H. F. No. 653, A bill for an act relating to wild animals; use of lights in taking or in tending traps; length of otter season; setting traps near water; amending Minnesota Statutes 1986, sections 97B.081; 97B.921; 97B.931; and 97B.945.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bishop	Clark	Frederick	Hugoson
Anderson, R.	Blatz	Clausnitzer	Frerichs	Jacobs
Battaglia	Boo	Cooper	Greenfield	Jaros
Bauerly	Brown	Dauner	Gruenes	Jefferson
Beard	Burger	Dempsey	Hartle	Jennings
Begich	Carlson, D.	Dille	Haukoos	Jensen
Bennett	Carlson, L.	Dorn	Heap	Johnson, A.
Bertram	Carruthers	Forsythe	Himle	Johnson, R.

Johnson, V.	McLaughlin	Onnen	Rodosovich	Trimble
Kahn	McPherson	Orenstein	Rose	Tunheim
Kalis	Milbert	Otis	Rukavina	Uphus
Kelly	Miller	Ozment	Sarna	Valento
Kelso	Minne	Pauly	Schafer	Vanasek
Kinkel	Morrison	Pelowski	Schoenfeld	Vellenga
Kludt	Munger	Peterson	Schreiber	Voss
Knickerbocker	Murphy	Poppenhagen	Seaberg	Waltman
Knuth	Nelson, C.	Price	Shaver	Welle
Kostohryz	Nelson, D.	Quinn	Solberg	Wenzel
Krueger	Nelson, K.	Quist	Sparby	Winter
Lasley	Neuenschwander	Redalen	Steensma	Wynia
Lieder	O'Connor	Reding	Sviggum	Spk. Norton
Marsh	Ogren	Rest	Swenson	
McDonald	Olsen, S.	Rice	Thiede	
McEachern	Olson, E.	Richter	Tjornhom	
McKasy	Omman	Riveness	Tompkins	

Those who voted in the negative were:

DeBlicek	Larsen	Pappas	Simoneau	Wagenius
Gutknecht	Osthoff	Segal	Stanius	

The bill was passed and its title agreed to.

H. F. No. 721, A bill for an act relating to human services; providing for the recovery of medical assistance overpayments; amending Minnesota Statutes 1986, section 256B.0641, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dille	Kalis	Morrison	Poppenhagen
Anderson, R.	Dorn	Kelly	Munger	Price
Battaglia	Forsythe	Kelso	Murphy	Quinn
Bauerly	Frederick	Kinkel	Nelson, C.	Quist
Beard	Frerichs	Kludt	Nelson, D.	Redalen
Begich	Greenfield	Knickerbocker	Nelson, K.	Reding
Bennett	Gruenes	Knuth	Neuenschwander	Rest
Bertram	Gutknecht	Kostohryz	O'Connor	Rice
Bishop	Hartle	Krueger	Ogren	Richter
Blatz	Haukoos	Larsen	Olsen, S.	Riveness
Boo	Heap	Lasley	Oison, E.	Rodosovich
Brown	Himle	Lieder	Olson, K.	Rose
Burger	Hugoson	Long	Omman	Rukavina
Carlson, D.	Jacobs	Marsh	Onnen	Sarna
Carlson, L.	Jaros	McDonald	Orenstein	Schafer
Carruthers	Jefferson	McEachern	Osthoff	Scheid
Clark	Jennings	McKasy	Otis	Schoenfeld
Clausnitzer	Jensen	McLaughlin	Ozment	Schreiber
Cooper	Johnson, A.	McPherson	Pappas	Seaberg
Dauner	Johnson, R.	Milbert	Pauly	Segal
DeBlicek	Johnson, V.	Miller	Pelowski	Shaver
Dempsey	Kahn	Minne	Peterson	Simoneau

Skoglund	Sviggunm	Trimble	Vellenga	Wenzel
Solberg	Swenson	Tunheim	Voss	Winter
Sparby	Thiede	Uphus	Wagenius	Wynia
Stanius	Tjornhom	Valento	Waltman	Spk. Norton
Steensma	Tompkins	Vanasek	Welle	

The bill was passed and its title agreed to.

H. F. No. 735, A bill for an act relating to liquor; removing a restriction on issuance of off-sale licenses in Kanabec county; amending Minnesota Statutes 1986, section 340A.405, subdivision 2.

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

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Otis	Skoglund
Anderson, R.	Gruenes	Lieder	Ozment	Solberg
Battaglia	Gutknecht	Long	Pappas	Sparby
Bauerly	Hartle	Marsh	Pauly	Stanius
Beard	Haukoos	McDonald	Pelowski	Steensma
Begich	Heap	McEachern	Peterson	Sviggunm
Bennett	Himle	McKasy	Poppenhagen	Swenson
Bertram	Hugoson	McLaughlin	Price	Thiede
Bishop	Jacobs	McPherson	Quinn	Tjornhom
Blatz	Jaros	Milbert	Quist	Tompkins
Boo	Jefferson	Miller	Redalen	Trimble
Brown	Jennings	Minne	Reding	Tunheim
Burger	Jensen	Munger	Rest	Uphus
Carlson, D.	Johnson, A.	Murphy	Rice	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Riveness	Vanasek
Carruthers	Johnson, V.	Nelson, D.	Rodosovich	Vellenga
Clark	Kahn	Nelson, K.	Rose	Voss
Clausnitzer	Kalis	Neuenschwander	Rukavina	Wagenius
Cooper	Kelly	O'Connor	Sarna	Waltman
Dauner	Kelso	Ogren	Schafer	Welle
DeBlieck	Kinkel	Olsen, S.	Scheid	Wenzel
Dempsey	Kludt	Olsen, E.	Schoenfeld	Winter
Dille	Knickerbocker	Olson, K.	Schreiber	Wynia
Dorn	Knuth	Omann	Seaberg	Spk. Norton
Forsythe	Kostohryz	Onnen	Segal	
Frederick	Krueger	Orenstein	Shaver	
Frerichs	Larsen	Osthoff	Simoneau	

The bill was passed and its title agreed to.

S. F. No. 38, A bill for an act relating to alcoholic beverages; permitting certain transactions by brewers and wholesalers; authorizing cities to issue temporary off-sale licenses for the sale of vintage wine at auctions; amending Minnesota Statutes 1986, sections 340A.308; and 340A.405, by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Knuth	Olson, K.	Segal
Anderson, R.	Frederick	Kostohryz	Omamn	Shaver
Battaglia	Greenfield	Krueger	Orenstein	Simoneau
Bauerly	Gruenes	Larsen	Osthoff	Solberg
Begich	Gutknecht	Lieder	Otis	Sparby
Bennett	Hartle	Long	Ozment	Steensma
Bertram	Heap	Marsh	Pappas	Swenson
Bishop	Himle	McKasy	Pelowski	Tjornhom
Blatz	Jacobs	McLaughlin	Poppenhagen	Tompkins
Boo	Jaros	Milbert	Price	Trimble
Brown	Jefferson	Miller	Quist	Tunheim
Burger	Jennings	Minne	Reding	Uphus
Carlson, D.	Jensen	Morrison	Rest	Vanasek
Carlson, L.	Johnson, A.	Munger	Rice	Vellenga
Carruthers	Johnson, R.	Murphy	Riveness	Voss
Clark	Kahn	Nelson, C.	Rodosovich	Wagenius
Clausnitzer	Kalis	Nelson, D.	Rose	Welle
Cooper	Kelly	Nelson, K.	Rukavina	Wenzel
Dauner	Kelso	Neuenschwander	Scheid	Winter
DeBlicek	Kinkel	Ogren	Schoenfeld	Wynia
Dille	Kludt	Olsen, S.	Schreiber	Spk. Norton
Dorn	Knickerbocker	Olson, E.	Seaberg	

Those who voted in the negative were:

Beard	Johnson, V.	O'Connor	Sarna	Valento
Dempsey	Lasley	Onnen	Schafer	Waltman
Frerichs	McDonald	Pauly	Stanius	
Haukoos	McEachern	Quinn	Swiggum	
Hugoson	McPherson	Redalen	Thiede	

The bill was passed and its title agreed to.

S. F. No. 117, A bill for an act relating to liquor; authorizing St. Louis county to issue one off-sale liquor license.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Boo	DeBlicek	Haukoos	Johnson, V.
Anderson, R.	Brown	Dempsey	Heap	Kahn
Battaglia	Burger	Dille	Himle	Kalis
Bauerly	Carlson, D.	Dorn	Hugoson	Kelly
Beard	Carlson, L.	Forsythe	Jacobs	Kelso
Begich	Carruthers	Frederick	Jaros	Kinkel
Bennett	Clark	Frerichs	Jennings	Kludt
Bertram	Clausnitzer	Gruenes	Jensen	Knickerbocker
Bishop	Cooper	Gutknecht	Johnson, A.	Knuth
Blatz	Dauner	Hartle	Johnson, R.	Kostohryz

Krueger	Nelson, C.	Pauly	Schoenfeld	Tunheim
Larsen	Nelson, D.	Pelowski	Seaberg	Valento
Lasley	Nelson, K.	Peterson	Segal	Vanasek
Lieder	Neuenschwander	Poppenhagen	Shaver	Vellenga
Long	O'Connor	Price	Simoneau	Voss
Marsh	Ogren	Quinn	Skoglund	Wagenius
McDonald	Olsen, S.	Quist	Solberg	Waltman
McKasy	Olson, E.	Redalen	Sparby	Welle
McLaughlin	Olson, K.	Reding	Stanius	Wenzel
McPherson	Omamn	Rest	Steensma	Winter
Milbert	Onnen	Rice	Sviggum	Wynia
Miller	Orenstein	Riveness	Swenson	Spk. Norton
Minne	Osthoff	Rodosovich	Thiede	
Morrison	Otis	Rose	Tjornhom	
Munger	Ozment	Rukavina	Tompkins	
Murphy	Pappas	Scheid	Trimble	

Those who voted in the negative were:

McEachern	Sarna	Schafer	Schreiber
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The bill was passed and its title agreed to.

S. F. No. 245, A bill for an act relating to intoxicating liquor; authorizing the city of Moorhead to issue an on-sale intoxicating liquor license to the Red River Valley Center-Hjemkomst Heritage Interpretive Center.

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

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Pauly	Sviggum
Anderson, R.	Gutknecht	Marsh	Pelowski	Swenson
Battaglia	Hartle	McEachern	Peterson	Tjornhom
Bauerly	Haukoos	McKasy	Price	Tompkins
Bear	Heap	McLaughlin	Quinn	Trimble
Begich	Himle	McPherson	Quist	Tunheim
Bennett	Jacobs	Milbert	Redalen	Uphus
Bertram	Jaros	Miller	Reding	Valento
Blatz	Jefferson	Minne	Rest	Vanasek
Boo	Jennings	Morrison	Rice	Vellenga
Brown	Jensen	Murphy	Riveness	Voss
Burger	Johnson, A.	Nelson, C.	Rodosovich	Wagenius
Carlson, D.	Johnson, R.	Nelson, D.	Rose	Waltman
Carlson, L.	Johnson, V.	Nelson, K.	Rukavina	Welle
Carruthers	Kahn	Neuenschwander	Sarna	Wenzel
Clark	Kalis	O'Connor	Scheid	Winter
Clausnitzer	Kelly	Ogren	Schoenfeld	Wynia
Cooper	Kelso	Olsen, S.	Schreiber	Spk. Norton
Dauner	Kinkel	Olson, E.	Seaberg	
DeBlieck	Kludt	Olson, K.	Segal	
Dempsey	Knickerbocker	Omamn	Shaver	
Dille	Knuth	Onnen	Simoneau	
Dorn	Kostohryz	Orenstein	Skoglund	
Forsythe	Krueger	Osthoff	Solberg	
Frederick	Larsen	Otis	Sparby	
Frerichs	Lasley	Ozment	Stanius	
Greenfield	Lieder	Pappas	Steensma	



Those who voted in the negative were:

Hugoson          McDonald          Schafer          Thiede

The bill was passed and its title agreed to.

The Speaker called Long to the chair.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Long in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 269, 591 and 555 were recommended to pass.

H. F. Nos. 189, 42, 392 and 454 were recommended for progress.

H. F. Nos. 137 and 227 were recommended for progress retaining their places on General Orders.

H. F. No. 397 was recommended for progress retaining its place on General Orders until Monday, April 20, 1987.

H. F. No. 469 which it recommended to pass with the following amendment offered by Rice:

Page 1, line 11, reinstate "at least"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

Kahn moved to amend H. F. No. 269, the first engrossment, as follows:

Page 1, line 13, delete "or on foot"

Amend the title as follows:

Page 1, line 4, after "persons" delete "on foot or"

The question was taken on the Kahn amendment and the roll was called. There were 58 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Beard	Forsythe	Kinkel	Pappas	Sparby
Bennett	Frederick	Larsen	Quist	Stanius
Blatz	Greenfield	Lieder	Redalen	Sviggunn
Boo	Gruenes	McKasy	Rest	Tjornhom
Carlson, D.	Himle	McLaughlin	Riveness	Tompkins
Carlson, L.	Jefferson	McPherson	Rodosovich	Trimble
Carruthers	Johnson, A.	Milbert	Rose	Uphus
Clark	Johnson, R.	Morrison	Rukavina	Vanasek
Cooper	Kahn	Nelson, D.	Sarna	Vellenga
Dauner	Kalis	Nelson, K.	Seaberg	Wynia
Dille	Kelly	Omann	Simoneau	
Dorn	Kelso	Orenstein	Skoglund	

Those who voted in the negative were:

Anderson, R.	Haukoos	McEachern	Pelowski	Swenson
Battaglia	Heap	Miller	Peterson	Thiede
Bauerly	Hugoson	Minne	Poppenhagen	Tunheim
Begich	Jacobs	Murphy	Quinn	Valento
Bertram	Jensen	Nelson, C.	Reding	Wagenius
Bishop	Johnson, V.	Neuenschwander	Rice	Waltman
Brown	Kludt	O'Connor	Richter	Welle
Burger	Knickerbocker	Ogren	Schafer	Wenzel
Clausnitzer	Kostohryz	Olsen, S.	Scheid	Winter
DeBlieck	Krueger	Olsen, E.	Schreiber	
Dempsey	Lasley	Olsen, K.	Shaver	
Frerichs	Marsh	Onnen	Solberg	
Gutknecht	McDonald	Pauly	Steensma	

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

## MOTIONS AND RESOLUTIONS

Begich moved that the name of Battaglia be stricken and the name of Scheid be added as an author on H. F. No. 14. The motion prevailed.

Kelly moved that his name be stricken and the name of Milbert be added as chief author on H. F. No. 143. The motion prevailed.

Kelso moved that her name be stricken as an author on H. F. No. 871. The motion prevailed.

Kelly moved that the name of Clark be added as an author on H. F. No. 1217. The motion prevailed.

Knuth moved that the name of Trimble be added as an author on H. F. No. 1218. The motion prevailed.

Wenzel moved that the names of Omann, Bertram and Peterson be added as authors on H. F. No. 1223. The motion prevailed.

Tompkins moved that the names of Wynia and Carlson, L., be added as authors on H. F. No. 1225. The motion prevailed.

Miller moved that the names of Valento and Tjornhom be added as authors on H. F. No. 1235. The motion prevailed.

Shaver moved that the name of Valento be added as an author on H. F. No. 1240. The motion prevailed.

Schoenfeld moved that the name of Otis be added as an author on H. F. No. 1253. The motion prevailed.

Nelson, D., moved that H. F. No. 373 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Metropolitan Affairs. The motion prevailed.

McLaughlin moved that H. F. No. 857 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Economic Development and Housing. The motion prevailed.

Scheid moved that H. F. No. 1204 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Judiciary. The motion prevailed.

Solberg moved that H. F. No. 1181 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Appropriations. The motion prevailed.

Nelson, C., moved that H. F. No. 1188 be recalled from the Committee on Economic Development and Housing and be re-referred to the Committee on Commerce. The motion prevailed.

Solberg moved that H. F. No. 1302 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Economic Development and Housing. The motion prevailed.

Pappas moved that H. F. No. 1315 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Future and Technology. The motion prevailed.

Norton; Vanasek; Voss; Anderson, G., and Nelson, K., introduced:

House Resolution No. 37, A House resolution setting the maximum limit on taxes and appropriations for the biennium.

#### SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that House Resolution No. 37 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE RESOLUTION NO. 37

A House resolution setting the maximum limit on taxes and appropriations for the biennium.

*Be It Resolved* by the House of Representatives that the sum of \$11,291,000,000 is the maximum limit on appropriations for the purposes of expenditures and transfers from the general fund for the fiscal years of 1988 and 1989. This limit is adopted under House Rule 5.10.

*Be It Further Resolved* that the Legislature finds that a budget reserve of the sum of \$250,000,000 is necessary.

*Be It Further Resolved* that the sum of (1) the unreserved general fund balance at the end of fiscal year 1987, (2) taxes for purposes of general fund expenditures and transfers for the fiscal years of 1988 and 1989, and (3) nontax general fund revenues for the fiscal years of 1988 and 1989 shall not exceed the amount of \$11,541,000,000. This limit is adopted under House Rule 5.10.

Vanasek moved that House Resolution No. 37 be now adopted.

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

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

Anderson, G.	Boo	DeBlieck	Hartle	Johnson, A.
Anderson, R.	Brown	Dempsey	Haukoos	Johnson, R.
Battaglia	Burger	Dille	Heap	Johnson, V.
Bauerly	Carlson, D.	Dorn	Himle	Kalis
Beard	Carlson, L.	Forsythe	Hugoson	Kelly
Begich	Carruthers	Frederick	Jacobs	Kelso
Bennett	Clark	Frerichs	Jaros	Kinkel
Bertram	Clausnitzer	Greenfield	Jefferson	Kludt
Bishop	Cooper	Gruenes	Jennings	Knickerbocker
Blatz	Dauner	Gutknecht	Jensen	Knuth

Kostohryz	Munger	Pappas	Sarna	Thiede
Krueger	Murphy	Pauly	Schafer	Tjornhom
Larsen	Nelson, C.	Pelowski	Scheid	Tompkins
Lasley	Nelson, D.	Peterson	Schoenfeld	Trimble
Lieder	Nelson, K.	Poppenhagen	Schreiber	Tunheim
Long	Neuenschwander	Price	Seaberg	Uphus
Marsh	O'Connor	Quinn	Segal	Valento
McDonald	Ogren	Quist	Shaver	Vanasek
McEachern	Olsen, S.	Redalen	Simoneau	Voss
McKasy	Olson, K.	Reding	Skoglund	Wagenius
McLaughlin	Omman	Rest	Solberg	Waltman
McPherson	Onnen	Rice	Sparby	Welle
Milbert	Orenstein	Richter	Stanisus	Wenzel
Miller	Osthoff	Rodosovich	Steenasma	Winter
Minne	Otis	Rose	Sviggum	Wynia
Morrison	Ozment	Rukavina	Swenson	Spk. Norton

Vanasek 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.

Schreiber moved to amend House Resolution No. 37, as follows:

Page 1, line 6, strike "11,291,000,000" and insert "10,609,000,000"

Page 1, line 17, strike "11,541,000,000" and insert "10,859,000,000"

Page 1, after line 18, insert:

*"Be It Further Resolved* that the House of Representatives concurs with the Governor's recommendations that:

(1) any or all revenue increases resulting from federal income tax changes be returned to Minnesota income taxpayers; and

(2) net nondedicated general fund revenue generated from the state's individual income tax after refunds not exceed the sum of \$4,560,700,000 for the fiscal years 1988 and 1989.

*Be It Further Resolved* that the House of Representatives opposes the Governor's recommendation to not transfer the Motor Vehicle Excise Tax in the 1988-89 biennium and that the transfer should take place as designed by Minnesota Laws 1986, Chapter 297B.09, subdivision 1.

*Be It Further Resolved* that, if any law is enacted to require that taxes currently collected by the state be collected instead by local governments, the maximum limits on general fund taxes and appropriations be reduced by the amount by which the enactment would reduce general fund tax collections for the fiscal years 1988 and 1989."

A roll call was requested and properly seconded.

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

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

There were 52 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dille	Johnson, V.	Ozment	Stanius
Bennett	Forsythe	Knickerbocker	Pauly	Swiggum
Bertram	Frederick	Marsh	Poppenhagen	Swenson
Bishop	Frerichs	McDonald	Quist	Thiede
Blatz	Gruenes	McKasy	Redalen	Tjornhom
Boo	Gutknecht	McPherson	Richter	Tompkins
Burger	Hartle	Miller	Rose	Uphus
Carlson, D.	Haukoos	Morrison	Schafer	Waltman
Clausnitzer	Heap	Olsen, S.	Schreiber	
Cooper	Himle	Omann	Seaberg	
Dempsey	Hugoson	Onnen	Shaver	

Those who voted in the negative were:

Anderson, G.	Jensen	McLaughlin	Pelowski	Sparby
Battaglia	Johnson, A.	Milbert	Peterson	Steenasma
Bauerly	Johnson, R.	Minne	Price	Trimble
Beard	Kahn	Munger	Quinn	Tunheim
Begich	Kalis	Murphy	Reding	Valento
Brown	Kelly	Nelson, C.	Rest	Vanasek
Carlson, L.	Kelso	Nelson, D.	Rice	Vellenga
Carruthers	Kinkel	Nelson, K.	Riveness	Voss
Clark	Kludt	Neuenschwander	Rodosovich	Wagenius
Dauner	Knuth	O'Connor	Rukavina	Welle
DeBlicek	Kostohryz	Ogren	Sarna	Wenzel
Dorn	Krueger	Olson, E.	Scheid	Winter
Greenfield	Larsen	Olson, K.	Schoenfeld	Wynia
Jacobs	Lasley	Orenstein	Segal	Spk. Norton
Jaros	Lieder	Osthoff	Simoneau	
Jefferson	Long	Otis	Skoglund	
Jennings	McEachern	Pappas	Solberg	

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

Himle and Schreiber moved to amend House Resolution No. 37, as follows:

Page 1, after line 18, insert:

*“Be It Further Resolved* that the maximum limit on appropriations for expenditures and transfers from the general fund includes the expenditures for programs and functions that are detailed in the governor’s biennial budget recommendation for the general fund. If a program is modified so that a direct expenditure program as

detailed in the governor's budget is converted to a tax expenditure program, the expenditures for the program remain subject to the maximum limit on appropriations from the general fund for expenditures and transfers."

A roll call was requested and properly seconded.

The question was taken on the Himle and Schreiber amendment and the roll was called.

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

There were 51 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	Marsh	Poppenhagen	Swenson
Bennett	Frerichs	McDonald	Quist	Thiede
Bishop	Gruenes	McKasy	Redalen	Tjornhom
Blatz	Gutknecht	McPherson	Richter	Tompkins
Boo	Hartle	Miller	Rose	Uphus
Burger	Haukoos	Morrison	Schafer	Valento
Carlson, D.	Heap	Olsen, S.	Schreiber	Waltman
Clausnitzer	Himle	Omann	Seaberg	
Dempsey	Hugoson	Onnen	Shaver	
Dille	Johnson, V.	Ozment	Stanius	
Forsythe	Knickerbocker	Pauly	Sviggum	

Those who voted in the negative were:

Anderson, G.	Jefferson	McEachern	Pappas	Solberg
Battaglia	Jensen	McLaughlin	Pelowski	Sparby
Bauerly	Johnson, A.	Milbert	Peterson	Steensma
Beard	Johnson, R.	Minne	Price	Trimble
Begich	Kahn	Munger	Quinn	Tunheim
Bertram	Kalis	Murphy	Reding	Vanasek
Brown	Kelso	Nelson, C.	Rest	Vellenga
Carlson, L.	Kinkel	Nelson, D.	Rice	Voss
Carruthers	Kludt	Nelson, K.	Riveness	Wagenius
Clark	Knuth	Neuenschwander	Rodosovich	Welle
Cooper	Kostohryz	O'Connor	Rukavina	Wenzel
Dauner	Krueger	Ogren	Sarna	Winter
DeBlicke	Larsen	Olson, E.	Scheid	Wynia
Dorn	Lasley	Olson, K.	Segal	Spk. Norton
Greenfield	Lieder	Orenstein	Simoneau	
Jacobs	Long	Otis	Skoglund	

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

The question recurred on the Vanasek motion that House Resolution No. 37 be now adopted and the roll was called.

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

There were 71 yeas and 61 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Jensen	McLaughlin	Peterson	Sparby
Battaglia	Johnson, A.	Milbert	Price	Trimble
Beard	Johnson, R.	Minne	Quinn	Tunheim
Begich	Kahn	Munger	Reding	Vanasek
Brown	Kalis	Murphy	Rest	Vellenga
Carlson, L.	Kelly	Nelson, D.	Rice	Voss
Carruthers	Kinkel	Nelson, K.	Riveness	Wagenius
Clark	Knuth	Neuenschwander	Rodosovich	Welle
Dauner	Kostohryz	O'Connor	Rukavina	Wenzel
DeBlicek	Krueger	Ogren	Sarna	Wynia
Dorn	Larsen	Olson, E.	Schoenfeld	Spk. Norton
Greenfield	Lasley	Olson, K.	Segal	
Jacobs	Lieder	Orenstein	Simoneau	
Jaros	Long	Otis	Skoglund	
Jefferson	McEachern	Pappas	Solberg	

## Those who voted in the negative were:

Anderson, R.	Forsythe	Kludt	Pauly	Svigum
Bauerly	Frederick	Knickerbocker	Pelowski	Swenson
Bennett	Frerichs	Marsh	Poppenhagen	Thiede
Bertram	Gruenes	McDonald	Quist	Tjornhom
Bishop	Gutknecht	McKasy	Redalen	Tompkins
Blatz	Hartle	McPherson	Richter	Uphus
Boo	Haukoos	Miller	Rose	Valento
Burger	Heap	Morrison	Schafer	Waltman
Carlson, D.	Himle	Nelson, C.	Schreiber	Winter
Clausnitzer	Hugoson	Olsen, S.	Seaberg	
Cooper	Jennings	Omann	Shaver	
Dempsey	Johnson, V.	Onnen	Stanius	
Dille	Kelso	Ozment	Steensma	

The motion prevailed and House Resolution No. 37 was adopted.

O'Connor moved that H. F. No. 475 be recalled from the Committee on Taxes and be re-referred to the Committee on Appropriations. The motion prevailed.

Wenzel moved that H. F. No. 1135 be returned to its author. The motion prevailed.

## ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, April 1, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, April 1, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives