

STATE OF MINNESOTA

SEVENTY-FIFTH SESSION—1987

THIRTIETH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 8, 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 Pastor John Strohschein, Messiah Lutheran Church, Forest Lake, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Anderson, R., was excused.

Clark was excused until 2:40 p.m. Carlson, D., and Lieder were excused until 3:15 p.m. Steensma was excused until 3:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Nelson, C., 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. 499, 654, 677, 924, 1028, 1060, 1073, 200, 404, 534, 629, 643, 755, 772, 1141, 1267, 556, 1127, 1225, 1224, 308, 836, 839, 332, 823, 291, 845, 948, 983, 999, 1105, 1164, 298, 137, 656 and 946 and S. F. No. 27 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 27, 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 Files:

H. F. No. 27, relating to corporations; regulating control share acquisitions; delaying the effective date of certain amendments; amending Laws 1985, First Special Session chapter 5, section 21, as amended.

H. F. No. 130, relating to local government; authorizing Ramsey county to transfer land to the city of Shoreview; authorizing Ramsey county to use certain land dedicated as open space for highway purposes.

H. F. No. 688, relating to controlled substances; classifying the substance alfentanil as a schedule II controlled substance; amending Minnesota Statutes 1986, section 152.02, subdivision 3.

Sincerely,

RUDY PERPICH
Governor

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

April 6, 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> No.	<i>H.F.</i> No.	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1987</i>	<i>Date Filed</i> <i>1987</i>
	27	12	March 27, 1987	March 27, 1987
	130	13	March 27, 1987	March 27, 1987
	688	14	March 27, 1987	March 27, 1987

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 14, A bill for an act relating to unemployment compensation; regulating the receipt of benefits; providing that wages for volunteer firefighter services not be deducted for benefit calculation purposes; amending Minnesota Statutes 1986, section 268.07, subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1986, section 268.06, subdivision 5, is amended to read:

Subd. 5. [BENEFITS CHARGED AS AND WHEN PAID.] Benefits paid to an individual pursuant to a valid claim shall be charged against the account of the individual's employer as and when paid,

except that benefits paid to an individual who earned base period wages for part-time employment shall not be charged to an employer that is liable for payments in lieu of contributions or to the experience rating account of an employer if the employer: (1) provided weekly base period part-time employment; (2) continues to provide weekly employment equal to at least 90 percent of the part-time employment provided in the base period, or, for a fire department or firefighting corporation or operator of a life support transportation service, continues to provide employment for a volunteer firefighter or volunteer ambulance service personnel on the same basis that employment was provided in the base period; and (3) is an interested party because of the individual's loss of other employment. The amount of benefits so chargeable against each base period employer's account shall bear the same ratio to the total benefits paid to an individual as the base period wage credits of the individual earned from such employer bear to the total amount of base period wage credits of the individual earned from all the individual's base period employers.

In making computations under this provision, the amount of wage credits if not a multiple of \$1, shall be computed to the nearest multiple of \$1.

Benefits shall not be charged to an employer that is liable for payments in lieu of contributions or to the experience rating account of an employer for unemployment (1) that is directly caused by a major natural disaster declared by the president pursuant to section 102(2) of the Disaster Relief Act of 1974 (United States Code, title 42, section 5122(2)), if the unemployed individual would have been eligible for disaster unemployment assistance with respect to that unemployment but for the individual's receipt of unemployment insurance benefits, or (2) that is directly caused by a fire, flood, or act of God where 70 percent or more of the employees employed in the affected location become unemployed as a result and the employer substantially reopens its operations in that same area within 360 days of the fire, flood, or act of God. Benefits shall be charged to the employer's account where the unemployment is caused by the willful act of the employer or a person acting on behalf of the employer."

Page 2, line 34, before the period insert "provided that no deduction may be made from the weekly benefit amount for earnings from service as a volunteer firefighter or volunteer ambulance service personnel"

Page 2, line 34, reinstate "is"

Page 2, lines 34 to 36, delete the new language

Renumber the remaining section in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "limiting benefit charges to fire departments and emergency transportation services;"

Page 1, line 4, after "firefighter" insert "or ambulance"

Page 1, line 6, delete "section" and insert "sections 268.06, subdivision 5; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 31, A bill for an act relating to labor; prohibiting the charging of a fee in connection with a job application; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [181.93] [FEE FOR JOB APPLICATIONS PROHIBITED.]

A fee may not be charged any individual to make an application for employment. A person who is found to have violated this section is subject to the penalties and remedies, including a private right of action to recover damages, as provided in section 8.31."

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. 85, A bill for an act relating to consumer protection; requiring certain disclosures in sales of used motor vehicles; regulating new and used motor vehicle licenses; providing certain standards in applications for certificates of title; requiring certain disclosures upon the transfer of a motor vehicle; amending Minnesota Statutes 1986, sections 168.27, subdivisions 1, 8, 10, and 24;

and 325E.0951, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 168 and 168A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 168.27, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

(8) “Isolated or occasional sales or leases” means the sale or lease of not more than five motor vehicles in a 12-month period, exclusive of pioneer or classic motor vehicles as defined in section 168.10, subdivisions 1a and 1b.

(9) “Used motor vehicle” means a motor vehicle for which title has been transferred from the person who first acquired it from the manufacturer, importer, or dealer. A new motor vehicle will not be

considered a used motor vehicle until it has been placed in actual operation by an owner who has been granted a certificate of title on the motor vehicle and has registered the motor vehicle and paid any motor vehicle excise tax due in accordance with Minnesota law or the laws of the residence of the owner.

(10) "New motor vehicle" means a motor vehicle other than described in clause (9).

Sec. 2. Minnesota Statutes 1986, section 168.27, subdivision 2, is amended to read:

Subd. 2. [NEW MOTOR VEHICLE DEALER.] (a) No person shall engage in the business of selling or arranging the sale of new motor vehicles or shall offer to sell, solicit, arrange or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. No person shall be permitted to acquire a new motor vehicle dealer license unless that person operates, or participates in, a consumer arbitration program as required by section 168.79. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale or auction and to solicit and advertise the sale, broker, wholesale or auction of new motor vehicles covered by the franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in: (1) new and unused motor vehicle bodies; or (2) type A, B, or C motor homes as defined in section 168.011, subdivision 25, to have a bona fide contract or franchise in effect with either the first-stage manufacturer of the motor home or the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted. The modification or conversion of a new van-type vehicle into a multipurpose passenger vehicle which is not a motor home does not constitute dealing in new or unused motor vehicle bodies, and a person engaged in the business of selling these van-type vehicles must have a bona fide contract or franchise with the appropriate manufacturer under subdivision 10. A van converter or modifier who owns these modified or converted van-type vehicles may sell them at wholesale to new motor vehicle dealers having a bona fide contract or franchise with the first-stage manufacturer of the vehicles.

(b) The requirements pertaining to franchises do not apply to persons who remodel or convert motor vehicles for medical purposes. For purposes of this subdivision, "medical purpose" means certification by a licensed physician that remodeling or conversion of a motor vehicle is necessary to enable a handicapped person to use the vehicle.

Sec. 3. Minnesota Statutes 1986, section 168.27, subdivision 3, is amended to read:

Subd. 3. [USED MOTOR VEHICLE DEALER.] No person shall engage in the business of selling or arranging the sale of used motor vehicles or shall offer to sell, solicit, arrange, or advertise the sale of used motor vehicles without first acquiring a used motor vehicle dealer license. No person shall be permitted to acquire a used motor vehicle dealer license unless that person operates, or participates in, a consumer arbitration program as required by section 168.79. A used motor vehicle dealer licensee shall be entitled thereunder to sell, lease, broker, wholesale or auction and to solicit and advertise the sale, lease, broker, wholesale or auction of any used motor vehicles for consumer use at retail or for resale to a dealer.

Sec. 4. Minnesota Statutes 1986, section 168.27, subdivision 4, is amended to read:

Subd. 4. [MOTOR VEHICLE LESSOR.] No person shall engage in the business of leasing motor vehicles or shall offer to lease, solicit or advertise to lease motor vehicles without first acquiring a motor vehicle lessor license. A motor vehicle lessor licensee shall be entitled thereunder to lease or rent either by the hour, day or longer period for a fee and to solicit and advertise the lease or rental of motor vehicles. A motor vehicle lessor having leased motor vehicles, may sell the vehicles upon their return to the lessor after termination or expiration of the lease without obtaining a used motor vehicle dealer license. A motor vehicle lessor is prohibited from selling motor vehicles directly to the general public unless the motor vehicle lessor operates or participates in a consumer arbitration program as required under section 168.79.

Sec. 5. Minnesota Statutes 1986, section 168.27, subdivision 8, is amended to read:

Subd. 8. [EXEMPTIONS.] (1) Salespeople and other employees of licensed dealers under this section shall not be required to obtain individual licenses.

(2) Isolated or occasional sales or leases of new or used motor vehicles shall be exempt from the provisions of this section. A person who makes only isolated or occasional sales or leases is not considered to be in the business of selling or leasing motor vehicles and does not qualify to receive dealer plates pursuant to subdivision 16.

Sec. 6. Minnesota Statutes 1986, section 168.27, subdivision 10, is amended to read:

Subd. 10. [PLACE OF DOING BUSINESS.] All licensees under this section shall have an established place of business which shall include as a minimum,

(1) For a new motor vehicle dealer, the following:

(a) a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours;

(b) a bona fide contract or franchise (1) in effect with a manufacturer or distributor of the new motor vehicles the dealer proposes to sell, broker, wholesale or auction, or (2) in effect with the first-stage manufacturer or distributor of new motor vehicles purchased from a van converter or modifier which the dealer proposes to sell, broker, wholesale, or auction, or (3) in effect with the final stage manufacturer of the new type A, B or C motor homes which the dealer proposes to sell, broker, wholesale, or auction;

(c) a facility for the repair and servicing of motor vehicles and the storage of parts and accessories, not to exceed ten miles distance from the principal place of business. Such service may be provided through contract with bona fide operators actually engaged in such services.

(2) For a used motor vehicle dealer the following: a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee, and an area not more than five miles distant from the building and of sufficient size to permit the display of at least five vehicles. The lease shall be for a minimum term of one year. The building shall contain office space for the books, records and files necessary to conduct the business and maintained with personnel available during normal business hours or automatic telephone answering service during normal working hours.

(3) For a motor vehicle lessor, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(4) For a motor vehicle broker, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(5) For a motor vehicle wholesaler, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(6) For a motor vehicle auctioneer, the following: a permanent enclosed commercial building, within or without the state, on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(7) If a new or used motor vehicle dealer or lessor maintains more than one place of doing business in a county, the separate places shall be listed on the application. If additional places of business are maintained outside of one county, separate licenses shall be obtained for each county.

(8) If a motor vehicle lessor, broker or auctioneer maintains more than one permanent place of doing business, either in one or more counties, the separate places shall be listed in the application, but only one license shall be required.

Sec. 7. Minnesota Statutes 1986, section 168.27, subdivision 12, is amended to read:

Subd. 12. [GROUNDS FOR SUSPENSION AND REVOCATION.] A license may be suspended or revoked by the registrar of motor vehicles upon proof satisfactory to the registrar of any of the following:

- (1) violations of any of the provisions of this chapter;
- (2) violation of or refusal to comply with the requests and order of the registrar;
- (3) failure to make or provide to the registrar all listings, notices, and reports required by the registrar;
- (4) failure to pay to the registrar all taxes, fees, and arrears due from and by such dealer;
- (5) failure to duly apply for renewal of license provided for herein;
- (6) revocation of previous license, of which the records of the registrar relating thereto shall be prima facie evidence of such previous revocation;
- (7) failure of continued occupancy of an established place of business;
- (8) sale of a new and unused current model motor vehicle other than the make of motor vehicle described in the franchise or contract

filed with the original application or renewal thereof, without permission from the registrar;

(9) sale of a new and unused current model motor vehicle to anyone except for consumer use, or to a dealer duly licensed to sell the same make of motor vehicle;

(10) material misstatement or misrepresentation in application for license or renewal thereof;

(11) having advertised, printed, displayed, published, distributed, broadcast or televised or caused or permitted to be advertised, printed, displayed, published, distributed, broadcast or televised in any manner whatsoever, or having made orally any statement or representation with regard to the sale, lease or financing of motor vehicles which is false, deceptive or misleading;

(12) having been convicted of violating section 325F.69, or having been enjoined due to a violation of section 325F.69;

(13) having been convicted of violating the Minnesota odometer law, section 325E.14, 325E.15, or 325E.16, or the federal odometer law, United States Code, title 15, sections 1981 to 1991, as amended through December 31, 1984;

(14) having been convicted of violating the sale of motor vehicles on Sunday law, section 168.275; or

(15) having been convicted under section 609.53 of receiving or selling stolen vehicles; or

(16) having violated section 168.79.

With respect to clauses (12), (13), and (15), and (16), the registrar may suspend or revoke a license immediately upon receiving certification of conviction or permanent injunction. A hearing is required under subdivision 13 within 30 days following a summary suspension or revocation under this paragraph, if a hearing is requested by the licensee.

Sec. 8. Minnesota Statutes 1986, section 168.27, subdivision 24, is amended to read:

Subd. 24. [BONDS.] All persons licensed hereunder shall keep in full force and effect a bond with a corporate surety or insurance of equal value or coverage to be approved by the registrar of motor vehicles in amounts as herein provided; in the case of boat, snowmobile trailer, horse trailer or motorized bicycle dealers in the amount of \$5,000; in the case of a motor vehicle auctioneer in the amount of \$100,000; and as to all other persons in the amount of

\$25,000. The bond or insurance of equal value or coverage shall be conditioned on the faithful performance by the licensee of the obligations imposed by the laws of this state, including the conduct required of a licensee by this section and other sections governing the sale or transfer of motor vehicles, and the payment of all taxes, license fees and penalties. The bond or insurance of equal value or coverage shall be for the benefit of the state of Minnesota and any transferor, seller, or purchaser of a motor vehicle for any monetary loss caused by failure of the licensee to meet the obligations enumerated above. Proceedings on the forfeiture of the bonds shall be commenced in the district court of the county wherein the business of the licensed person was carried on, or if in more than one county, the county in which the offense occurred.

Sec. 9. [168.79] [USED MOTOR VEHICLE CONSUMER ARBITRATION PROGRAM.]

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

(a) "Consumer" means the purchaser, other than for purposes of resale, of a used motor vehicle used primarily for personal, family, or household purposes.

(b) "Motor vehicle" means (1) a passenger automobile as defined in section 168.011, subdivision 7, including pickup trucks and vans; and (2) recreational equipment as defined in section 168.011, subdivision 25, which is sold to a consumer in this state.

(c) "Motor vehicle dealer" means licensed motor vehicle dealer as defined in section 168.27, subdivisions 1, 2, 3, and 4, or the dealer's agent, engaged in the sale of used motor vehicles in this state.

(d) "Consumer arbitration program" means an arbitration procedure which meets the requirements of this section, by which the motor vehicle dealer attempts to resolve disputes with consumers regarding used motor vehicle defects or repair problems.

Subd. 2. [ARBITRATION REQUIREMENT.] (a) As a condition of receiving a license to do business in this state pursuant to section 168.27, a motor vehicle dealer as defined in this section shall operate, or participate in, a consumer arbitration program which complies with the provisions of the Code of Federal Regulations, title 16, part 703, the provisions of section 325F.665, subdivision 6, relating to an informal dispute settlement procedure, and the requirements of this section.

(b) A consumer may be charged a fee to participate in a consumer arbitration program required by this section, but the fee shall not exceed the conciliation court filing fee in the county where the arbitration is conducted.

(c) The decision issued in a consumer arbitration program required by this section shall be in writing and signed. The decision is nonbinding on the parties involved, unless otherwise agreed by the parties. Any party, upon application, may remove the decision to district court for a trial de novo. If an application to remove a decision is not filed in the district court within 30 days after the date the decision is mailed to the parties, then the court shall, upon application of a party, issue an order confirming the decision. A written decision issued by a consumer arbitration program, and any written findings upon which the decision is based, are admissible as nonbinding evidence in any subsequent legal action and are not subject to further foundation requirements.

(d) If the district court finds that a party has removed a decision of a consumer arbitration program in bad faith, by asserting a claim or defense that is frivolous and which is costly to the other party, or by asserting an unfounded position solely to delay recovery by the other party, then the court shall award to the prevailing party three times the total damages sustained, together with costs and disbursements, including reasonable attorney's fees.

Subd. 3. [STATUTORY IMPLIED WARRANTIES.] (a) Every used motor vehicle sold to a consumer in this state by a motor vehicle dealer shall, for 60 days or 3,000 miles, whichever comes first, following the date of the sale, be subject to implied warranties of merchantability and fitness for a particular purpose, as set forth in sections 325G.18, 336.2-314, and 336.2-315, for the limited purpose of permitting disputes concerning alleged motor vehicle defects or repair problems, which substantially impair the use or market value of the motor vehicle, to be arbitrated through a consumer arbitration program required by this section.

(b) The 60-day or 3,000 mile implied warranties created by this section shall apply notwithstanding any disclaimer to the contrary and notwithstanding the provisions of sections 325G.18, subdivision 2, and 336.2-316, and shall be in addition to any applicable express warranty given by the motor vehicle dealer.

(c) Any claims or arguments made on the basis of the 60-day or 3,000 mile implied warranties created by this section, or on the basis of any applicable express warranty given by the motor vehicle dealer, may be presented to and determined by a consumer arbitration program required by this section. The consumer arbitration program shall consider evidence concerning the reasonable expectations of the parties at the time the vehicle was sold, including evidence as to the age, mileage, and price of the vehicle, and any verbal representations or written disclosures regarding the vehicle's condition made by the dealer at the time of the sale.

(d) Any motor vehicle defects or repair problems which were not reported to the dealer or the dealer's authorized agent within 60

days or 3,000 miles, whichever comes first, after the sale are governed by the terms and conditions of the original contract between the parties, including any applicable express warranties given by the motor vehicle dealer and any applicable implied warranties which were not disclaimed as provided by law.

(e) Nothing in this section may be construed to alter or diminish the obligations of a manufacturer under an express warranty issued by the manufacturer. If a defect or repair problem is covered by a manufacturer's express warranty and reported to the dealer, the dealer shall refer the consumer to the appropriate manufacturer or manufacturer's informal dispute settlement procedure as defined in section 325F.665.

(f) The implied warranties created by this section do not cover defects or repair problems which result from collision, abuse, negligence, lack of adequate maintenance, or normal wear and tear.

Subd. 4. [EXCLUSIONS FROM ARBITRATION.] A consumer arbitration program required by this section may exclude from arbitration any dispute concerning:

(1) a motor vehicle defect or repair problem not reported to the motor vehicle dealer, or its authorized agent, within the 60-day or 3,000 mile implied warranty period provided by this section or within the term of any applicable express warranty given by the dealer; or

(2) a motor vehicle defect or repair problem which is described in specific detail in a clear and conspicuous written disclosure statement signed by the consumer at the time the vehicle is sold; or

(3) a motor vehicle if the total stated sale price of the vehicle is less than \$1,500, or if at the time of sale the motor vehicle dealer clearly informed the consumer in writing that the vehicle's mileage was in excess of 100,000 miles; or

(4) a business selling a used vehicle to an employee of that business, a lessor selling a used vehicle to an employee of the lessor, a lessor selling a leased vehicle to that vehicle's lessee or to a buyer procured directly by the vehicle's lessee, or to an employee of the lessee.

Subd. 5. [DISCLOSURE REQUIREMENT.] In addition to any investigative powers authorized by law, the attorney general may inspect the records of the consumer arbitration program upon reasonable notice, during regular business hours, and may make available to the public information about the operation and results of the program, but data on an individual shall not be disclosed to the public without the prior consent of the individual.

Subd. 6. [NOTICE TO CONSUMERS.] At the time of purchase, the motor vehicle dealer must provide directly to the purchaser of a motor vehicle not excluded from arbitration under subdivision 4, clause (2), a written statement on a separate piece of paper, in 10-point all capital type, in substantially the following form:

"IMPORTANT. IF THIS VEHICLE IS DEFECTIVE AND YOU REPORT THE DEFECT TO THE DEALER WITHIN 60 DAYS OF YOUR PURCHASE OR 3,000 MILES, WHICHEVER COMES FIRST, OR WITHIN THE TERM OF ANY EXPRESS WARRANTY GIVEN TO YOU BY THE DEALER, YOU ARE ENTITLED TO MAKE A CLAIM IN A CONSUMER ARBITRATION PROGRAM WHICH THE DEALER MUST PROVIDE TO YOU. EVEN IF YOU BUY YOUR CAR "AS IS," YOU ARE ENTITLED TO ARBITRATION IF YOU REPORT THE DEFECT TO THE DEALER WITHIN 60 DAYS OR WITHIN 3,000 MILES, WHICHEVER COMES FIRST, FOLLOWING THE SALE, AND IF THE DEFECT SUBSTANTIALLY IMPAIRS THE USE OR MARKET VALUE OF THE VEHICLE.

TO FIND OUT ABOUT THE DEALER'S ARBITRATION PROGRAM, YOU SHOULD CONTACT THE DEALER OR THE MINNESOTA ATTORNEY GENERAL'S OFFICE."

Subd. 7. [CIVIL REMEDY.] A motor vehicle dealer who violates this section is subject to the penalties and remedies provided in sections 8.31 and 168.27.

Subd. 8. [WAIVER.] Waiver of any requirements of this section, except as specifically provided for in this section, is prohibited and void.

Subd. 9. [REMEDY-NONEXCLUSIVE.] Nothing in this section limits the rights or remedies which are otherwise available to a consumer under any other law.

Sec. 10. [168A.088] [APPLICATIONS.]

No application for certificate of title and no application for registration may be issued for a vehicle that was not manufactured in compliance with applicable federal emission standards in force at the time of manufacture as provided by the Clean Air Act, United States Code, title 42, sections 7401 through 7642, and regulations adopted pursuant to the act, and safety standards as provided by the National Traffic and Motor Safety Act, United States Code, title 15, sections 1381 through 1431, and regulations adopted pursuant to the act unless the applicant furnishes:

(1) a bond release letter, with all attachments, issued by the United States Department of Transportation acknowledging receipt of a statement of compliance submitted by the importer of the

vehicle and that the statement meets the safety requirements as provided by Code of Federal Regulations, title 19, section 12.80(e);

(2) a bond release letter, with all attachments, issued by the United States Environmental Protection Agency stating that the vehicle has been tested and known to be in conformity with federal emission requirements; and

(3) a receipt or certificate issued by the United States Department of the Treasury showing that any gas-guzzler taxes due on the vehicle as provided by Public Law Number 95-618, title 2, section 201(a), have been fully paid; or

(4) proof satisfactory to the agent that the vehicle was not brought into the United States from outside the country.

The application for certificate of title and the application for registration must be accompanied by:

(1) a manufacturer's certificate of origin in the English language issued by the actual vehicle manufacturer;

(2) the original documents constituting valid proof of ownership in the country in which the vehicle was originally purchased, together with a translation of the documents into the English language verified as to accuracy of the translation by affidavit of the translator; or

(3) with regard to a vehicle imported from a country that cancels the vehicle registration and title for export, the documents assigned to the vehicle after the registration and title have been canceled, together with a translation of the documents into the English language verified as to accuracy of translation by affidavit of the translator.

Sec. 11. Minnesota Statutes 1986, section 169.57, is amended by adding a subdivision to read:

Subd. 4. On vehicles required by federal motor vehicle safety standards to be equipped with a single center high mounted stop lamp, and on any other vehicle equipped with a similar type stop lamp, it is unlawful for any person to alter the stop lamp by the addition of an overlay or other device, or by the installation of a replacement lens, which in any way alters or obscures any portion of the lamp or affects the intensity of light emitted.

Sec. 12. Minnesota Statutes 1986, section 325E.0951, is amended by adding a subdivision to read:

Subd. 3a. [DISCLOSURE.] No person may transfer a motor vehicle without certifying in writing to the transferee that the transferor has not removed, altered, or otherwise rendered inoperative the pollution control system and restricted gasoline pipe. The registrar of motor vehicles must prescribe the manner and form in which this written disclosure must be made. No transferor may knowingly give a false statement to a transferee in making a disclosure required by this subdivision.

Sec. 13. Minnesota Statutes 1986, section 325G.18, is amended to read:

325G.18 [IMPLIED WARRANTIES.]

Subdivision 1. Unless disclaimed in the manner prescribed in subdivision 2, and except as otherwise provided in section 168.79, every consumer sale in this state shall be accompanied by an implied warranty that the goods are merchantable, and, in a consumer sale where the seller has reason to know that the goods are required for a particular purpose and that the buyer is relying on the seller's skill or judgment to select or furnish suitable goods, an implied warranty of fitness. A seller may, however, limit damages or remedies for breach of implied warranties as provided in chapter 336.

Subd. 2. Except as otherwise provided in section 168.79, no consumer sale on an "as is" or "with all faults" basis shall be effective to disclaim the implied warranty of merchantability, or, where applicable, the implied warranty of fitness, unless a conspicuous writing clearly informs the buyer, prior to the sale, in simple and concise language each of the following:

(1) The goods are being sold on an "as is" or "with all faults" basis; and

(2) The entire risk as to the quality and performance of the goods is with the buyer.

In event of a consumer sale by means of a mail order catalog, the catalog may contain the required writing in lieu of the requirement of notification prior to the sale.

Sec. 14. Minnesota Statutes 1986, section 336.2-316, is amended to read:

336.2-316 [EXCLUSION OR MODIFICATION OF WARRANTIES.]

(1) Words or conduct relevant to the creation of an express warranty and words or conduct tending to negate or limit warranty shall be construed wherever reasonable as consistent with each

other; but subject to the provisions of this article on parol or extrinsic evidence (section 336.2-202) negation or limitation is inoperative to the extent that such construction is unreasonable.

(2) Subject to subsection (3), and section 168.79, to exclude or modify the implied warranty of merchantability or any part of it the language must mention merchantability and in case of a writing must be conspicuous, and to exclude or modify any implied warranty of fitness the exclusion must be by a writing and conspicuous. Language to exclude all implied warranties of fitness is sufficient if it states, for example, that "There are no warranties which extend beyond the description on the face hereof."

(3) Notwithstanding subsection (2)

(a) unless the circumstances indicate otherwise, and except as otherwise provided in section 168.79, all implied warranties are excluded by expressions like "as is," "with all faults" or other language which in common understanding calls the buyer's attention to the exclusion of warranties and makes plain that there is no implied warranty; and

(b) when the buyer before entering into the contract has examined the goods or the sample or model as fully as desired or has refused to examine the goods there is no implied warranty with regard to defects which an examination ought in the circumstances to have revealed; and

(c) an implied warranty can also be excluded or modified by course of dealing or course of performance or usage of trade.

(4) Remedies for breach of warranty can be limited in accordance with the provisions of this article on liquidation or limitation of damages and on contractual modification of remedy (sections 336.2-718 and 336.2-719).

Sec. 15. [EFFECTIVE DATE.]

Sections 2, 3, 6, 9, 11, and 14 shall become effective January 1, 1988, for all motor vehicle dealers in the metropolitan area as defined in section 473.121, subdivision 2, and shall become effective January 1, 1989, for all motor vehicle dealers outside of the metropolitan area as defined herein. The remainder of this act shall become effective August 1, 1987."

Delete the title and insert:

"A bill for an act relating to consumer protection; requiring certain disclosures in sales of used motor vehicles; regulating new and used motor vehicle licenses; providing certain standards in

applications for certificates of title; requiring certain disclosures upon the transfer of a motor vehicle; amending Minnesota Statutes 1986, sections 168.27, subdivisions 1, 2, 3, 4, 8, 10, 12, and 24; 169.57, by adding a subdivision; 325E.0951, by adding a subdivision; 325G.18; and 336.2-316; proposing coding for new law in Minnesota Statutes, chapters 168 and 168A."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 119, A bill for an act relating to employment; providing the option for certain employees at a state university to obtain state employee fringe benefits; amending Minnesota Statutes 1986, section 43A.27, by adding a subdivision.

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

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 217, A bill for an act relating to traffic regulations; providing for the operation by certain police departments and sheriff's offices of specially marked vehicles for highway traffic law enforcement; amending Minnesota Statutes 1986, section 169.98, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 15, delete "city of the first"

Page 2, line 16, delete "class" and insert "home rule or statutory city"

Page 2, line 16, delete everything after "county"

Page 2, line 17, delete "first class"

Page 2, line 20, delete "rules" and insert "laws and ordinances in conformity therewith"

Page 2, line 23, after "vehicles" insert "owned by a police department of a city of the first class"

Page 2, line 24, delete the second "the" and insert "that"

Page 2, line 25, delete "or sheriff's office"

Amend the title as follows:

Page 1, line 3, delete "certain"

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. 242, A bill for an act relating to commerce; modifying the maximum finance charge on certain open end credit sales; authorizing additional charges; amending Minnesota Statutes 1986, section 334.16, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 334.16, subdivision 1, is amended to read:

334.16 [FINANCE CHARGES FOR OPEN END CREDIT SALES.]

Subdivision 1. [LIMITATION OF RATES.] The imposition, charge or collection of a finance charge upon an account balance by a seller of goods, services or both shall be lawful, provided that:

(a) The sale is a consumer credit sale pursuant to an open end credit plan, agreement or arrangement between the buyer and seller under which (1) the seller may permit the buyer to make purchases from time to time from the seller or other sellers, (2) the buyer has the privilege of paying the balance in full or in installments, and (3) a finance charge may be computed by the seller from time to time on an outstanding unpaid balance; and

(b) The terms of the plan, agreement or arrangement provide for a periodic rate of finance charge which does not exceed ~~1½ percent~~ per month computed on an amount no greater than the average daily balance of the account during each monthly billing cycle; provided the equivalent of an annual percentage rate of the higher

of (1) 14.5 percent, or (2) six percentage points over the Federal Reserve discount rate. In no event may the annual percentage rate exceed 18 percent. The rate must be computed on a 365-day year and in accordance with the Truth in Lending Act, United States Code, title 15, section 1601 et seq., and Code of Federal Regulations, title 12, part 226 (1985). A minimum finance charge not in excess of 50 cents per month may be imposed, charged or collected.

(c) No finance charge in excess of 1½ percent per month the equivalent of an annual percentage rate of the higher of (1) 10.5 percent, or (2) four percentage points over the Federal Reserve discount rate shall be imposed on an open end and consumer credit account by any seller whose Minnesota annual gross sales exceed \$25 million or any issuer whose credit card is issued primarily for the purpose of purchasing motor fuels and related products and whose gross annual national sales exceed \$10 billion. Retailers must give adequate notice to open end consumer credit customers before any higher interest rate is applied. Accompanying credit statements must not suggest that the Minnesota legislature required retailers to raise interest rates. The accompanying material must make clear that the increase affects only the maximum allowable interest rate. In no event may the annual percentage rate exceed 18 percent. The rate must be computed on a 365-day year and in accordance with the Truth in Lending Act, United States Code, title 15, section 1601 et seq., and Code of Federal Regulations, title 12, part 226 (1985).

(d) The maximum finance charge allowed by the amendments to paragraphs (b) and (c) made by this section may be adjusted upward no more than once in any 365-day period to reflect a change in the rate allowed. The initial 365-day period begins on the effective date of those amendments. For the purpose of this subdivision, the definition of a consumer credit sale specifically includes transactions for agricultural purposes.

Sec. 2. Minnesota Statutes 1986, section 334.16, is amended by adding a subdivision to read:

Subd. 4. [ADDITIONAL CHARGES.] No charges other than those provided for in subdivision 1, shall be made directly or indirectly for any credit extended under the authority of this section."

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 246, A bill for an act relating to education; establishing chemical abuse pre-assessment teams and community advisory

teams; requiring teachers to report possession, use, and transfer of chemical substances by students; providing penalties; amending Minnesota Statutes 1986, sections 127.41, subdivision 3; and 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 126.

Reported the same back with the following amendments:

Page 1, line 17, after "address" insert ", identify, and treat"

Page 1, line 18, delete "8" and insert "7"

Page 1, line 20, after "evaluation" insert "for treatment"

Page 1, line 26, delete "10" and insert "9"

Page 4, line 9, delete "(a)"

Page 4, delete lines 17 to 20

Page 5, delete section 7

Page 5, line 13, delete "voluntary or"

Page 5, line 16, delete "7" and insert "6"

Page 5, line 20, delete "7" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 5 and 6, delete "providing penalties;"

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. 363, A bill for an act relating to employment; providing for retraining of dislocated workers; requiring the commissioner of jobs and training to coordinate services to dislocated workers; requiring notification of employment termination; providing for the monitoring of dislocated workers and plant closings; providing a state match for federal dislocated worker funding; appropriating

money; amending Minnesota Statutes 1986, sections 267.02, subdivision 3; 268.0111, subdivision 4; 268.0122, subdivision 3; and 268.89, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 4, line 36, after the first "the" insert "names, addresses, and"

Page 6, line 11, delete "80" and insert "70"

Page 6, line 14, delete "ten" and insert "20"

Page 6, line 18, after "Act" insert "or to provide rapid response services to dislocated workers and the associated administrative and planning expenses prior to the approval of other funds or programs"

Page 7, line 13, after "workers" insert "and other workers in the surrounding communities"

Page 7, line 17, delete the period and insert "; and

(9) the type and amount of public sector financial assistance that individual businesses that have closed a plant received in the past ten years. Public sector financial assistance includes, but is not limited to, wage subsidies, tax increment financing, state and local grants and loans, tax exempt bonds, and state or local tax abatement, credits or deductions."

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. 373, A bill for an act relating to metropolitan water management; authorizing county ground water plans; requiring consistency of watershed and ground water plans; amending Minnesota Statutes 1986, sections 473.875; 473.876, by adding subdivisions; and 473.878, subdivisions 3, 5, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Page 2, line 18, after the period insert "Upon the request of a watershed management organization, the county shall provide a written statement that: (1) identifies any substantial inconsistencies

between the watershed plan and the ground water plan and any substantial adverse effects of the watershed plan on the ground water plan, and (2) evaluates, estimates the cost of, and recommends alternatives for amending the watershed plan to rectify any substantial inconsistencies and adverse effects."

Page 5, line 7, after "paragraph" insert "must be made following the hearing procedure specified in section 110B.25, subdivision 4 and"

Page 5, line 8, after "organization" insert ", affected local units of government," and after the period insert "The decision may be appealed as provided in sections 14.63 to 14.69."

Page 5, line 28, delete "473.873" and insert "473.878"

Page 6, line 11, delete "and" and insert a new period and after "be" insert "appointed" and delete "local"

Page 6, line 12, delete "units of government" and insert "watershed management organizations, statutory and home rule charter cities, and towns, and these local government representatives must be geographically distributed so that at least one is appointed from each county commissioner district"

Page 6, line 16, after "plans" insert ", the effect of the groundwater plan on the other plans," and before "governmental" insert "costs and"

Page 7, line 30, before the period insert "and the cost of amendment and implementation"

Page 8, line 6, after the period insert "The council shall summarize and evaluate the cost of rectifying inconsistencies between the groundwater plan and watershed plans. If the council finds that significant funding problems, needs, or inequities will result from the groundwater plan, the council shall report to the legislature on the matter and on appropriate means of allocating and paying costs."

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 394, A bill for an act relating to agriculture; reactivating the agricultural data collection task force; appropriating money;

amending Laws 1985, chapter 19, section 6, subdivision 6, as amended.

Reported the same back with the following amendments:

Page 1, line 17, delete "1988" and insert "1989"

Page 1, line 19, delete "1988" and insert "1989"

Page 1, line 24, delete "1988" and insert "1989"

With the recommendation that when so amended 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. 401, A bill for an act relating to environment; providing criminal penalties for violation of laws and rules relating to hazardous waste; providing for the distribution and expenditure of monetary penalties; amending Minnesota Statutes 1986, sections 115.071, subdivision 2; and 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 1986, section 115.071, subdivisions 2a and 2b.

Reported the same back with the following amendments:

Page 3, line 6, delete "or"

Page 3, line 7, delete "listed"

Page 3, lines 7 and 8, delete "rules adopted under chapter 115, 116, or 221" and insert "authority of section 116.07, subdivision 4, unless otherwise exempted from the requirements under that authority"

Page 3, delete lines 27 to 31

Page 5, line 8, delete "these" and insert a new semicolon

Page 5, delete lines 9 to 11 and insert:

"(i) the person notifies the agency prior to the time a permit would be required that the person will be treating or storing waste without a permit; or

(ii) in the case of a violation of a material term or condition of a permit, the person immediately notifies the permitting agency of the circumstances of the violation as soon as the person becomes aware of the violation;"

Page 6, line 2, delete "negligently"

Page 6, line 3, after "5" insert "as a result of the person's gross negligence"

Page 6, line 21, delete "subdivisions 3 to 6" and insert "subdivision 4"

Page 7, line 2, delete "other than a peace"

Page 7, delete line 3

Page 7, line 4, delete "enforcement of hazardous waste regulations,"

Page 7, after line 13, insert:

"(c) An individual is not eligible to receive a reward if the individual is a peace officer, an employee of the agency or county engaged in enforcement of hazardous waste regulations, an employee of the waste management board, or an individual engaged in providing technical assistance to persons managing hazardous waste under a technical assistance program supported by a grant of state funds."

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. 466, A bill for an act relating to commerce; clarifying unregulated sales of eyeglasses; amending Minnesota Statutes 1986, section 148.56, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 23, after the period insert "The seller shall prominently display a sign on the counter or rack or other display device where the spectacles are offered for sale that reads as follows: 'If you have experienced a vision loss, the selection of these glasses should not take the place of an eye exam.'"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 485, A bill for an act relating to agriculture; strengthening the pesticide laws; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 18A.21, subdivisions 1, 4, 5, 7, 8, 10, 12, 16, 19, 20, 21, 22, 23, 27, 29, 30, 31, 32, 33, 34, 35, 36, and by adding subdivisions; 18A.22, subdivisions 1, 2, 5, 7, and 8; 18A.23; 18A.24; 18A.25; 18A.27; 18A.28, subdivisions 1, 2, 3, 4, and by adding a subdivision; 18A.29, subdivisions 1, 3, and by adding subdivisions; 18A.30; 18A.31; 18A.32; 18A.33; 18A.34; 18A.35; 18A.37; 18A.39; 18A.41; 18A.42; 18A.43; 18A.44; and 18A.45; proposing coding for new law in Minnesota Statutes, chapter 18A; repealing Minnesota Statutes 1986, sections 18A.26; 18A.28, subdivisions 5 and 6; 18A.29, subdivision 2; and 18A.36.

Reported the same back with the following amendments:

Page 1, line 30, after "shall" insert "by January 1, 1988,"

Page 2, after line 13, insert:

"Sec. 2. [18A.315] [PESTICIDE APPLICATION IN CITIES.]

Subdivision 1. [DEFINITION.] For purposes of this section "city" means a statutory or home rule charter city of the first or second class as defined under section 410.01, or a city within the metropolitan area as defined under section 473.121, subdivision 2.

Subd. 2. [AUTHORITY.] Notwithstanding the provisions of section 1, subdivision 3, a city may enact an ordinance containing the pesticide application warning information contained in subdivision 3, including its own licensing, warning time, penalty, and enforcement provisions. No city may enact an ordinance that contains more restrictive or less restrictive pesticide application warning information than is contained in subdivision 3.

Subd. 3. [WARNING SIGNS FOR PESTICIDE APPLICATION.]
(a) All commercial or noncommercial applicators who apply pesticides to turf areas outdoors are required to post or affix warning signs, valid for up to 72 hours following application, on the street frontage of the property so treated.

(b) Warning signs must project a minimum of 18 inches above the top of the grass line. The warning signs must be of a material rain-resistant for at least a 72-hour period.

(c) The following information must be printed on the sign in contrasting colors and capitalized letters measuring at least one-half inch, or in a similar format as may be approved by the commissioner. The sign must provide the following information:

(1) The name of the company applying the pesticide or if not applied by a company, the name of the person, firm, corporation, business, governmental unit or its agency, or educational institution; and

(2) The following language: "This area chemically treated. Keep children and pets off until" (Time as required by local ordinance), or a universally accepted symbol and text approved by the commissioner that is recognized as having the same meaning or intent as specified in this clause. In addition, the sign may include the name of the pesticide used.

(d) The sign must be posted on a lawn or yard no closer than two feet from the sidewalk or right-of-way and no further than five feet from the sidewalk or right-of-way. In the case of parks, golf courses, athletic fields, or other similar property the warning signs must also be posted immediately adjacent to areas within the property where pesticides have been applied and at or near the entrance to the property."

Page 16, line 7, after the period insert "An applicant that meets renewal requirements by reexamination instead of attending workshops must pay the equivalent workshop fee for the reexamination as determined by the commissioner."

Page 16, line 9, before the period insert ", except that for a person who is an employee of a business that holds a valid commercial applicator license the fee is \$25"

Page 17, line 17, after the period insert "An applicant that meets renewal requirements by reexamination instead of attending workshops must pay the equivalent workshop fee for the reexamination as determined by the commissioner."

Page 20, line 17, strike "two" and insert "five"

Page 21, line 8, strike "two" and insert "five"

Page 24, line 23, delete "observable or" and delete "In a judicial"

Page 24, delete lines 24 to 27

Page 24, before line 28, insert:

"No person may apply a pesticide in a manner so as to expose a worker in an immediately adjacent, open field."

Page 24, line 35, delete "time" and insert "hourly or daily"

Page 26, line 24, after the period insert "A person may not fill pesticide application equipment directly from any public water supply, as defined in section 144.382, unless the outlet from the supply is equipped with a backflow prevention device which complies with the Minnesota plumbing code."

Pages 27 and 28, delete section 63

Page 30, line 29, after "brought" insert "in the name of the state"

Page 30, line 30, delete everything after "commissioner"

Page 30, line 31, delete everything before the period and after the period insert "The commissioner and the attorney general may request the county attorney to bring a civil judicial enforcement action."

Page 31, line 14, after "(f)" insert "Upon request of the commissioner or an agent of the commissioner," and delete "other peace officers,"

Page 32, line 4, after the period insert "For purposes of training only, the commissioner may enter into agreements with qualified public or private organizations that wish to offer training programs."

Page 38, after line 29, insert:

"Sec. 75. [18B.04] [WATER QUALITY PROGRAM.]

The commissioner shall establish a water quality program to:

(1) determine the impact of pesticides on surface and ground water in this state;

(2) develop recommendations for best management practices involving pesticide distribution, storage, handling, use, and disposal;

(3) establish regulations for protection of water resources from pesticide contamination; and

(4) cooperate with and assist other state agencies and local governments to protect public health and the environment from harmful exposure to pesticides.

Sec. 76. [PESTICIDE CONTAINER DEPOSIT REPORT.]

The commissioner of agriculture in consultation with the director of the pollution control agency shall develop a program for pesticide container deposit and return of triple rinsed pesticide containers. The commissioner shall prepare a report on a proposed program and legislative recommendations and submit the report to the house of representatives and senate committees on agriculture by January 15, 1988.

Sec. 77. [APPROPRIATION.]

\$...... is appropriated from the general fund to the commissioner of agriculture for the biennium ending June 30, 1989, for the water quality program under section 75.

The complement of the department of agriculture is increased by eight positions."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, delete "chapter" and insert "chapters" and after "18A" insert "and 18B"

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

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 487, A bill for an act relating to commerce; regulating membership camping practices; prohibiting certain advertising practices; establishing escrow requirements; regulating subdivided land sales practices; prohibiting certain advertising practices; amending Minnesota Statutes 1986, sections 82A.02, subdivisions 2, 10, and 19; 82A.04, subdivision 2; 82A.09, by adding a subdivision; 82A.11, subdivision 3; 82A.21; and 82A.24, subdivisions 3 and 6; proposing coding for new law in Minnesota Statutes, chapters 82A and 83.

Reported the same back with the following amendments:

Page 2, line 5, reinstate the stricken language

Page 2, line 6, after the stricken "individuals" insert "include existing members" and reinstate "who refer persons without receiving"

Page 2, line 7, reinstate "compensation of more than \$150 per"

Page 2, line 12, before the period insert "year and do not make more than three referrals per year"

Page 8, line 17, reinstate the stricken "three" and delete "five" and insert "business"

Page 9, lines 2 to 11, delete subdivision 2 and insert:

"Subd. 2. [ANNUAL FEE LIMITATIONS.] No less than 65 percent of the amount charged members for all annual fees, including membership dues, must be used for maintenance. The amount to be used for maintenance must be designated on any statement or billing to the member. The portion not used for maintenance must also be designated and its use stated. If the nonmaintenance portion will not be placed in an escrow or trust account that fact must be stated on the statement or billing.

Subd. 3. [PROCEDURE TO AMEND.] The 65 percent minimum maintenance requirement of subdivision 2 may be increased or decreased by the written consent of a simple majority of the members. The letter proposing the change to the members must specify the amount of the change, the purpose for which the funds will be used, the effect of the change as to maintenance, and the date, not longer than 120 days from the date of the letter, when the consents are to be received. If sufficient consents are not received by the specified date, the proposal is considered to have failed. The records pertaining to the amendment minimum maintenance requirement must be maintained at the offices of the campground operator for at least three years; and must be available during regular business hours for inspection by a member."

Page 9, line 14, delete "subdivisions 1 and 2" and insert "subdivision 1"

Renumber the subdivisions in sequence

Page 10, delete section 8

Renumber the sections in sequence

Amend the title as follows:

Page 1, after line 9, delete "82A.21;"

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. 490, A bill for an act relating to elections; increasing the size of the board of education of special school district No. 1 of the city of Minneapolis to nine members; providing for six members to be elected by districts; amending Laws 1959, chapter 462, section 3, subdivision 1, as amended and renumbered.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1959, chapter 462, section 3, subdivision 1, as amended by Laws 1963, chapter 645, section 3, subdivision 1, as renumbered subdivision 1a, by Laws 1967, chapter 661, section 3, as amended by Laws 1974, chapter 366, section 1 and Laws 1978, chapter 559, section 1, is amended to read:

Subd. 1a. [SPECIAL SCHOOL DISTRICT NO. 1, MINNEAPOLIS; BOARD OF DIRECTORS; TERMS OF OFFICE.] (a) The board of education of ~~such~~ the district shall consist of seven directors, each of whom shall be elected at large for a term of six years, or until his successor has been elected and qualified, provided that the term of office of each director elected after the effective date of this act shall be four years or until a successor is elected and qualified. The directors shall receive such compensation as may be fixed by the board of education.

(b) Beginning in 1987, the terms and elections of the directors of the board of education shall be governed by this paragraph. The three directors elected in 1985 as at-large directors shall serve their full four-year terms until 1989. Beginning with the 1987 election, the board of education of the district shall consist of nine directors. In the 1987 school board election, six directors shall be elected to represent six different districts within the school district. The terms of office for the six directors elected in 1987 shall be two years. In the 1989 election, six directors shall be elected to represent six different districts within the school district and three directors shall be elected to represent the district at large. For the 1987 and 1989 elections, the boundaries of the six school board districts shall coincide with the boundaries of the current state senatorial districts. For the 1993 election and subsequent elections, the boundaries of the six districts shall be determined by the reapportionment commission established every ten years under the Minneapolis city charter. The terms of office for all directors shall be four years,

except for the six directors elected in 1987. A candidate for an elected district office shall be 21 years of age and shall have resided 30 days previous to the election in the district from which elected; provided, however, the candidates for the at-large seats may reside anywhere within the school district, but shall have resided in the school district for at least 90 days immediately preceding the election. The directors shall receive the compensation that may be fixed by the board of education.

(c) To the extent possible, the reapportionment commission, when establishing the six school board election districts under this section shall: preserve, rather than dilute the effective representation of people with like needs and concerns; avoid the effect of disenfranchising a substantial number of school district residents from effective representation; and enhance the possibility that minority racial populations in the school district will be represented adequately and maintain their voting strength.

Sec. 2. Minnesota Statutes 1986, section 383B.041, is amended to read:

383B.041 [CAMPAIGN FINANCING, DISCLOSURE OF ECONOMIC INTERESTS.]

Sections 383B.041 to 383B.058 apply to the financing of campaigns for county elections in Hennepin county and for city elections in home rule charter cities and statutory cities located wholly within Hennepin county and, having a population of 75,000 or more, and for school board elections in special school district No. 1, Minneapolis, and to disclosure of economic interests by candidates and elected public officials of those jurisdictions. The provisions of sections 210A.22 to 210A.33 do not apply to the financing of campaigns for elections subject to the provisions of sections 383B.041 to 383B.058.

Sec. 3. Minnesota Statutes 1986, section 383B.042, subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual, not within the definition of candidate of section 10A.01, subdivision 5, who seeks nomination or election to any county office in Hennepin county or, to any city office in any home rule charter city or statutory city located wholly within Hennepin county and having a population of 75,000 or more or to the school board of special school district No. 1, Minneapolis.

Sec. 4. Minnesota Statutes 1986, section 383B.042, subdivision 9, is amended to read:

Subd. 9. "Election" means any election held to nominate or elect any candidate or to decide any question on a county ballot in Hennepin county or on the ballot of any home rule charter city or

statutory city located wholly within Hennepin county and having a population of 75,000 or more, or on the ballot of special school district No. 1, Minneapolis.

Sec. 5. Minnesota Statutes 1986, section 383B.053, subdivision 1, is amended to read:

Subdivision 1. [OFFICIALS REQUIRED TO FILE; DEADLINES.] Every candidate for county office, every elected official of Hennepin county, every candidate for office and every elected official of a home rule charter city or statutory city located wholly within Hennepin county and having a population of 75,000 or more, and every candidate for school board and every elected official in special school district No. 1, Minneapolis shall file statements of economic interest as required by this section with the filing officer. A candidate shall file an original statement within 14 days of the filing of an affidavit or petition to appear on the ballot. All elected officials of Hennepin county and of a home rule charter city or statutory city located wholly in Hennepin county and having a population of 75,000 or more who are in office on March 19, 1980, shall file an original statement of economic interest 60 days after forms for disclosure are provided to the filing officer. Every individual required to file a statement shall file a supplementary statement on April 15 of each year in which the individual remains a candidate or elected official.

Sec. 6. Minnesota Statutes 1986, section 383B.058, is amended to read:

383B.058 [LOCAL ORDINANCES AND CHARTERS SUPERSEDED.]

Except as provided in this section, sections 383B.041 to 383B.057 supersede the provisions of any ordinance or resolution of a jurisdiction governed by sections 383B.041 to 383B.058 or any existing special law or home rule charter provision requiring disclosure of information related to the financing of election campaigns or requiring disclosure of economic interests by candidates and elected officials of that jurisdiction. The governing body of Hennepin county, ~~and~~ the governing body of any home rule charter city or statutory city located wholly in Hennepin county and the school board of special school district No. 1, Minneapolis may adopt or continue in force ordinances or resolutions that:

(a) Impose limits on the amount that any individual or association may contribute to any candidate for elected office in that jurisdiction;

(b) Require disclosure of economic interests in addition to those required to be disclosed under section 383B.053; or

(c) Require other public officials of that jurisdiction to make such disclosure. Any home rule charter city that adopts a charter provision modifying or superseding any provision of sections 383B.041 to 383B.057 shall file a copy of the charter provision with the ethical practices board within 60 days of its adoption.

Sec. 7. [LOCAL APPROVAL.]

Sections 1 to 6 are effective upon approval by the school board of special school district No. 1, Minneapolis and compliance with Minnesota Statutes, section 645.021.

Delete the title and insert:

“A bill for an act relating to elections; increasing the size of the board of education of special school district No. 1 of the city of Minneapolis to nine members; providing for six members to be elected by districts; requiring compliance with certain campaign disclosure provisions; amending Minnesota Statutes 1986, sections 383B.041; 383B.042, subdivisions 5 and 9; 383B.053, subdivision 1; and 383B.058; and Laws 1959, chapter 462, section 3, subdivision 1, as amended and renumbered.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 532, A bill for an act relating to public safety; motorized bicycles; establishing standards for the safe operation of motorized bicycles; amending Minnesota Statutes 1986, sections 65B.001, by adding a subdivision; 65B.43, subdivision 13; 168.011, subdivision 27; 169.01, subdivision 4a; 169.223; 171.01, subdivision 20; and 171.02, subdivision 3.

Reported the same back with the following amendments:

Page 2, lines 29 to 31, reinstate the stricken language

Page 2, line 31, after “160.263” insert a new period

Page 3, lines 1 to 4, reinstate the stricken language

Page 3, line 4, before “that” insert “. No person shall operate a motorized bicycle”

Page 4, line 5, after the period insert:

“This course must consist of, but is not limited to, a basic understanding of:

- (1) motorized bicycles and their limitations;
- (2) motorized bicycle laws and rules;
- (3) safe operating practices and basic operating techniques;
- (4) helmets and protective clothing;
- (5) motorized bicycle traffic strategies; and
- (6) effects of alcohol and drugs on motorized bicycle operators.”

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. 642, A bill for an act relating to human services; eliminating supportive living residences as residential care facilities for persons with mental illness; providing for the establishment of a third level of care for persons with mental illness; directing the commissioner of human services to review and alter rules relating to residential care facilities for persons with mental illness; amending Minnesota Statutes 1986, sections 245.782, subdivisions 2 and 6; and 245.802, by adding a subdivision; repealing Minnesota Statutes 1986, section 245.802, subdivision 1a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 245.802, subdivision 1a, is amended to read:

Subd. 1a. [STANDARDS FOR SUPPORTIVE LIVING RESIDENCES.] Standards for licensing supportive living residences shall include provisions concerning the referral of adults needing treatment to appropriate programs and the prevention of inappropriate placements in supportive living residences, a maximum bed limit of 40, and provisions discouraging the concentration of supportive living residences in any one region or neighborhood. The commissioner shall develop no licensing standards for supportive living residences until the legislature has met and considered recommendations presented under section 4.

Sec. 2. Minnesota Statutes 1986, section 245.802, is amended by adding a subdivision to read:

Subd. 1b. [MONITORING OF FACILITIES.] After June 30, 1989, no residential facility licensed by the commissioner of human services or the commissioner of health, other than facilities specifically licensed for people with mental illness, may have more than four residents with a diagnosis of mental illness. The commissioner of health, with the cooperation of the commissioner of human services, shall monitor licensed boarding care, board and lodging, and supervised living facilities to assure that this requirement is met. By January 1, 1989, the commissioner of health shall recommend to the legislature an appropriate mechanism for enforcing this requirement.

Sec. 3. Minnesota Statutes 1986, section 245.802, is amended by adding a subdivision to read:

Subd. 2a. [SPECIFIC REVIEW OF RULES.] The commissioner shall:

(1) provide in rule for various levels of care to address the residential treatment needs of persons with mental illness;

(2) review Category I and II programs established in Minnesota Rules, parts 9520.0500 to 9520.0690 to ensure that the categories of programs provide a continuum of residential service programs for persons with mental illness;

(3) provide in rule for a definition of the term "treatment" as used in relation to persons with mental illness;

(4) adjust funding mechanisms by rule as needed to reflect the requirements established by rule for services being provided;

(5) review and recommend staff educational requirements and staff training as needed; and

(6) review and make changes in rules relating to residential care and service programs for persons with mental illness as the commissioner may determine necessary.

Sec. 4. Minnesota Statutes 1986, section 245.802, is amended by adding a subdivision to read:

Subd. 5. [HOUSING SERVICES FOR PERSONS WITH MENTAL ILLNESS.] The commissioner of human services shall study the housing needs of people with mental illness and shall articulate a continuum of services from residential treatment as the most intensive service through housing programs as the least intensive.

The commissioner shall develop recommendations for implementing the continuum of services and shall present the recommendations to the legislature by January 31, 1988.

Sec. 5. Minnesota Statutes 1986, section 256D.01, is amended by adding a subdivision to read:

Subd. 1c. [PAYMENTS TO FACILITIES.] The commissioner shall make no payments under subdivision 1b to facilities licensed after the effective date of this section which have more than four residents with a diagnosis of mental illness except for facilities specifically licensed to serve persons with mental illness. The commissioner of health shall monitor newly-licensed facilities and shall report to the commissioner of human services facilities that are not in compliance with this section.

Sec. 6. Minnesota Statutes 1986, section 256D.37, is amended by adding a subdivision to read:

Subd. 4. The commissioner shall make no payments under subdivision 1 to facilities licensed after the effective date of this section which have more than four residents with a diagnosis of mental illness except for facilities specifically licensed to serve persons with mental illness. The commissioner of health shall monitor newly-licensed facilities and shall report to the commissioner of human services facilities that are not in compliance with this section."

Delete the title and insert:

"A bill for an act relating to human services; prohibiting licensing of supportive living residences; requiring monitoring of facilities; providing for various levels of care for persons with mental illness; directing the commissioner of human services to review and alter rules relating to residential care facilities for persons with mental illness; requiring study of housing needs for persons with mental illness; prohibiting payment to newly-licensed facilities having more than four residents with mental illness; amending Minnesota Statutes 1986, sections 245.802, subdivision 1a, and by adding subdivisions; 256D.01, by adding a subdivision; and 256D.37, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 645, A bill for an act relating to education; eliminating the physical education requirement for teacher education programs; amending Minnesota Statutes 1986, section 126.02, subdivision 2.

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

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 715, A bill for an act relating to unemployment compensation; regulating administration of unemployment compensation; providing for benefits and contribution rates; amending Minnesota Statutes 1986, sections 268.04, subdivisions 2, 4, 24, and by adding subdivisions; 268.06, subdivisions 2, 3a, 8, and by adding a subdivision; 268.07, subdivisions 2, 2a, and 3; 268.071, subdivision 1; 268.08, subdivision 1; 268.10, subdivisions 1 and 2; 268.12, subdivision 8; 268.121; 268.15, subdivision 3; 268.16, subdivision 2; repealing Minnesota Statutes 1986, section 268.04, subdivisions 29 and 30.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 268.04, subdivision 2, is amended to read:

Subd. 2. "Base period" means the period of 52 calendar weeks immediately preceding the first day of an individual's benefit year. However, if a claimant received weekly worker's compensation for temporary total disability under the provisions of chapter 176 or under a similar law of the United States for more than seven weeks within the base period, or if a claimant, whose own serious illness caused a loss of credit weeks within the base period, received compensation due to the illness from some other source or under a law of this state other than chapter 176 or under a similar law of the United States for more than seven weeks within the base period, the claimant's base period shall be lengthened by the same number of weeks, but not to exceed 52 weeks, for which the claimant received the payments. No extended base period shall include wage credits upon which benefits were established and paid with respect to a prior valid claim. first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year; except: (a) if during the base period an individual received workers' compensation for temporary disability under chapter 176 or a similar law of the United States, or if an individual whose own serious illness caused a loss of work for which the

individual received compensation due to the illness from some other source or under a law of this state other than chapter 176 or a similar law of the United States, the individual's base period shall be lengthened to the extent stated as follows:

(1) if an individual was compensated, as described above, for a loss of work of seven to 13 weeks, the original base period shall be extended to include one calendar quarter preceding the original base period; or

(2) if an individual was compensated, as described above, for a loss of work of 14 to 26 weeks, the original base period shall be extended to include two calendar quarters preceding the original base period; or

(3) if an individual was compensated, as described above, for a loss of work from 27 to 39 weeks, the original base period shall be extended to include the first three calendar quarters preceding the original base period; or

(4) if an individual was compensated, as described above, for a loss of work from 40 to 52 weeks, the original base period shall be extended to include the first four quarters preceding the original base period; or

(b) if the commissioner finds that, during the base period described above, the individual has insufficient wage credits to establish a valid claim, the individual may request a determination of validity using an alternate base period of the last four completed calendar quarters preceding the first day of an individual's benefit year. This alternate base period may be used by an individual only once during any five calendar year period to establish a valid claim.

In no instance shall the base period be extended to include more than four additional calendar quarters.

No base period, extended base period, or alternate base period under paragraph (b) shall include wage credits upon which a claim was established and benefits were paid with respect to that valid claim.

Sec. 2. Minnesota Statutes 1986, section 268.04, subdivision 4, is amended to read:

Subd. 4. "Benefit year" with respect to any individual means the period of 52 calendar weeks beginning with the first day of the first week with respect to which the individual files a valid claim for benefits. For individuals with a claim effective January 1, April 1, July 1, or October 1, the benefit year will be a period of 53 weeks

beginning with the first week with respect to which the individual files a valid claim for benefits.

Sec. 3. Minnesota Statutes 1986, section 268.04, subdivision 24, is amended to read:

Subd. 24. "Valid claim" with respect to any individual means a claim filed by an individual who has registered for work and who has earned wage credits ~~and established credit weeks~~ during the individual's base period sufficient to entitle the individual to benefits under section 268.07, subdivision 2.

Sec. 4. Minnesota Statutes 1986, section 268.04, is amended by adding a subdivision to read:

Subd. 34. [CONTRIBUTION REPORT.] "Contribution report" means the summary report of wages and employment used to determine the amount of contributions due by employers on a calendar quarter basis. An auxiliary report of wages and employment broken down by business locations, when required, is part of the contribution report.

Sec. 5. Minnesota Statutes 1986, section 268.04, is amended by adding a subdivision to read:

Subd. 35. [WAGE DETAIL REPORT.] "Wage detail report" means the itemized report used to record the information required by section 268.121.

Sec. 6. Minnesota Statutes 1986, section 268.04, is amended by adding a subdivision to read:

Subd. 36. [HIGH QUARTER.] "High quarter" means the calendar quarter in an individual's base period for which the individual's total wage credits during that quarter are equal to or greater than the individual's total wage credits during any other calendar quarter in the individual's base period.

Sec. 7. Minnesota Statutes 1986, section 268.06, subdivision 2, is amended to read:

Subd. 2. [RATES.] Each employer shall pay contributions equal to two and seven-tenths percent for each calendar year prior to 1985 and 5-4/10 percent for 1985 and each subsequent calendar year of wages paid and wages overdue and delayed beyond the usual time of payment from the employer with respect to employment occurring during each calendar year, except as may be otherwise prescribed in subdivisions 3a and 4. ~~Each employer who has an experience ratio of less than one-tenth of one percent shall pay contributions on only the first \$8,000 in wages paid and wages overdue and delayed beyond~~

the usual time of payment to each employee with respect to employment occurring during each calendar year.

Sec. 8. Minnesota Statutes 1986, section 268.06, subdivision 3a, is amended to read:

Subd. 3a. [RATE FOR NEW EMPLOYERS.] Notwithstanding the provisions of subdivision 2, each employer, who becomes subject to this law, shall pay contributions at a rate:

(a) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's three-year benefit cost rate for the 36 consecutive month period immediately preceding July 1 of each year for each employer who becomes subject to this law prior to January 1, 1984. For purposes of this clause, the state's three-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 36 consecutive calendar months immediately preceding July 1 of each year by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

(b) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's four-year benefit cost rate for the 48 consecutive month period immediately preceding July 1 of each year for each employer, except employers in the construction industry, as determined by the commissioner, who becomes subject to this law subsequent to December 31, 1983 and prior to January 1, 1985. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants under this law during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year 1984.

Each construction employer described above who becomes subject to chapter 268 shall pay contributions at a rate, not exceeding 7½ percent, that is the higher of (1) one percent, or (2) the state's four-year benefit cost rate for construction employers for the 48 consecutive month period immediately preceding July 1, 1983. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year 1984.

(c) Not exceeding 5-4/10 percent, that is the higher of (1) one percent and (2) the state's five-year benefit cost rate for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter for each employer, except employers in the construction industry, as determined by the commissioner who becomes subject to this law on January 1, 1985 and thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Each construction employer described above who becomes subject to this chapter shall pay contributions at a rate, not exceeding ~~7½ percent~~ the maximum contribution rate for all employers as provided under subdivision 8, that is the higher of (1) one percent, or (2) the state's five-year benefit cost rate for construction employers for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Sec. 9. Minnesota Statutes 1986, section 268.06, subdivision 8, is amended to read:

Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] (a) For each calendar year the commissioner shall determine the contribution rate of each employer by adding the minimum rate to the experience ratio, except that if the ratio for the current calendar year increases or decreases the experience ratio for the preceding calendar year by more than one and one-half percentage points for 1982; and 2½ percentage points for 1983 and each year thereafter, the increase or decrease for the current year shall be limited to one and one-half percentage points for 1982; and 2½ percentage points for 1983 and each year thereafter, provided that a small business employer shall be eligible, upon application, for a reduction in the limitation to 1½ percentage points for 1983 and each year thereafter. "Small business employer" for the purpose of this subdivision means an employer with an annual covered payroll of \$250,000 or less, or fewer than 20 employees in three of the four quarters ending June 30, of the previous calendar year.

(b) The minimum rate for all employers except as provided in paragraph (c) shall be one percent if the amount in the unemployment compensation fund is less than \$80,000,000 \$250,000,000 on June 30 of the preceding calendar year; or nine-tenths of one percent if the fund is more than \$80,000,000 \$250,000,000 but less than \$90,000,000 \$260,000,000; or eight-tenths of one percent if the fund is more than \$90,000,000 \$260,000,000; but less than \$110,000,000 \$270,000,000; or seven-tenths of one percent if the fund is more than \$110,000,000 \$270,000,000 but less than \$130,000,000 \$280,000,000; or six-tenths of one percent if the fund is more than \$130,000,000 \$280,000,000 but less than \$150,000,000 \$290,000,000; or five-tenths of one percent if the fund is more than \$150,000,000 \$290,000,000 but less than \$170,000,000 \$300,000,000; or three-tenths of one percent if the fund is more than \$170,000,000 \$300,000,000 but less than \$200,000,000 \$310,000,000; or one-tenth of one percent if the fund is \$200,000,000 \$310,000,000 or more; provided that no employer shall have a contribution rate of more than 7.5 percent.

(c) The minimum rate for all employers that have an experience ratio of less than one-tenth of one percent shall be .25 percent less than the minimum rate under paragraph (b) for 1988, and for each year thereafter, provided that no rate can be less than one-tenth of one percent.

(d) The maximum rate for all employers shall be 8.5 percent if the amount in the unemployment compensation fund is less than \$200,000,000 as of June 30 of the preceding year or 7.5 percent if the amount in the unemployment compensation fund is more than \$200,000,000 as of June 30 of the preceding year.

(e) For the purposes of this section the unemployment compensation fund shall not include any moneys advanced from the Federal Unemployment Account in the unemployment trust fund in accordance with Title XII of the Social Security Act, as amended. No employer first assigned an experience ratio in accordance with subdivision 6, shall have a contribution rate increased or decreased by more than one and one-half percentage points for 1982; and 2½ percentage points for 1983 and each year thereafter over the contribution rate assigned for the preceding calendar year in accordance with subdivision 3a, provided that a small business employer shall be eligible, upon application, for a reduction in the limitation to 1½ percentage points for 1983 and each year thereafter.

Sec. 10. Minnesota Statutes 1986, section 268.06, is amended by adding a subdivision to read:

Subd. 8a. [SOLVENCY ASSESSMENT.] If the fund balance is less than \$50,000,000 on April 1 of any year, a solvency assessment will be in effect for the following calendar year. Each employer, except those making payments in lieu of contributions under subdivisions

25, 26, 27, and 28, shall pay a quarterly solvency assessment of ten percent multiplied by the contributions paid or due and payable for each calendar quarter in that year. Quarterly contributions and the solvency assessment payments shall be combined and will be computed notwithstanding the maximum rate established in subdivision 3a or 8, by multiplying the quarterly taxable payroll by the assigned contribution rate multiplied by 1.10.

Sec. 11. Minnesota Statutes 1986, section 268.07, subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] If the commissioner finds that an individual has earned 15, or more, credit weeks within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual during the individual's benefit year as follows:

(1) Weekly benefit amount shall be equal to 60 percent of the first \$85, 40 percent of the next \$85 and 50 percent of the remainder of the average weekly wage of such individual. The amount so computed if not a whole dollar shall be rounded down to the next lower dollar amount. (a) To establish a benefit year for unemployment insurance benefits, effective after January 1, 1988, and thereafter, an individual must have:

(1) wage credits in two or more calendar quarters of the individual's base period;

(2) minimum total base period wage credits equal to the high quarter wages multiplied by 1.25; and

(3) high quarter wage credits of not less than \$1,000.

(b) If the commissioner finds that an individual has sufficient wages within the base period to establish a valid claim, the weekly benefit amount payable to the individual during the individual's benefit year shall be equal to $\frac{1}{26}$ of the individual's high quarter wage credits, rounded to the next lower whole dollar.

(c) Notwithstanding paragraph (b), the maximum weekly benefit amount of claims for benefits which establish a benefit year subsequent to July 1, 1979 shall be $66\frac{2}{3}$ percent of the average weekly wage, except as provided in clause (d) as determined under this paragraph.

On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) (1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.

(b) (2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

(c) (3) The average annual wage shall be divided by 52 to determine the average weekly wage.

The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(d) Notwithstanding paragraph (c), the maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1982 1987, and prior to July 1, 1983 1990, shall be \$184 \$234.

The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1983 1990, and prior to July 1, 1984 1991, shall be \$191 \$254.

The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1984, and prior to July 1, 1985, shall be \$198.

(2) An individual's maximum amount of regular benefits payable in a benefit year shall not exceed the lesser of (a) 26 times the individual's weekly benefit amount or (b) 70 percent of the number of credit weeks earned by such an individual computed to the nearest whole week times the individual's weekly benefit amount.

(e) Any eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of the individual's total base period wage credits rounded to the next lower dollar, not to exceed 26 times the individual's weekly benefit amount.

(3) (f) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to the individual's weekly benefit amount less that part of the individual's earnings, including holiday pay, payable to the individual with respect to such week which is in excess of \$25 or \$200 for earnings from service in the national guard or a United States military reserve unit. Jury duty pay is not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a

whole dollar amount shall be rounded down to the next lower dollar amount.

(4) The provisions of clauses (1) and (2) Except for paragraph (d), this section shall apply to claims for benefits which establish a benefit year subsequent to June 30, 1983, after the effective date. Paragraph (d) shall apply to claims for benefits which establish a benefit year after the effective date of paragraph (d).

Sec. 12. Minnesota Statutes 1986, section 268.07, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION.] Notwithstanding the provisions of subdivision 2, if the commissioner finds that an individual has earned credit weeks wage credits in seasonal employment, benefits shall be payable only if the commissioner finds that the individual has earned 15 credit weeks wage credits equal to or in excess of 30 times the individual's weekly benefit amount, in employment which is not seasonal, in addition to any credit weeks wage credits in seasonal employment. For the purposes of this subdivision, "seasonal employment" means employment with a single employer in the recreation or tourist industry which is available with the employer for 15 consecutive weeks or less each calendar year.

Sec. 13. Minnesota Statutes 1986, section 268.07, subdivision 3, is amended to read:

Subd. 3. [WHEN WAGE CREDITS ARE NOT AVAILABLE.] (1) No individual may receive benefits in a benefit year unless, subsequent to the beginning of the next preceding benefit year during which benefits were received, the individual performed service in insured work as defined in section 268.04, subdivision 17, and earned remuneration for the service in an amount equal to not less than the minimum wage credits required to qualify for benefits. To establish a second benefit year following the expiration of an immediately preceding benefit year, an individual must have sufficient wage credits to establish a claim under the provisions of subdivision 2 and must have performed services after the establishment of the expired benefit year. The services performed must have been in insured work and the wage credits from the services must equal not less than ten times the weekly benefit amount of the second benefit year.

(2) No employer who provided 90 percent or more of the wage credits in a claimant's base period shall be charged for benefits based upon earnings of the claimant during a subsequent base period unless the employer has employed the claimant in any part of the subsequent base period.

(3) Wages paid by an employing unit may not be used for benefit purposes by any individual who (a) individually or jointly with a

spouse, parent or child owns or controls directly or indirectly 25 percent or more interest in the employing unit; or (b) is the spouse, parent or minor child of any individual who owns or controls directly or indirectly 25 percent or more interest in the employing unit; and (c) is not permanently separated from employment.

This clause is effective when the individual has been paid four times the individual's weekly benefit amount in the current benefit year.

(4) Wages paid in seasonal employment, as defined in subdivision 2a, are not available for benefit purposes during weeks in which there is no seasonal employment available with the employer.

(5) No employer shall be charged for benefits if the employer is a base period employer on a second claim solely because of the transition from a base period consisting of the 52-week period preceding the claim date to a base period as defined in section 268.04, subdivision 2.

Sec. 14. Minnesota Statutes 1986, section 268.071, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, unless the context clearly requires otherwise:

(1) [EXTENDED BENEFIT PERIOD.] "Extended benefit period" means a period which

(a) Begins with the third week after a week for which there is a state "on" indicator; and

(b) Ends with either of the following weeks, whichever occurs later: The third week after the first week for which there is a state "off" indicator; or the 13th consecutive week of the period;

Provided, that no extended benefit period may begin before the 14th week following the end of a prior extended benefit period which was in effect with respect to this state.

(2) [STATE "ON" INDICATOR.] There is a "state 'on' indicator" for this state for a week if the commissioner determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment (not seasonally adjusted) under this law

(a) equaled or exceeded 120 percent of the average of such rates for the corresponding 13-week period ending in each of the preceding two calendar years, and

(b) equaled or exceeded five percent.

The determination of whether there has been a state "on" indicator beginning any extended benefit period may be made as provided in clauses (a) and (b) above or a "state 'on' indicator" shall exist if the rate described in clause (b) equaled or exceeded six percent irrespective of whether the percentage requirement provided by clause (a) is met or exceeded.

(3) [STATE "OFF" INDICATOR.] There is a "state 'off' indicator" for this state for a week if, for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment is less than six percent and the requirements for a "state 'on' indicator" under clause (2) of this subdivision are not satisfied.

(4) [RATE OF INSURED UNEMPLOYMENT.] "Rate of insured unemployment," for purposes of clauses (2) and (3), means the percentage derived by dividing the average weekly number of individuals filing claims for regular benefits in this state for weeks of unemployment with respect to the most recent 13 consecutive week period, as determined by the commissioner on the basis of the commissioner's reports to the United States secretary of labor, by the average monthly employment covered under this law for the first four of the most recent six completed calendar quarters ending before the end of such 13 week period.

(5) [REGULAR BENEFITS.] "Regular benefits" means benefits payable to an individual under this law or under any other state law (including benefits payable to federal civilian employees and to ex-servicemen pursuant to United States Code, title 5, chapter 85) other than extended benefits and additional benefits.

(6) [EXTENDED BENEFITS.] "Extended benefits" means benefits (including benefits payable to federal civilian employees and to ex-servicemen pursuant to United States Code, title 5, chapter 85) payable to an individual under the provisions of this section for weeks of unemployment in the individual's eligibility period.

(7) [ADDITIONAL BENEFITS.] "Additional benefits" means benefits payable to exhaustees by reason of conditions of high unemployment or by reason of other special factors under the provisions of any state law.

(8) [ELIGIBILITY PERIOD.] "Eligibility period" of an individual means the period consisting of the weeks in the individual's benefit year which begin in an extended benefit period and, if the benefit year ends within such extended benefit period, any weeks thereafter which begin in such period.

(9) [EXHAUSTEE.] "Exhaustee" means an individual who, with respect to any week of unemployment in the individual's eligibility period:

(a) Has received, prior to such week, all of the regular benefits that were available under this law or any other state law (including dependents' allowances and benefits payable to federal civilian employees and ex-servicemen under United States Code, title 5, chapter 85) in the individual's current benefit year that includes such week;

Provided, that, for the purposes of this paragraph, an individual shall be deemed to have received all of the regular benefits that were available to the individual although as a result of a pending appeal with respect to wage credits ~~or credit weeks~~ that were not considered in the original monetary determination in the individual's benefit year, the individual may subsequently be determined to be entitled to added regular benefits; or

(b) The individual's benefit year having expired prior to such week, has no, or insufficient, wages and/or employment on the basis of which the individual could establish a new benefit year that would include such week or having established a benefit year that includes such week, the individual is precluded from receiving regular compensation by reason of: (i) a state law provision which meets the requirements of section 3304 (a) (7) of the Internal Revenue Code of 1954, or (ii) a disqualification determination which canceled wage credits or totally reduced benefit rights, or (iii) benefits are not payable by reason of a seasonal limitation in a state unemployment insurance law; and

(c) Has no right to unemployment benefits or allowances, as the case may be, under the railroad unemployment insurance act, the trade expansion act of 1962, the automotive products act of 1965 and such other federal laws as are specified in regulations issued by the United States Secretary of Labor; and has not received and is not seeking unemployment benefits under the unemployment compensation law of Canada; but if the individual is seeking such benefits and the appropriate agency finally determines that the individual is not entitled to benefits under such law the individual is considered an exhaustee.

(10) [STATE LAW.] "State law" means the unemployment insurance law of any state, approved by the United States secretary of labor under section 3304 of the Internal Revenue Code of 1954.

Sec. 15. Minnesota Statutes 1986, section 268.08, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that the individual:

(1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) has made a claim for benefits in accordance with rules as the commissioner may adopt;

(3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner or in training approved pursuant to section 236 of the Trade Act of 1974, as amended.

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in attendance at, or on vacation from an established school, college or university unless a majority of the credit weeks wage credit earned in the base period were for services performed during weeks in which the student was attending school as a full-time student.

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty; and

(4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more than one week within the one-year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.

Sec. 16. Minnesota Statutes 1986, section 268.10, subdivision 1, is amended to read:

Subdivision 1. [FILING.] (a) Claims for benefits shall be made in accordance with such rules as the commissioner may prescribe. Each employer shall post and maintain printed statements of such rules in places readily accessible to individuals in the employer's service and shall make available to each such individual at the time of becoming unemployed, a printed statement of such rules. Such printed statements shall be supplied by the commissioner to each employer without cost to the employer.

(4) (b) Any employer upon separation of an employee from employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within seven days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish the reason for separation from all employers in the individual's base period.

(2) Upon the filing, by an individual, of a claim for benefits, the commissioner shall give notice to all such base period employers of the filing of such claim and request each such base period employer, within seven days after the mailing of such notice, to furnish the following information:

(a) The total wage credits earned in the base period;

(b) The number of credit weeks which end within the base period;

(c) The week ending dates for each calendar week within the base period in which the individual earned less than the amount required to make a credit week and the amount of earnings in each such week;

(d) The reason for the separation or separations of such individual from the employ of the employer in the base period; and

(e) Such employer's protest, if any, relating to the ineligibility or disqualification of such individual.

(3) If any base period employer, after the notice of filing of a claim and the request for wage and separation information has been duly mailed to the employer's last known address, fails to file information as provided by items (a) through (e) of clause 2 of this subdivision within seven days, the commissioner shall:

(a) Determine the validity of an individual's claim based on the claimant's statements or any other available information. An employer shall be liable for a late filing fee of not less than \$5 nor more than \$25, as the commissioner may determine, to be paid to the department of jobs and training and credited to the contingent fund if the employer has failed without good cause to submit the wage and separation information as required in clause 2 of this subdivision within seven days after the request has been duly mailed to the employer's last known address.

(c) For the purpose of complying with section 268.04, subdivision 2, the commissioner may require all base period employers to provide such information as the commissioner may prescribe, including, but not limited to, wages paid during any part of the base period, whether or not such information was previously provided.

(d) Upon establishment of a benefit year, the commissioner shall give notice to the last employer for whom the individual worked and all base period employers. The employer so notified shall have seven days after the mailing of the notice to file a protest to monetary entitlement or a protest raising an issue of ineligibility or disqualification.

(e) If, upon review of the wage information on file with the department, it is found that an employer failed to provide wage information for the claimant, the commissioner shall accept a claimant certification as to the wage credits earned, based upon the claimant's records, and issue a monetary determination of validity certification. This determination may be modified based upon corrected information subsequently received from the employer or other sources. The employer who failed to report the individual's wages or filed an erroneous report may be penalized in accordance with section 268.16 or 268.18. In the absence of fraud, if a redetermination of validity of claim based on an employer's late corrected or erroneous report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid prior to such redetermination; and

(b) (f) The commissioner shall determine any issue of disqualification raised by clause (1) under paragraph (d) or by an employer's late report. If an employer fails to file a separation notice within the time limits prescribed in clause (1) paragraph (b), any relief from benefit charges provided by section 268.09, subdivision 1, clause (4), shall apply to weeks of unemployment beginning after the filing of the late report or protest.

Sec. 17. Minnesota Statutes 1986, section 268.10, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF CLAIMS; DETERMINATION; APPEAL.] (1) An official, designated by the commissioner, shall promptly examine each claim for benefits filed to establish a benefit year pursuant to this section, and, on the basis of the facts found, shall determine whether or not such claims are valid, and if valid, the weekly benefit amount payable, the maximum benefit amount payable during the benefit year, and the date the benefit year terminates, and this determination shall be known as the determination of validity. Notice of the determination of validity or any redetermination as provided for in clause (4) shall be promptly given the claimant and all other interested parties. If within the time limits for filing a protest an employer notifies the department that an individual's weekly benefit amount as determined under section 268.07 exceeds the individual's weekly wages earned with the employer, the individual's weekly benefit amount shall be the lesser of (1) the weekly benefit amount as determined under section 268.07, or (2) the weekly benefit amount which is 50 percent of the quotient derived by dividing the total wage credits earned in the individual's base period credit weeks from all employers in insured work by the number of base period credit weeks. If within the time specified for the filing of wage and separation information a protest as provided in subdivision 1, clause (2), the employer makes an allegation of disqualification or raises an issue of the chargeability to the employer's account of benefits that may be paid on such claim, if the claim is valid, the issue thereby raised shall be promptly determined by said official and a notification of the determination delivered or mailed to the claimant and the employer. If an initial determination or an appeal tribunal decision or the commissioner's decision awards benefits, the benefits shall be paid promptly regardless of the pendency of any appeal period or any appeal or other proceeding which may thereafter be taken. Except as provided in clause (6), if an appeal tribunal decision modifies or reverses an initial determination awarding benefits, or if a commissioner's decision modifies or reverses an appeal decision awarding benefits, any benefits paid under the award of such initial determination or appeal tribunal decision shall be deemed erroneous payments.

(2) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, an official of the department or any interested party or parties raises an issue of claimant's eligibility for benefits for any week or weeks in accordance with the requirements of the provisions of sections 268.03 to 268.24 or any official of the department or any interested party or parties or benefit year employer raises an issue of disqualification in accordance with the rules of the commissioner, a determination shall be made thereon and a written notice thereof shall be given to the claimant and such other interested party or parties or benefit year employer. A determination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(3) A determination issued pursuant to clauses (1) and (2) shall be final unless an appeal therefrom is filed by a claimant or employer within 15 days after the mailing of the notice of the determination to the last known address or personal delivery of the notice. Every notice of determination shall contain a prominent statement indicating in clear language the method of appealing the determination, the time within which such an appeal must be made, and the consequences of not appealing the determination. A timely appeal from a determination of validity in which the issue is whether an employing unit is an employer within the meaning of this chapter or whether services performed for an employer constitute employment within the meaning of this chapter shall be subject to the provisions of section 268.12, subdivision 13.

(4) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, the commissioner on the commissioner's own motion may reconsider a determination of validity made thereon and make a redetermination thereof on finding that an error in computation or identity or the crediting of wage credits has occurred in connection therewith or if the determination was made as a result of a nondisclosure or misrepresentation of a material fact. A determination or redetermination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(5) However, the commissioner may refer any disputed claims directly to a referee for hearing and determination in accordance with the procedure outlined in subdivision 3 and the effect and status of such determination in such a case shall be the same as though the matter had been determined upon an appeal to the tribunal from an initial determination.

(6) If a referee's decision affirms an initial determination awarding benefits or the commissioner affirms an appeal tribunal decision awarding benefits, the decision, if finally reversed, shall not result in a disqualification and benefits paid shall neither be deemed overpaid nor shall they be considered in determining any individual employer's future contribution rate under section 268.06.

Sec. 18. Minnesota Statutes 1986, section 268.12, subdivision 8, is amended to read:

Subd. 8. [RECORDS; REPORTS.] (1) Each employing unit shall keep true and accurate work records for such periods of time and containing such information as the commissioner may prescribe. Such records shall be open to inspection, audit, and verification, and be subject to being copied by any authorized representative of the commissioner at any reasonable time and as often as may be necessary. The commissioner, appeal referee, or any other duly authorized representative of the commissioner, may require from

any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the commissioner, appeal referee, or any other duly authorized representative of the commissioner deems necessary for the effective administration of sections 268.03 to 268.24, provided that quarterly contribution and wage report forms shall include the employee's name, social security number, and total wages paid to the employee.

(2) The commissioner may cause to be made such summaries, compilations, photographs, duplications, or reproductions of any records, reports, or transcripts thereof as the commissioner may deem advisable for the effective and economical preservation of the information contained therein, and such summaries, compilations, photographs, duplications or reproductions, duly authenticated, shall be admissible in any proceeding under sections 268.03 to 268.24, if the original record or records would have been admissible therein. Notwithstanding any restrictions contained in section 16B.50, except restrictions as to quantity, the commissioner is hereby authorized to duplicate, on equipment furnished by the federal government or purchased with funds furnished for that purpose by the federal government, records, reports, summaries, compilations, instructions, determinations, or any other written matter pertaining to the administration of the Minnesota economic security law.

(3) Notwithstanding any inconsistent provisions elsewhere, the commissioner may provide for the destruction or disposition of any records, reports, transcripts, or reproductions thereof, or other papers in the commissioner's custody, which are more than two years old, the preservation of which is no longer necessary for the establishment of contribution liability or benefit rights or for any purpose necessary to the proper administration of sections 268.03 to 268.24, including any required audit thereof, provided, that the commissioner may provide for the destruction or disposition of any record, report, or transcript, or other paper in the commissioner's custody which has been photographed, duplicated, or reproduced in the manner provided in clause (2).

(4) Notwithstanding the provisions of the Minnesota State Archives Act the commissioner shall with the approval of the legislative auditor destroy all benefit checks and benefit check authorization cards that are more than two years old and no person shall make any demand, bring any suit or other proceeding to recover from the state of Minnesota any sum alleged to be due on any claim for benefits after the expiration of two years from the date of filing such claim.

Sec. 19. Minnesota Statutes 1986, section 268.121, is amended to read:

268.121 [WAGE REPORTING.]

Beginning on April 1, 1984, each employer subject to this chapter shall provide the commissioner with a quarterly report of the wages, as defined in section 268.04, subdivision 25, paid to each employee of that employer covered by this chapter. The commissioner shall provide the legislature with recommendations for statutory changes to fully implement this section no later than January 1, 1983. The report must include the employee's name, social security number, and the total wages paid to the employee. The report is due and must be filed at the same time as the contribution report in accordance with rules established by the commissioner for filing of quarterly contribution reports. For the purpose of this section, "wages paid" includes wages actually or constructively paid and wages overdue and delayed beyond the usual time of payment.

Sec. 20. Minnesota Statutes 1986, section 268.15, subdivision 3, is amended to read:

Subd. 3. [CONTINGENT ACCOUNT.] There is hereby created in the state treasury a special account, to be known as the economic security contingent account, which shall not lapse nor revert to any other fund. Such account shall consist of all moneys appropriated therefor by the legislature, all moneys in the form of interest and penalties collected pursuant to ~~section~~ sections 268.16 and 268.18, and all moneys received in the form of voluntary contributions to this account and interest thereon. All moneys in such account shall be supplemental to all federal moneys that would be available to the commissioner but for the existence of this account. Moneys in this account are hereby appropriated to the commissioner and shall be expended in accordance with the provisions of section 3.30, in connection with the administration of sections 268.03 to 268.24. Commencing with the fiscal year beginning July 1, 1987, the commissioner is authorized to expend annually, in addition to any federal money and without reference to section 3.30, the sum of \$500,000, from available money in this fund which is derived from interest and penalties collected pursuant to sections 268.16 and 268.18 and money received in the form of voluntary payments and interest thereon, for the purpose of providing for: (1) the investigation of fraud on the part of any person in claiming or obtaining benefits under sections 268.03 to 268.24 or fraud on the part of any employer in attempting to avoid or reduce any contribution or other payment required from an employing unit under those sections; (2) determination of benefit overpayments and contribution underpayments for reasons other than fraud; (3) recovery of money due to the commissioner as a result of clauses (1) and (2); (4) the verification of work search efforts especially in areas with robust economies; and (5) those special services which are reasonably directed toward assisting the unemployed in returning to suitable work. Whenever the commissioner expends moneys from said contingent account for the proper and efficient administration of the Minnesota economic security law for which funds have not yet been made available by the federal government, such moneys so withdrawn from the contingent

account shall be replaced as hereinafter provided. Upon the deposit in the economic security administration fund of moneys which are received in reimbursement of payments made as above provided for said contingent account, the commissioner shall certify to the state treasurer the amount of such reimbursement and thereupon the state treasurer shall transfer such amount from the economic security administration fund to said contingent account. All moneys in this account shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for the other special accounts in the state treasury. The state treasurer shall be liable on the treasurer's official bond for the faithful performance of duties in connection with the economic security contingent account provided for herein. Notwithstanding anything to the contrary contained herein, on June 30 of each year, except 1982, all amounts in excess of \$300,000 in this account shall be paid over to the unemployment compensation fund established under section 268.05 and administered in accordance with the provisions set forth therein.

Sec. 21. Minnesota Statutes 1986, section 268.16, subdivision 2, is amended to read:

Subd. 2. [REPORTS; DELINQUENCIES; PENALTIES.] (4) (a) Any employer who knowingly fails to make and submit to the department of jobs and training any contribution report of wages paid by or due from the employer for insured work in the manner and at the time such the report is required by rules prescribed by the commissioner shall pay to the department of jobs and training for the contingent account a penalty in the amount of 1½ percent of contributions accrued during the period for which such the report is required, for each month from and after such date until such the report is properly made and submitted to the department of jobs and training. In no case shall the amount of the penalty imposed hereby be less than \$5 per month. The maximum penalty imposed hereby shall be \$25 or the amount determined at the rate of 1½ percent per month, whichever is greater. Any employing unit which fails to make and submit to the commissioner any report, other than one of wages paid or payable for insured work, as and when required by the rules of the commissioner, shall be subject to a penalty in the sum of \$10 payable to the department of jobs and training for the contingent account. All such penalties shall be in addition to interest and any other penalties provided for by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

(2) (b) If any employing unit required by sections 268.03 to 268.24 to make and submit contribution reports shall fail to do so within the time prescribed by these sections or by rules under the authority thereof, or shall make, willfully or otherwise, an incorrect, false or fraudulent contribution report, it shall, on the written demand of the commissioner, make such contribution report, or corrected report, within ten days after the mailing of such written demand and

at the same time pay the whole contribution, or additional contribution, due on the basis thereof. If such employer shall fail within that time to make such report, or corrected report, the commissioner shall make a report, or corrected report, from the commissioner's own knowledge and from such information as the commissioner can obtain through testimony, or otherwise, and assess a contribution on the basis thereof, which contribution, plus penalties and interest which thereafter accrued (less any payments theretofore made) shall be paid within ten days after the commissioner has mailed to such employer a written notice of the amount thereof and demand for its payment. Any such contribution report or assessment made by the commissioner on account of the failure of the employer to make a report or corrected report shall be prima facie correct and valid, and the employer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto. Whenever such delinquent employer shall file a report or corrected report, the commissioner may, on finding it substantially correct, substitute it for the commissioner's report.

(c) Any employer who fails to file the wage detail report required by section 268.121 shall pay to the department for the contingent account a penalty of one-half of one percent of total wages paid and wages due but not paid during the period for each month the report is delinquent. The penalty shall not be assessed if the wage detail report is properly made and filed within 30 days after a demand for the report is mailed to the employer's address of record. In no case shall the amount of the penalty, if assessed, be less than \$25. Penalties due under this subdivision may be waived where good cause for late filing is found by the commissioner.

(d) Any employer who files the wage detail report required by section 268.121, but knowingly fails to include any of the required information or knowingly enters erroneous information, shall be subject to a penalty of \$25 for each individual for whom the information is missing or erroneous.

(e) Any employing unit which fails to make and submit to the commissioner any report, other than a contribution report or wage detail report, as and when required by rule, shall be subject to a penalty in the sum of \$50 payable to the department for the contingent account.

(f) The penalties provided for in paragraphs (a), (c), (d), and (e) are in addition to interest and any other penalties imposed by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

Sec. 22. [REPEALER.]

Minnesota Statutes 1986, section 268.04, subdivisions 29 and 30, are repealed.

Sec. 23. [EFFECTIVE DATE.]

Sections 20 and the amendment in section 11 to Minnesota Statutes 1986, section 268.07, subdivision 2, clause (d), are effective July 1, 1987. Sections 1 to 11, except for the amendment in section 11 to section 268.07, subdivision 2, clause (d), 12 to 19, 21, and 22 are effective January 1, 1988."

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. 818, A bill for an act relating to human services; establishing prepaid health plans under medical assistance; appropriating money; amending Minnesota Statutes 1986, sections 256.045, subdivision 3; 256B.02, by adding a subdivision; 256B.19, subdivision 1; 256B.69, by adding subdivisions; 256D.03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1986, section 256.966.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 256.045, subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY HEARINGS.] (a) In counties in which the commissioner of human services has not appointed a local welfare referee, any person applying for, receiving or having received any of the forms of public assistance described in subdivision 2 whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly paid, or any patient or relative aggrieved by an order of the commissioner under section 252.27, may contest that action or decision before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant, recipient, patient or relative shows good cause why the request was not submitted within the 30 day time limit.

(b) All prepaid health plans under contract to the commissioner pursuant to chapter 256B or 256D must provide for a complaint system according to section 62D.11. For persons enrolled in prepaid health plans under chapter 256B or 256D, costs paid or incurred in

filing and resolving a complaint are the responsibility of the prepaid health plan. The prepaid health plan shall issue a written resolution within 30 days of filing with the prepaid health plan.

(c) A local agency or party aggrieved by a ruling of a local welfare referee, or a party aggrieved by a ruling of a prepaid health plan, may appeal the ruling to the state agency by filing a notice of appeal with the state agency within 30 days after receiving the ruling of the local welfare referee, or the prepaid health plan. A state welfare referee shall conduct a hearing on the matter and shall recommend an order to the commissioner of human services. In appeals from rulings of local welfare referees, or prepaid health plans, the hearing may be limited, upon stipulation of the parties, to a review of the record of the local welfare referee. The commissioner need not grant a hearing if the sole issue raised by an appellant is the commissioner's authority to require mandatory enrollment in a prepaid health plan in a county where prepaid health plans are under contract with the commissioner.

(d) In a notice of appeal from a ruling of a prepaid health plan, a recipient may request an expedited hearing. The commissioner shall appoint a welfare referee to investigate and determine whether an expedited appeal is warranted. In making such a determination, the referee shall evaluate whether the medical condition of the recipient, if not immediately diagnosed and treated, could cause physical or mental disability, substantial deterioration of physical or mental health, continuation of severe pain, or death. The referee may order a second medical opinion from the prepaid health plan or order a second medical opinion from a non-prepaid health plan provider at prepaid health plan expense. If the referee determines that an expedited appeal is warranted, the referee shall hear the appeal and render a decision within a time commensurate with the level of urgency involved, based on the individual circumstances of the case. In urgent or emergency situations in which a prepaid health plan provider has prescribed treatment, and the prepaid health plan has denied authorization for that treatment, the referee may order the health plan to authorize such treatment pending the outcome of the appeal if an expedited hearing would not prevent disability, deterioration, severe pain, or death.

Sec. 2. Minnesota Statutes 1986, section 256B.02, is amended by adding a subdivision to read:

Subd. 12. [PREPAID HEALTH PLAN.] "Prepaid health plan" means a vendor who receives a capitation payment and assumes financial risk for the provision of medical assistance services under a contract with the commissioner.

Sec. 3. Minnesota Statutes 1986, section 256B.19, subdivision 1, is amended to read:

Subdivision 1. [DIVISION OF COST.] The cost of medical assistance paid by each county of financial responsibility shall be borne as follows: Payments shall be made by the state to the county for that portion of medical assistance paid by the federal government and the state on or before the 20th day of each month for the succeeding month upon requisition from the county showing the amount required for the succeeding month. Ninety percent of the expense of assistance not paid by federal funds available for that purpose shall be paid by the state and ten percent shall be paid by the county of financial responsibility.

For counties that participate in a medicaid demonstration project under sections 256B.69 and 256B.71, the division of the nonfederal share of medical assistance expenses for payments made to prepaid health plans or for payments made to health maintenance organizations in the form of prepaid capitation payments, this division of medical assistance expenses shall be 95 percent by the state and five percent by the county of financial responsibility.

State contracts with health maintenance organizations shall assure medical assistance recipients of at least the comprehensive health maintenance services defined in section 62D-02, subdivision 7. The contracts shall require health maintenance organizations to provide information to the commissioner concerning the number of people receiving services, the number of encounters, the type of services received, evidence of an operational quality assurance program pursuant to section 62D-04 and information about utilization.

In counties where prepaid health plans are under contract to the commissioner to provide services to medical assistance recipients, the cost of court ordered treatment ordered without consulting the prepaid health plan that does not include diagnostic evaluation, recommendation, or and referral for treatment by the prepaid health plan is the responsibility of the county of financial responsibility.

Sec. 4. [256B.031] [PREPAID HEALTH PLANS.]

Subdivision 1. [CONTRACTS.] The commissioner may contract with health insurers licensed and operating under chapters 60A and 62A, nonprofit health service plans licensed and operating under chapter 62C, health maintenance organizations licensed and operating under chapter 62D, and vendors of medical care and organizations participating in prepaid programs under section 256D.03, subdivision 4, clause (b) to provide medical services to medical assistance recipients. Contracts between the commissioner and a prepaid health plan are exempt from the set-aside and preference provisions of section 16B.19, subdivisions 5 and 6. Contracts must specify the services that are included in the per capita rate. Contracts must specify those services that are to be eligible for risk sharing between the prepaid health plan and the state. Contracts

must also state that payment must be made within ten days of the first of the month of coverage.

Subd. 2. [SERVICES.] State contracts for these services must assure recipients of at least the comprehensive health services defined in section 256B.02, subdivision 8, except services defined in section 256B.02, subdivision 8, paragraphs (2), (5), (6), (7), (16), and (17), and except services defined as chemical dependency services and mental health services.

Contracts under this section must include provision for assessing pregnant women to determine their risk of poor pregnancy outcome. Contracts must also include provision for treatment of women found to be at risk of poor pregnancy outcome.

Subd. 3. [INFORMATION REQUIRED.] Prepaid health plans under contract must provide information to the commissioner according to the contract specifications. The information must include, but not be limited to, the number of people receiving services, the number of encounters, the types of services received, evidence of an operating quality assurance program, and information about the use of and actual recoveries of available third-party resources.

Subd. 4. [PREPAID HEALTH PLAN RATES.] For payments made during calendar year 1988, the monthly maximum allowable rate established by the commissioner of human services for payment to prepaid health plans must not exceed 90 percent of the projected averaged monthly per capita fee-for-service medical assistance costs for state fiscal year 1988 for recipients of aid to families with dependent children and the monthly maximum allowable rate for payment to prepaid plans must not exceed 95 percent of the projected average monthly per capita fee-for-service medical assistance costs for state fiscal year 1988 for recipients who are over age 65, are eligible for medicare parts A and B, are not residents of long-term care facilities, and do not have an income spend-down. The base year for projecting the average monthly per capita fee-for-service medical assistance costs is state fiscal year 1986. A maximum allowable per capita rate must be established collectively for Anoka, Carver, Dakota, Hennepin, Ramsey, St. Louis, Scott, and Washington counties. A separate maximum allowable per capita rate must be established for all other counties within each prepaid health plan's service area. The maximum allowable per capita rate may be adjusted to reflect utilization differences among eligible classes of recipients. For payments made during calendar year 1989, the maximum allowable rate must be calculated in the same way as 1988 rates, except the base year is state fiscal year 1987. For payments made during calendar year 1990 and later years, the commissioner shall contract with an independent actuary to establish prepayment rates. Rates established for prepaid health plans must be based on the services that the prepaid health plan provides under contract with the commissioner.

Subd. 5. [FREE CHOICE LIMITED.] In counties where there are two or more prepaid health plans under contract, the commissioner may require the following recipients to enroll in a prepaid health plan: (a) those who receive aid to families with dependent children; and (b) those who are over age 65, are eligible for Medicare parts A and B, are not residents of long-term care facilities, and do not have an income spend-down. Recipients required to enroll must receive services from or through the prepaid health plan.

Enrollment in a prepaid health plan is mandatory for recipients who become eligible on or after December 1, 1987. If the recipient does not choose a health plan within 20 days of being determined eligible for medical assistance or aid to families with dependent children, the commissioner shall randomly assign the recipient to a health plan. Those recipients who are eligible on November 30, 1987, must choose a prepaid health plan by December 20, 1987. If a recipient does not choose a prepaid health plan by December 20, 1987, the commissioner shall randomly assign the recipient to a health plan. Each recipient shall be enrolled in the health plan for a minimum period of six months following the effective date of enrollment, except that the recipient may change health plans once within the first 60 days after initial enrollment. The commissioner shall request a waiver from the federal Health Care Financing Administration to extend the minimum period to 12 months. Enrollment in a prepaid health plan is mandatory only when recipients have a choice of at least two prepaid health plans.

Women who are receiving medical assistance due to pregnancy and later become eligible for aid to families with dependent children are not required to choose a prepaid health plan until 60 days postpartum. An infant born as a result of that pregnancy must be enrolled in a prepaid health plan at the same time as the mother.

If third-party coverage is available to a recipient through enrollment in a prepaid health plan through employment, through coverage by the former spouse, or if a duty of support has been imposed by law, order, decree, or judgment of a court under section 518.551, the obligee or recipient shall participate in the prepaid health plan in which the obligee has enrolled provided that the commissioner has contracted with the plan.

Subd. 6. [OMBUDSMAN.] The commissioner shall designate an ombudsman to advocate for persons required to enroll in prepaid health plans under this section. The ombudsman shall advocate for recipients enrolled in prepaid health plans through complaint and appeal procedures and ensure that necessary medical services are provided either by the prepaid health plan directly or by referral to appropriate social services. At the time of enrollment in a prepaid health plan, the local agency shall inform recipients about the ombudsman program and their right to a resolution of a complaint

by the prepaid health plan if they experience a problem with the plan or its providers.

Subd. 7. [PREPAYMENT COORDINATOR.] The local agency shall designate a prepayment coordinator to assist the state agency in implementing this section, section 256B.69, and section 256D.03, subdivision 4. Such assistance shall include educating recipients about available health care options; enrolling recipients pursuant to subdivision 5; providing necessary eligibility and enrollment information to health plans and the state agency; and coordinating complaints and appeals with the ombudsman established in subdivision 6.

Sec. 5. Minnesota Statutes 1986, section 256B.69, subdivision 6, is amended to read:

Subd. 6. [SERVICE DELIVERY.] Each demonstration provider shall be responsible for the health care coordination for eligible individuals. Demonstration providers:

(a) Shall authorize and arrange for the provision of all needed health services including but not limited to the full range of services listed in section 256B.02, subdivision 8, in order to ensure appropriate health care is delivered to enrollees;

(b) Shall accept the prospective, per capita payment from the commissioner in return for the provision of comprehensive and coordinated health care services for eligible individuals enrolled in the program;

(c) May contract with other health care and social service practitioners to provide services to enrollees; and

(d) Shall institute recipient grievance procedures according to the method established by the project, utilizing applicable requirements of chapter 62D. Disputes not resolved through this process shall be appealable to the commissioner as provided in subdivision 11.

Demonstration providers must comply with the standards for claims settlement under section 72A.20, subdivision 12a, paragraphs (d), (e), (g), and (h) when contracting with other health care and social service practitioners to provide services to enrollees. A demonstration provider must pay a claim within 30 business days of the date of acceptance of the claim.

Sec. 6. Minnesota Statutes 1986, section 256B.69, subdivision 11, is amended to read:

Subd. 11. [APPEALS.] A recipient may appeal to the commissioner a demonstration provider's delay or refusal to provide ser-

vices. The commissioner shall appoint a panel of health practitioners, including social service practitioners, as necessary to determine the necessity of services provided or refused to a recipient. The deliberations and decisions of the panel replace the administrative review process otherwise available under this chapter 256. The panel shall follow the time requirements and other provisions of the Code of Federal Regulations, title 42, sections 431.200 to 431.246. The time requirements shall be expedited based on request by the individual who is appealing for emergency services. If a service is determined to be necessary and is included among the benefits for which a recipient is enrolled, the service must be provided by the demonstration provider as specified in subdivision 5. The panel's decision is a final agency action that may be appealed under the contested case provisions of chapter 14.

Sec. 7. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 12. [JUDICIAL REVIEW.] A party aggrieved by an order of the panel may appeal the order to the district court of the county responsible for furnishing assistance by serving a written copy of a notice of appeal upon the commissioner and any adverse party of record within 30 days after the date the panel issued the order, and by filing the original notice and proof of service with the court administrator of the district court. Service may be made personally or by mail. Service by mail is complete upon mailing. No filing fee shall be required by the court administrator in appeals taken under this subdivision. The commissioner may elect to become a party to the proceedings in the district court. Any party may demand that the commissioner furnish all parties to the proceedings with a copy of the decision, and a transcript of any testimony, evidence, or other supporting papers from the hearing held before the panel, by serving a written demand on the commissioner within 30 days after service of the notice of appeal.

Sec. 8. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 13. [HEARING.] A party may obtain a hearing at a special term of the district court by serving a written notice of the time and place of the hearing at least ten days before the date of the hearing. The court may consider the matter in or out of chambers, and shall take no new or additional evidence unless it determines that the evidence is necessary for a more equitable disposition of the appeal.

Sec. 9. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 14. [APPEAL.] A party aggrieved by the order of the district court may appeal the order as in other civil cases. No costs or

disbursements shall be taxed against a party nor shall any filing fee or bond be required of a party.

Sec. 10. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 15. [PAYMENTS PENDING APPEAL.] If the panel or district court orders services paid or provided in any proceeding under this section, it must be paid or provided pending appeal to the district court, court of appeals, or supreme court.

Sec. 11. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 16. [PROJECT EXTENSION.] Minnesota Rules, parts 9500.1450; 9500.1451; 9500.1452; 9500.1453; 9500.1454; 9500.1455; 9500.1456; 9500.1457; 9500.1458; 9500.1459; 9500.1460; 9500.1461; 9500.1462; 9500.1463; and 9500.1464 are extended until December 31, 1990.

Sec. 12. Minnesota Statutes 1986, section 256D.03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and X-ray services, physician's services, medical transportation, chiropractic services as covered under the medical assistance program, podiatric services, and dental care. In addition, payments of state aid shall be made for day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in

counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8. The rates payable under this section must be calculated according to section 256.966, subdivision 2 4, subdivision 4.

(c) The commissioner of human services may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions.

For the period July 1, 1985, to December 31, 1985, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent.

For the period January 1, 1986 to December 31, 1986, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 20 percent; payments for all other inpatient hospital care may be reduced no more than 15 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period January 1, 1987 to June 30, 1987, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than ten percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.

(d) Any county may, from its own resources, provide medical payments for which state payments are not made.

(e) Chemical dependency services that are reimbursed under Laws 1986, chapter 394, sections 8 to 20, must not be reimbursed under general assistance medical care.

Sec. 13. [APPROPRIATION.]

\$243,400 is appropriated from the general fund to the commissioner of human services to administer sections 1 to 12. \$100,000 in fiscal year 1988 and \$100,000 in fiscal year 1989 are to be used to fund three permanent new staff positions in the department of human services. \$43,400 in fiscal year 1988 is to be used to fund five temporary positions in the department of human services. If the temporary staff members are not needed until 1989, the \$43,400 does not cancel and is available to be used in fiscal year 1989.

Sec. 14. [REPEALER.]

Minnesota Statutes 1986, sections 256.966, subdivision 2, and 256B.05, subdivision 4, are repealed.

Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 14 are effective July 1, 1987."

Amend the title as follows:

Page 1, line 6, after "256B.69," insert "subdivisions 6, 11, and"

Page 1, line 9, delete "section" and insert "sections" and after "256.966" insert ", subdivision 2; and 256B.05, subdivision 4"

With the recommendation that when so amended 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. 830, A bill for an act relating to state energy contracts; imposing additional requirements on bidders for state energy effi-

ciency installment purchase contracts; amending Minnesota Statutes 1986, section 16B.16, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

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

Subdivision 1. (a) The commissioner ~~shall~~ may contract to purchase by installment payments capital or other equipment or services intended to improve the energy efficiency of a state building or facility if:

(1) the term of the contract does not exceed ten years;

(2) the entire cost of the contract is a percentage of the resultant savings in energy costs;

(3) the contract for purchase is competitive; and

(4) the commissioner has determined that the contract bidder is a responsible bidder under rules adopted by the commissioner, has adequately performed all previous contracts with the state, and has either established a record of promptly paying all its suppliers and subcontractors or has made secure provisions for doing so in connection with the current contract for goods delivered and services rendered;

(5) the contract bidder can finance or obtain financing for the performance of the contract without state assistance or guarantee; and

(6) the state may unilaterally cancel the agreement if the legislature fails to appropriate funds to continue the contract or if the contractor at any time during the term of the contract fails to provide or maintain the equipment to provide the services, or otherwise to meet specifications for performance.

The commissioner may spend money appropriated for energy costs in payment of a contract under this section.

(b) For purposes of clause (a), "contract bidder" means a sole proprietorship, firm, corporation, or other business entity submitting a bid or, if the entity submitting the bid is a new enterprise, a person having a ten percent or greater financial interest in the entity who has or has had a ten percent or greater financial interest in any other entity that has entered into past contracts with the state or other purchasers."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 837, A bill for an act relating to natural resources; creating the state board of water and soil resources and providing for its administration and powers and duties; abolishing the state soil and water conservation board and the water resources board; amending the duties of the environmental quality board; amending Minnesota Statutes 1986, sections 40.01, subdivision 4; 40.03, subdivision 4; 40.035, subdivision 2; 40.21, subdivisions 1 and 3; 40.43, subdivision 1; 105.73; 110B.02, subdivision 2; 112.35, subdivision 4; 116C.03, subdivision 2; 473.876, by adding a subdivision; 473.877, subdivision 2; 473.8771, subdivisions 1 and 2; and 473.878, subdivisions 7 and 8; proposing coding for new law in Minnesota Statutes, chapter 110B; repealing Minnesota Statutes 1986, sections 40.03, subdivisions 1, 1a, 2, and 3; 105.71; 116C.40, subdivision 3; and 116C.41, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 24, delete "SOIL" and insert "LAND"

Page 1, line 25, delete "soil" and insert "land"

Page 4, line 3, delete "soil" and insert "land"

Page 4, line 25, delete "soil" and insert "land"

Page 4, line 36, delete "soil" and insert "land"

Page 5, line 22, delete "soil" and insert "land"

Page 5, line 23, delete "SOIL" and insert "LAND"

Page 5, line 25, delete "soil" and insert "land"

Page 5, line 27, delete "13" and insert "20"

Page 5, line 29, delete "state or"

Page 5, line 36, delete "three" and insert "four"

Page 6, line 5, delete "and"

Page 6, delete line 6 and insert:

“(5) three members at large, who for an initial term of one year only shall be soil and water conservation district supervisors and thereafter shall have terms as provided in subdivision 5;

(6) the chair of the environmental quality board or designee;

(7) the commissioner of agriculture or designee;

(8) the commissioner of natural resources or designee; and

(9) the director of the pollution control agency or designee.”

Page 6, delete lines 23, 24, 26, and 28.

Page 6, line 25, delete “(3)” and insert “(1)”

Page 6, line 27, delete “(5)” and insert “(2)” and after the semicolon insert “and”

Page 6, line 29, delete “(7)” and insert “(3)”

Page 6, line 30, after “members” insert “, except for the members in subdivision 1, clauses (6) to (9),”

Page 7, line 3, after “subdivision” insert “and subdivision 1”

Page 7, line 6, delete everything after the period

Page 7, delete line 7

Page 7, line 11, after the period insert “All classified and unclassified state employees involved in the implementation and administration of the duties of the state soil and water conservation board and the water resources board, are eligible to be transferred to the board of water and land resources in the classified service of the state without examination.”

Page 7, line 20, after “a” insert “chair and”

Page 8, line 32, delete “soil” and insert “land”

Page 9, line 4, delete “soil” and insert “land”

Page 9, line 13, delete “soil” and insert “land”

Page 9, line 21, delete “soil” and insert “land”

Page 9, line 31, delete "soil" and insert "land"

Page 11, line 19, delete "soil" and insert "land"

Page 12, line 17, delete "soil" and insert "land"

Page 12, line 20, delete "soil" and insert "land"

Page 12, line 28, delete "soil" and insert "land"

Page 12, line 36, delete "soil" and insert "land"

Page 13, line 6, delete "soil" and insert "land"

Page 13, delete lines 8 to 36

Page 14, delete line 1

Page 14, line 6, delete "soil" and insert "land"

Page 14, line 8, delete "soil" and insert "land"

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 3, delete "soil" and insert "land"

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 846, A bill for an act relating to education; providing options for swimming classes in public schools; proposing coding for new law in Minnesota Statutes, chapter 126.

Reported the same back with the following amendments:

Page 1, line 12, after the comma insert "if in the best interest of the children and for nondiscriminatory purposes, and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations 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 6, line 7, delete "conduct an audit of" and insert "review"

Page 7, line 27, after "agriculture," insert "department of health,"

Page 7, line 28, after "service," insert "University of Minnesota agricultural experiment stations, United States Army Corps of Engineers,"

Page 7, line 33, after "Cities," insert "Minnesota Association of Townships,"

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. 905, A bill for an act relating to horse racing; requiring the assigning of suitable racing days for standard-bred racing; authorizing the racing commission to issue an additional license for a racetrack located within the seven-county metropolitan area under certain circumstances; amending Minnesota Statutes 1986, sections 240.06, subdivision 5; and 240.14, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 240.06, is amended by adding a subdivision to read:

Subd. 5a. [ADDITIONAL LICENSE; METROPOLITAN AREA.] Notwithstanding subdivision 5, the commission may issue one additional class A license within the seven-county metropolitan

area, provided that the additional license may only be issued for a facility:

(1) containing a track no larger than five-eighths of a mile in circumference;

(2) used exclusively for standardbred racing; and

(3) not owned or operated by a governmental entity or a nonprofit organization.

Sec. 2. Minnesota Statutes 1986, section 240.14, subdivision 1, is amended to read:

Subdivision 1. [ASSIGNMENT OF RACING DAYS.] The commission shall assign racing days to each racetrack licensee authorized to conduct racing with pari-mutuel betting, and a licensee may conduct racing with pari-mutuel betting only on a racing day assigned by the commission. The assignment of days and times of racing to a facility licensed under section 240.06, subdivision 5a, shall not prevent the commission from assigning to a racetrack in existence on January 1, 1987, the same or overlapping racing days or times. The commission may not assign nonstandardbred racing days for a racetrack licensed under section 240.06, subdivision 5a. In the assignment of racing days to any Class B licensee located within the seven-county metropolitan area, the existence of overlapping racing days and times shall not be criteria. The commission may assign racing days for up to three years beyond the year in which the assignment is made. Assignments of racing days in any year must be made by December 31 of the previous year, except that days may be assigned after that date to a licensee whose license is issued after that date."

Delete the title and insert:

"A bill for an act relating to horse racing; authorizing the racing commission to issue an additional license for a racetrack in the seven-county metropolitan area to be used for standardbred racing; amending Minnesota Statutes 1986, sections 240.06, by adding a subdivision; and 240.14, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 952, A bill for an act relating to appropriations; appropriating funds to the city of Waseca for lake rehabilitation.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 998, A bill for an act relating to the University of Minnesota; providing for development and research on health care delivery systems for dairy herds; appropriating money.

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

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1042, A bill for an act relating to motor carriers; exempting drivers of intrastate charter carriers from having in possession a medical examiner certificate if the driver has a school bus endorsement; amending Minnesota Statutes 1986, section 221.031, by adding a subdivision.

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. 1054, A bill for an act relating to vocational rehabilitation; limiting grants to sheltered workshops; providing for use of community-based employment; regulating and defining vocational rehabilitation programs; amending Minnesota Statutes 1986, sections 129A.01; 129A.03; 129A.06; 129A.07; and 129A.08.

Reported the same back with the following amendments:

Page 10, line 5, after "~~to~~" insert "an average of"

Page 10, line 7, after "all" insert "individual"

Page 10, line 7, delete ", however, 100"

Page 10, delete lines 8 and 9

Page 10, line 10, delete "commissioner"

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. 1112, A bill for an act relating to human services; defining directors, officers, and partners as vendors of medical care for the purpose of medical assistance; allowing the commissioner to charge interest on money recovered from certain medical assistance providers; allowing sanction authority; amending Minnesota Statutes 1986, sections 256B.02, subdivision 7; 256B.064, subdivision 1c; and 256B.27, subdivisions 3 and 4.

Reported the same back with the following amendments:

Page 2, line 5, after the period insert "However, the terms shall not include directors and officers of corporations who do not personally receive a portion of the distributed assets upon liquidation or dissolution."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1113, A bill for an act relating to state departments and agencies; abolishing the Minnesota humane society as a state agency and authorizing its formation as a state federation of county and district societies; providing for the powers and duties of county and district societies and for the prevention of cruelty to animals; amending Minnesota Statutes 1986, sections 16B.51, subdivision 1; 43A.27, subdivision 2; 343.01; 343.06; 343.10; 343.12; 343.22, subdivision 1; 343.29, subdivision 1; 346.37, subdivision 6; and 347.37; repealing Minnesota Statutes 1986, section 343.08.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1120, A bill for an act relating to grain grading and testing; providing that state grades and test results may be the basis

for market price; amending Minnesota Statutes 1986, section 17B.05.

Reported the same back with the following amendments:

Page 1, lines 15 and 16, strike "of at least three quarts"

Page 2, line 24, before the period insert "subject to the United States Grain Standards Act under Code of Federal Regulations, title 7, sections 800.0 to 800.219 et seq"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1144, A bill for an act relating to special school district No. 1, Minneapolis; requiring a subsidy be paid to Minneapolis retired teachers for health insurance; authorizing a levy.

Reported the same back with the following amendments:

Page 1, line 10, delete "special" and "district No. 1, Minneapolis," and insert "districts"

Page 1, line 25, delete "the Minneapolis" and insert "any Minne-
sota"

Page 2, line 1, delete "association"

Page 2, line 27, delete "special school" and insert "the" and delete "No. 1"

Amend the title as follows:

Page 1, line 2, delete "special school district No. 1,"

Page 1, line 3, delete "Minneapolis" and insert "education"

Page 1, line 4, delete "Minneapolis"

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

The report was adopted.

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

H. F. No. 1147, A bill for an act relating to education; age for redemption of shares in the supplemental retirement investment fund; amending Minnesota Statutes 1986, section 136.82, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1986, section 136.81, subdivision 3, is amended to read:

Subd. 3. Prior to July 1 of each year, Each person described in section 136.80, subdivision 1, may indicate in writing, on forms provided by the executive director of the teachers retirement fund, the account of the Minnesota supplemental retirement investment fund in which salary deductions and state matching funds attributable to salary deductions be invested for the year beginning July 1. For that year and thereafter until a different written indication is made, the executive director of the teachers retirement fund shall purchase with the salary deductions and state matching funds attributable to the salary deductions shares in the account of the Minnesota supplemental retirement investment fund chosen by the person elect to purchase shares in one or a combination of the income share account, the growth share account, the money market account, the bond market account, or the common stock index account established in section 11A.17. The person may elect to participate in one or more of the investment accounts in the fund by specifying, on a form provided by the executive director of the teachers retirement fund, the percentage of salary deductions and state matching funds to be used to purchase shares in each of the accounts.

Twice in any calendar year, each person described in section 136.80, subdivision 1, may indicate in writing on forms provided by the teachers retirement association a choice of options for subsequent purchases of shares. Thereafter until a different written indication is made, the executive director shall purchase shares in the supplemental fund as selected.

A change in choice of investment option shall be effective no later than the first pay date first occurring after 30 days following the receipt of the request for a change.

Twice in any calendar year a person described in section 136.80, subdivision 1, may also change the investment options selected for all or a portion of the person's shares previously purchased. If a partial transfer is made a minimum of \$1,000 must be transferred

and a minimum balance of \$1,000 must remain in the previously selected investment option. A change is restricted to a transfer from one or more accounts to a single account. Changes in investment options for the person's shares shall be effected as soon as cash flow to an account practically permits but not later than six months after the requested change.

If a person fails to indicate a choice as provided herein, the executive director of the teachers retirement fund shall purchase shares in the income account of the Minnesota supplemental retirement investment fund for the coming year. The shares so purchased shall stand in the name of the board of trustees of the teachers retirement fund, but a record shall be kept indicating the number of shares in each account of the Minnesota supplemental retirement investment fund purchased with the salary deductions and state matching funds attributable to the salary deductions of each person. The record shall be known as the "employee's share account record." The employee's share account record shall show, in addition to the number of shares therein, any cash balance of salary deductions or state matching funds attributable to those deductions which stands uninvested in shares."

Page 1, line 11, strike "retirement"

Page 1, line 14, strike "retirement"

Page 3, after line 33, insert:

"Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1988."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to retirement; state university and community college supplemental retirement plan; reducing the age for the redemption of investment shares; investment options; amending Minnesota Statutes 1986, sections 136.81, subdivision 3; and 136.82, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1155, A bill for an act relating to public safety; regulating boilers and their operation; amending Minnesota Statutes 1986, sections 183.375, subdivision 2; 183.411, by adding a subdivision; 183.42; 183.545, subdivision 4; and 183.56; repealing Minnesota Statutes 1986, section 183.545, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 13, reinstate the stricken language and after "and" insert "may appoint"

Page 1, line 14, reinstate "chief"

Page 1, lines 23 and 24, reinstate the stricken language and delete the new language

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1170, A bill for an act relating to state government; prohibiting certain mandated leaves of absence for state employees; amending Minnesota Statutes 1986, section 43A.32, subdivision 2, and by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 12, reinstate the stricken language and delete the new language

Page 1, lines 23 to 25, reinstate the stricken language

Page 2, line 1, reinstate the stricken language

Page 2, line 4, delete "clause (a)" and insert "clauses (a) and (c)"

Page 2, line 7, delete "clause (a)" and insert "clauses (a) and (c)"

Page 2, line 12, before "executive" insert "unclassified service of the"

Page 2, line 13, after "upon" insert "assuming any elected public office,"

Page 2, line 14, before the period insert "unless, in the opinion of the commissioner, the office or the candidacy conflicts with regular state employment" and after the period insert "All requests for opinions of the commissioner shall follow the process set out in subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1213, A bill for an act relating to retirement; teachers retirement association; making various changes in the law governing the association for the purpose of facilitating administration of retirement benefits and contributions; amending Minnesota Statutes 1986, sections 354.05, subdivision 35, and by adding a subdivision; 354.06, subdivision 1; 354.07, subdivision 3; 354.094, subdivision 1; 354.44, subdivision 5; 354.46, subdivision 5; 354.48, subdivision 7; 354.51, subdivision 5; 354.55, subdivision 11; 354.62, subdivision 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 354.44, subdivision 1a.

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. 1264, A bill for an act relating to the Minnesota state historical society; providing for preservation and interpretation of public areas of the state capitol; amending Minnesota Statutes 1986, section 138.67; proposing coding for new law in Minnesota Statutes, chapter 138.

Reported the same back with the following amendments:

Page 1, line 11, after "art" delete "of" and insert "for visitors to"

Page 1, line 13, after "purpose" insert "in public areas, galleries, and orientation areas"

Page 2, line 18, after "areas" delete "of" and insert "for visitors to"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Future and Technology to which was referred:

H. F. No. 1315, A bill for an act relating to state agencies; establishing a telecommunications and computer expenditure committee.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 16B.41, is amended to read:

16B.41 [STATE INFORMATION SYSTEMS ADVISORY TASK FORCE MANAGEMENT OFFICE.]

Subdivision 1. [ESTABLISHMENT AND PURPOSE.] The commissioner shall create an office of information systems management to develop and establish a policy and standards for state agencies to follow for the development, purchase, and training for information systems. The purpose of the office is to develop, promote, and coordinate a state technology architecture, standards and guidelines, information needs analysis techniques and contracts for the purchase of equipment, servicing, and training of state agency personnel.

Subd. 2. [RESPONSIBILITIES.] The office shall have the following duties:

(a) The office must develop and establish a state information architecture to ensure that further state agency development and purchase of information systems equipment and software is directed in such a manner that individual agency information systems complement and do not duplicate or conflict with the systems of other agencies. The development of this information architecture may include the establishment of standards and guidelines to be followed by state agencies.

(b) The office shall assist state agencies in the planning and management of information systems so that an individual informa-

tion system reflects and supports the state agency's mission, requirements, and functions.

(c) The office must review and approve major purchases of information systems equipment to ensure that the equipment follows the guidelines of the state information architecture, is consistent with the information management principles endorsed by the information policy council, whether or not the state agency request reflects a cost-effective policy regarding volume purchasing, and the equipment is not inconsistent with other systems in other state agencies so that data cannot be shared among agencies.

(d) The office shall review the operation of information systems by state agencies and provide advice and assistance so that these systems are operated efficiently and continually meet the standards and guidelines established by the office.

Subd. 3. [ADVISORY TASK FORCE.] The commissioner may must appoint a state information systems advisory task force to help the department develop and coordinate a state information services master plan architecture and make recommendations to the commissioner concerning the progress, direction, and needs of the state's computerization effort information systems. The task force must include representatives of state agencies, higher education systems, librarians, and private industry. The task force must also have two members of the house of representatives appointed by the speaker of the house and two members of the senate appointed by the senate committee on committees. No more than one member from the house of representatives and one from the senate shall be of each political party. The task force expires and the terms, compensation, and removal of nonlegislative members are as provided in section 15.059."

Amend the title as follows:

Page 1, line 3, after "committee" insert "; amending Minnesota Statutes 1986, section 16B.41"

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1445, A bill for an act relating to agriculture; appropriating money for a deficiency in the appropriation for farmer-lender mediation.

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

The report was adopted.

Reding from the Committee on Future and Technology to which was referred:

H. F. No. 1453, A bill for an act relating to economic development; providing for review of state-funded scientific and technologically related research; creating a division of science and technology within the department of energy and economic development; creating research review committees and providing for their powers and duties; amending Minnesota Statutes 1986, section 116J.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1986, section 116J.94.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 116J.01, subdivision 3, is amended to read:

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06. The department shall be organized into ~~four~~ five divisions, which shall be designated the energy division, the community development division, the economic development division, the science and technology division, and the financial management division; and the office of tourism. Each division and office is responsible for administering the duties and functions assigned to it by law. When the duties of the divisions or office are not allocated by law, the commissioner may establish and revise the assignments of each division and office. Each division shall be under the direction of a deputy assistant commissioner in the unclassified service. The office of tourism is under the direction of a director of tourism in the unclassified service. The governor shall appoint the director of tourism and the assistant commissioner for science and technology.

Sec. 2. [116J.970] [SCIENCE AND TECHNOLOGY RESEARCH DIVISION.]

Subdivision 1. [DUTIES.] The science and technology division shall:

(1) provide assistance to the committee on science and technology research and development established in section 3;

(2) prepare and deliver to the legislature every January 15, a science and technology annual report that shall contain:

(i) a list of the scientifically and technologically related research and development projects and development activities funded by a grant or loan of state money;

(ii) guidelines that the legislature may use in allocating state grant or loan money for scientifically and technologically related research and development projects, to include assessments of emerging technologies and those technologies that provide significant promise for the development of job-creating businesses; and

(iii) an analysis of the efficacy and completeness of the decentralized research peer review processes mandated in section 3, subdivision 5, with special emphasis on whether or not scientifically and technologically related research and development projects in Minnesota are in conformance with the guidelines established in (ii), and whether or not the scientifically and technologically related research and development projects have or will result in creating scientifically and technologically related jobs;

(3) keep a current roster of technology intensive businesses in the state;

(4) collect and disseminate information on financial, technical, marketing, management, and other services available to technology intensive small and emerging businesses, including potential sources of debt and equity capital;

(5) review the technological development potential of various regions of the state and cooperate with and make recommendations to the legislature, state agencies, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of the development potential;

(6) sponsor and conduct conferences and studies, collect and disseminate information, and issue periodic reports relating to scientifically and technologically related research and development, and education in the state and represent the state at appropriate interstate and national conferences; and

(7) take other action as assigned by the commissioner.

Sec. 3. [116J.971] [COMMITTEE ON SCIENCE AND TECHNOLOGY RESEARCH AND DEVELOPMENT.]

Subdivision 1. [COMMITTEE CREATED; MEMBERSHIP.] There is created the permanent committee on science and technology

research and development. The chair and eight members of the committee shall be appointed by the governor. The first chair shall be appointed to serve from July 1, 1987, to January 1, 1990. Thereafter, the chairs will serve for terms of four years. Three of the eight members initially appointed by the governor have terms from July 1, 1987, to January 1, 1993; three have terms from July 1, 1987, to January 1, 1991; and two have terms from July 1, 1987, to January 1, 1989. Thereafter, all members of the committee appointed by the governor except the chair have terms of six years. One member of the committee shall be appointed by the speaker of the house of representatives at the beginning of each biennium to serve for two years. One member of the committee shall be appointed by the minority leader of the house of representatives at the beginning of each biennium to serve for two years. One member of the committee shall be appointed by the majority leader of the senate at the beginning of each biennium to serve for two years. One member shall be appointed by the minority leader of the senate at the beginning of each biennium to serve for two years.

Subd. 2. [QUALIFICATIONS AND DUTIES OF THE PERMANENT COMMITTEE.] The permanent committee on science and technology research and development shall be comprised of persons qualified in at least one of the four following areas: academic and applied research, the administration of research, the review of research processes, and the management and development of technology intensive companies. The duties of the permanent committee are to:

(i) advise upon and approve by a majority vote the guidelines required by section 2, clause (2), item (ii);

(ii) advise the assistant commissioner for science and technology on the preparation of the analysis required by section 2, clause (2), item (iii);

(iii) approve the assignment of ad hoc advisory committees on science and technology research and development as needed; and

(iv) review and comment upon, if the committee considers it to be necessary, the reports of the ad hoc advisory committees and forward the reports to the deputy commissioner.

Subd. 3. [AD HOC ADVISORY COMMITTEES.] To perform the acts required by section 2, clause (2), the permanent committee on science and technology research and development may, from time to time, approve the creation and use of ad hoc advisory committees composed of 3 to 15 members each. The assistant commissioner shall determine those persons in the state technically qualified for service on ad hoc advisory committees and keep a roster of the names of those persons. Members of the permanent committee on science and technology research and development may be ad hoc committee

members, but members of the permanent committee may not be a majority of an ad hoc committee.

Subd. 4. [COMPENSATION.] Members of the permanent committee on science and technology research and development and of the ad hoc advisory committees shall receive no compensation but shall be paid their expenses under section 15.059, subdivision 6.

Subd. 5. [PEER REVIEW PLANS.] A state agency, board, commission, authority, or institution that funds scientifically and technologically related research shall establish a peer review system to evaluate the research. The permanent committee on science and technology research and development shall recommend guidelines for establishing effective peer review. An agency, board, commission, authority, or institution that funds scientifically and technologically related research shall, at least biennially, present to the permanent committee or to ad hoc committees, as determined by the permanent committee, a review and evaluation of the peer review process used in that organization.

Subd. 6. [AUTHORITY TO PERFORM REQUESTED EVALUATIONS.] The governor, commissioner or assistant commissioner for science and technology, speaker, house minority leader, senate majority leader, senate minority leader, chair of the house appropriations committee, chair of the senate finance committee, or any member of the legislature considering the introduction or approval of legislation containing funding for scientifically and technologically related research and development, may request the permanent committee on science and technology research and development to evaluate a loan or grant made or to be made or the proposed legislation for funding scientifically and technologically related research and development to determine (1) whether it complies with the guidelines required by section 2, clause (2), item (ii); (2) whether it is technically feasible; and (3) for development proposals, whether the proposal appears to have the potential for economic development. Ad hoc committees may be appointed by the permanent committee to perform these reviews.

Subd. 7. [AUTHORITY FOR REVIEW AND COMMENT UPON RESEARCH AND DEVELOPMENT PROGRAMS.] Each agency, board, commission, authority or institution receiving an appropriation for the funding of scientifically and technologically related research and development shall notify the permanent committee within 30 days of making a loan or grant for scientifically or technologically related research and development. The notice shall contain a copy of the grant or loan application and any contract or agreement under which the loan or grant was made. The permanent committee on scientific and technological research and development shall, at least once each biennium, review scientifically and technologically related research funded by a state agency, board, commission, authority, or institution to assess whether or not the research

and development is conducted in accordance with the guidelines required by section 2, clause (2), item (ii). The committee's assessment shall be sent to the legislature on or before January 15 of every odd-numbered year.

Subd. 8. [STAFF APPOINTMENTS.] The assistant commissioner for science and technology shall appoint those staff members in the classified and unclassified services necessary to perform the functions of the science and technology division. The assistant commissioner shall appoint in the unclassified service an executive director of the permanent committee on science and technology research and development, who shall report to the assistant commissioner. The executive director must hold a post baccalaureate degree in scientific or technologically related studies, or demonstrate experience in technological policy formulation.

Sec. 4. [RESEARCH LINE ITEMS REQUIRED.]

The commissioner of finance shall establish budget line items that specifically identify funds used for scientifically and technologically related research and development.

Sec. 5. [APPROPRIATION; SUMMER PROGRAM FOR BIOLOGY TEACHERS.]

\$265,860 in fiscal year 1988 and \$265,860 in fiscal year 1989, are appropriated to the state university board for a summer program for biology teachers at Mankato State and St. Cloud State Universities.

Sec. 6. [REPEALER.]

Minnesota Statutes 1986, section 116J.94, is repealed."

Delete the title and insert:

"A bill for an act relating to economic development; providing for review of state-funded scientific and technologically related research; creating a division of science and technology within the department of energy and economic development; creating a committee on science and technology research and development and providing for its powers and duties; appropriating money; amending Minnesota Statutes 1986, section 116J.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1986, section 116J.94."

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 14, 31, 85, 119, 217, 242, 401, 466, 487, 490, 532, 642, 645, 715, 830, 846, 905, 1042, 1054, 1112, 1113, 1120, 1147, 1155, 1170, 1213 and 1264 were read for the second time.

**INTRODUCTION AND FIRST READING
OF HOUSE BILLS**

The following House Files were introduced:

Bauerly, Bertram and Jensen introduced:

H. F. No. 1526, A bill for an act relating to transportation; motor carriers; requiring brakes for towed vehicles over 3,000 pounds; requiring brakes on all wheels of motor vehicles; amending Minnesota Statutes 1986, section 169.67, subdivisions 3 and 4.

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

Dorn introduced:

H. F. No. 1527, A bill for an act relating to the city of Mankato; authorizing a special assessment against Mankato State University for street improvements; appropriating funds.

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

Dorn introduced:

H. F. No. 1528, A bill for an act relating to education; appropriating money for a summer program for biology teachers.

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

Minne introduced:

H. F. No. 1529, A bill for an act relating to retirement; teachers retirement act; teachers retirement, certain cities; permitting teachers on unrequested leaves of absence to receive allowable service

credit toward annuities and other benefits; proposing coding for new law in Minnesota Statutes, chapters 354 and 354A.

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

Minne introduced:

H. F. No. 1530, A bill for an act relating to retirement; public pension plans and funds; providing that retirement annuity payments begin to accrue on the date of termination of public service; amending Minnesota Statutes 1986, sections 352.115, subdivision 8; 352B.08, subdivision 1; 352D.06, subdivision 3; 353.29, subdivision 7; 354.44, subdivision 4; and 354A.31, subdivision 2.

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

Minne introduced:

H. F. No. 1531, A bill for an act relating to retirement; allowing a certain Hibbing council member to revoke an option for public employees retirement association membership in order to begin receiving an annuity.

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

Murphy introduced:

H. F. No. 1532, A bill for an act relating to state lands; authorizing a private sale of certain tax forfeited land in St. Louis county.

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

Johnson, A.; Simoneau; Nelson, K., and McEachern introduced:

H. F. No. 1533, A bill for an act relating to education; appropriating money for a grant to study reorganization in certain districts.

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

Welle and Clark introduced:

H. F. No. 1534, A bill for an act relating to education; changing licensing requirements for registered barbers and registered apprentice barbers; amending Minnesota Statutes 1986, sections 154.05; 154.07; 154.09; and 154.18.

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

Bertram and Kludt introduced:

H. F. No. 1535, A bill for an act relating to traffic regulations; setting speed limit of 65 miles per hour on rural interstate highways; amending Minnesota Statutes 1986, section 169.14, subdivision 2; repealing Minnesota Statutes 1986, section 169.141.

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

Kludt and Jaros introduced:

H. F. No. 1536, A bill for an act relating to the state university system; authorizing agreements for early separation of senior faculty members; proposing coding for new law in Minnesota Statutes, chapter 136.

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

Kinkel and Johnson, R., introduced:

H. F. No. 1537, A bill for an act relating to corrections; requiring the commissioner to authorize travel for funerals and deathbed visits; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 241.

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

Neuenschwander, Blatz, Frerichs, Scheid and Osthoff introduced:

H. F. No. 1538, A bill for an act relating to taxes; exempting from gasoline excise tax propane fuel for vehicles operating under permit; amending Minnesota Statutes 1986, sections 296.01, subdivision 25;

296.02, subdivision 1a; 296.025, subdivision 1a; 296.026; and 296.028.

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

Pelowski, Kelso, Trimble, Winter and Dorn introduced:

H. F. No. 1539, 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.

Clark, Kelso, DeBlieck, Jefferson and Steensma introduced:

H. F. No. 1540, A bill for an act relating to education; establishing a pilot program to reduce class sizes in kindergarten through third grade; 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.

Gutknecht, Bishop, McEachern, Kelly and Quinn introduced:

H. F. No. 1541, A bill for an act relating to education; declaring legislative policy on religious matters in the public elementary and secondary schools; establishing guidelines; proposing coding for new law in Minnesota Statutes, chapter 126.

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

O'Connor, Murphy, Begich, Himle and Heap introduced:

H. F. No. 1542, A bill for an act relating to unemployment compensation; making various technical and housekeeping changes; defining "wages"; regulating benefits and contributions; providing

for the administration of the unemployment compensation law; providing penalties; amending Minnesota Statutes 1986, sections 268.04, subdivisions 9, 12, 24, 25, 26, 29, and by adding subdivisions; 268.06, subdivisions 2, 3a, 5, 6, 8, 19, 20, 22, and 24; 268.07, subdivision 3; 268.08, subdivisions 3, 3a, and by adding a subdivision; 268.09, subdivisions 1 and 3; 268.12, subdivision 8; 268.121; 268.15, subdivision 3; 268.16, subdivision 2, and by adding subdivisions; 268.161, subdivisions 1, 8, 9, and by adding a subdivision; 268.18, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 268.65, subdivision 5; 270A.09, by adding a subdivision; and 508.25; proposing coding for new law in Minnesota Statutes, chapter 268; and repealing Minnesota Statutes 1986, section 268.24.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

O'Connor, Peterson and Milbert introduced:

H. F. No. 1543, A bill for an act relating to commerce; trade practices; restricting use and connection of automatic dialing-announcing devices to telephone lines; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Olson, K.; Nelson, C.; Pelowski and Lieder introduced:

H. F. No. 1544, A bill for an act relating to state departments and agencies; renaming the division of emergency services; amending Minnesota Statutes 1986, section 12.04.

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

Begich, Battaglia, Minne, Solberg and Rukavina introduced:

H. F. No. 1545, A bill for an act relating to economic development; appropriating money to the commissioner of iron range resources and rehabilitation for use in economic development projects and investments; authorizing investment of earnings of the northeast Minnesota economic protective trust in venture capital enterprises; amending Minnesota Statutes 1986, section 298.292.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Osthoff, Dauner and McKasy introduced:

H. F. No. 1546, A bill for an act relating to taxation; mortgage registry and deed tax; changing rates of taxes; providing for administration of the taxes; amending Minnesota Statutes 1986, sections 287.05, subdivision 1; 287.12; 287.21, subdivision 1; 287.22; 287.23; 287.25; and 287.29, subdivision 1.

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

Carlson, D., introduced:

H. F. No. 1547, A bill for an act relating to health; requiring health plans to file certain information; amending Minnesota Statutes 1986, section 62D.10, by adding a subdivision.

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

Carlson, D., introduced:

H. F. No. 1548, A bill for an act relating to state government; establishing procedures for setting fees to be charged by state agencies; amending Minnesota Statutes 1986, section 16A.128, subdivisions 2 and 2a.

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

Krueger; Nelson, K.; Frerichs and Brown introduced:

H. F. No. 1549, A bill for an act relating to taxation; property; requiring property tax statements to show apportionment of the homestead credit; amending Minnesota Statutes 1986, section 276.06.

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

Price and Voss introduced:

H. F. No. 1550, A bill for an act relating to courts; authorizing additional district court judges for the tenth judicial district; amending Minnesota Statutes 1986, section 2.722, subdivision 1.

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

Clark introduced:

H. F. No. 1551, A bill for an act relating to human rights; requiring referral of certain matters to local commissions; amending Minnesota Statutes 1986, section 363.115.

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

Clark introduced:

H. F. No. 1552, A bill for an act relating to human rights; enabling the University of Minnesota to provide services and benefits to organizations with membership practices that are exempt from certain federal law; amending Minnesota Statutes 1986, section 363.02, subdivision 3.

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

Segal introduced:

H. F. No. 1553, A bill for an act relating to crimes; making it a felony to engage in paramilitary training; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Lieder, Kalis, Jensen, Carlson, D., and McLaughlin introduced:

H. F. No. 1554, A bill for an act relating to transportation; providing increases in taxes on motor vehicles and on gasoline and special fuel; increasing driver license fees; providing for the deposit of receipts from the motor vehicle excise tax; amending Minnesota Statutes 1986, sections 168.013, by adding a subdivision; 171.02, subdivision 3; 171.06, subdivision 2; 296.02, subdivision 1b; 296.025, subdivision 1; and 297B.09, subdivision 2.

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

Kalis, Osthoff, Quinn, Vellenga and Welle introduced:

H. F. No. 1555, A bill for an act relating to taxation; imposing sales tax on fuel; appropriating money; amending Minnesota Statutes 1986, sections 296.01, subdivisions 7, 13, and by adding subdivi-

sions; 296.06, subdivisions 1 and 2; 296.12, subdivisions 4, 9, and 11; 296.15, subdivisions 1, 2, 5, and 6; 296.16, subdivisions 1 and 3; 296.17, subdivisions 3, 5, 6, 8, 9a, 12, and 14; 296.18, subdivision 3a; 296.20; 296.21, subdivision 1; 296.23; 296.24; 296.27; and 296.421, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 296.

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

Clark, Greenfield and Jefferson introduced:

H. F. No. 1556, A bill for an act relating to children; establishing a program of cultural opportunities for kids; requiring certain nonprofit organizations to admit low-income families to events at reduced prices; amending Minnesota Statutes 1986, sections 290A.07, by adding a subdivision; 297A.25, subdivision 24; and proposing coding for new law in Minnesota Statutes, chapter 268.

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

Bertram introduced:

H. F. No. 1557, A bill for an act relating to coroners; requiring that the office of coroner be elective; amending Minnesota Statutes 1986, sections 390.005; and 390.34.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dauner; Uphus; Anderson, R., and Kludt introduced:

H. F. No. 1558, A bill for an act relating to boilers; regulating allowable pressure in stationary show boilers; amending Minnesota Statutes 1986, section 183.56.

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

Segal introduced:

H. F. No. 1559, A bill for an act relating to veterans affairs; requiring a study on the use of regional treatment centers to provide care to veterans.

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

Carlson, D., introduced:

H. F. No. 1560, A bill for an act relating to state government; imposing limitations on the governor's budget recommendations and on legislative appropriations; providing additional duties for the office of debt and loan management; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 1986, section 16A.80, subdivision 2a.

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

Carruthers, Orenstein, Blatz, Wagenius and Swenson introduced:

H. F. No. 1561, A bill for an act relating to community dispute resolution programs; authorizing the state and municipalities to make grants to programs; proposing coding for new law in Minnesota Statutes, chapter 494.

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

HOUSE ADVISORIES

The following House Advisory was introduced:

Pappas introduced:

H. A. No. 19, A proposal to study Housing Trust Funds.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 312, A bill for an act relating to elections; changing what name may be used on ballots, nominating petitions, and affidavits of candidacy; repealing Minnesota Statutes 1986, section 204B.05.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 424, A bill for an act relating to the military; authorizing the adjutant general to delegate certain duties to subordinates; amending Minnesota Statutes 1986, section 190.16, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 838, A bill for an act relating to St. Louis county; providing for a clerk in the unclassified civil service; amending Minnesota Statutes 1986, section 383C.035.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 134, A bill for an act relating to employment; requiring an employer to notify employees and job applicants of bankruptcy proceedings; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Price moved that the House concur in the Senate amendments to H. F. No. 134 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 134, A bill for an act relating to employment; requiring an employer to notify employees and job applicants of bankruptcy proceedings; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

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 91 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jaros	McEachern	Pappas	Sparby
Battaglia	Jefferson	McKasy	Pelowski	Svigum
Bauerly	Jennings	McLaughlin	Peterson	Swenson
Beard	Jensen	Milbert	Price	Tjornhom
Begich	Johnson, A.	Minne	Quinn	Tompkins
Bennett	Johnson, R.	Munger	Reding	Tunheim
Bertram	Kahn	Murphy	Rest	Vanasek
Bishop	Kalis	Nelson, C.	Rice	Vellenga
Brown	Kelly	Nelson, D.	Riveness	Voss
Carlson, L.	Kelso	Nelson, K.	Rodosovich	Wagenius
Carruthers	Kinkel	Neuenschwander	Rukavina	Welle
Cooper	Knickerbocker	O'Connor	Sarna	Wenzel
Dauner	Knuth	Ogren	Scheid	Winter
DeBlicck	Kostohryz	Olsen, S.	Schoenfeld	Wynia
Dorn	Krueger	Olson, E.	Seaberg	Spk. Norton
Frederick	Larsen	Olson, K.	Segal	
Greenfield	Lasley	Onnen	Simoneau	
Hartle	Long	Orenstein	Skoglund	
Jacobs	Marsh	Ozment	Solberg	

Those who voted in the negative were:

Burger	Haukoos	McDonald	Quist	Stanius
Dempsey	Heap	McPherson	Redalen	Thiede
Dille	Himle	Miller	Richter	Uphus
Forsythe	Hugoson	Omann	Rose	Valento
Frerichs	Johnson, V.	Pauly	Schafer	Waltman
Gutknecht	Kludt	Poppenhagen	Schreiber	

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. 725, 888, 927 and 1067.

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. 698 and 721.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 725, 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.

S. F. No. 888, A bill for an act relating to the city of Melrose; regulating the stopping of school buses at certain railroad grade crossings.

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

S. F. No. 927, A bill for an act relating to driver's licenses; providing for a medical alert identifier; amending Minnesota Statutes 1986, section 171.07, by adding a subdivision.

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

S. F. No. 1067, 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.

S. F. No. 698, A bill for an act relating to education; authorizing northeast metropolitan intermediate school district No. 916 to issue certain bonds for the acquisition and betterment of a secondary vocational and special education facility.

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

S. F. No. 721, A bill for an act relating to veterans; requiring the placement of a plaque on the Capitol grounds recognizing certain prisoners of war and soldiers missing in action.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

CONSENT CALENDAR

H. F. No. 755 was reported to the House.

Seaberg moved that H. F. No. 755 be continued on the Consent Calendar for one day. The motion prevailed.

H. F. No. 1073, A bill for an act relating to occupations and professions; providing advertising restrictions for plumbers; imposing penalties; amending Minnesota Statutes 1986, section 326F.75.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Frederick	Frerichs	Hugoson	Poppenhagen	Quist
				Thiede

The bill was passed and its title agreed to.

H. F. No. 1105, A bill for an act relating to retirement; Minneapolis police relief association service pensions and survivor benefits; amending Laws 1949, chapter 406, section 4, subdivisions 2 and 3, as

amended, section 5, subdivisions 1 and 3, as amended, and section 6, subdivision 1; and Laws 1980, chapter 607, article 15, section 9.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1164 was reported to the House.

Trimble moved that H. F. No. 1164 be re-referred to the Committee on Health and Human Services. The motion prevailed.

S. F. No. 457, A bill for an act relating to commerce; regulating collection agencies and those acting under the authority of a collection agency; providing cash deposits in lieu of the required bond; establishing prohibited practices; prescribing the enforcement powers of the commissioner; amending Minnesota Statutes 1986, sections 332.31, by adding a subdivision; 332.33; 332.34; 332.37; and 332.40, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

CALENDAR

H. F. No. 137, A bill for an act relating to criminal procedure; providing a procedure for ordering joint or separate trials for jointly charged defendants; permitting the prosecution to offer a rebuttal closing argument; allowing the prosecution and the defense an equal number of peremptory challenges when the offense charged is not punishable by life imprisonment; amending Minnesota Statutes 1986, section 631.07; proposing coding for new law in Minnesota Statutes, chapter 631.

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 94 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Battaglia	Bertram	Carlson, L.	Cooper	Dempsey
Bauerly	Blatz	Carruthers	Dauner	Dille
Bennett	Boo	Clausnitzer	DeBlick	Dorn

Forsythe	Kelly	Morrison	Poppenhagen	Sviggum
Frederick	Kinkel	Murphy	Price	Swenson
Gruenes	Kludt	Nelson, C.	Redalen	Tjornhom
Gutknecht	Knickerbocker	Nelson, D.	Reding	Tompkins
Hartle	Knuth	Nelson, K.	Rest	Trimble
Haukoos	Kostohryz	Neuenschwander	Richter	Tunheim
Heap	Krueger	Olsen, S.	Riveness	Uphus
Himle	Larsen	Olson, E.	Rodosovich	Valento
Hugoson	Lasley	Olson, K.	Schafer	Vellenga
Jacobs	Marsh	Omman	Schreiber	Wagenius
Jaros	McDonald	Onnen	Segal	Waltman
Jennings	McKasy	Otis	Shaver	Welle
Johnson, A.	McLaughlin	Ozment	Simoneau	Wenzel
Johnson, R.	McPherson	Pappas	Skoglund	Winter
Johnson, V.	Miller	Pauly	Sparby	Wynia
Kalis	Minne	Pelowski	Stanius	

Those who voted in the negative were:

Anderson, G.	Jefferson	Munger	Quist	Solberg
Beard	Jensen	O'Connor	Rice	Thiede
Bishop	Kahn	Ogren	Rose	Vanasek
Brown	Kelso	Orenstein	Rukavina	Voss
Burger	Long	Osthoff	Sarna	Spk. Norton
Frerichs	McEachern	Peterson	Scheid	
Greenfield	Milbert	Quinn	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 26, A bill for an act relating to workers' compensation; providing for the organization and powers of the state compensation insurance fund; amending Minnesota Statutes 1986, sections 11A.24, subdivision 4; 176A.02, subdivisions 1 and 2; and 176A.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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dille	Johnson, A.	McEachern	Olson, K.
Battaglia	Dorn	Johnson, R.	McKasy	Omman
Bauerly	Forsythe	Johnson, V.	McLaughlin	Onnen
Beard	Frederick	Kahn	McPherson	Orenstein
Begich	Frerichs	Kalis	Milbert	Osthoff
Bennett	Greenfield	Kelly	Miller	Otis
Bertram	Gruenes	Kelso	Minne	Ozment
Blatz	Gutknecht	Kinkel	Morrison	Pappas
Boo	Hartle	Kludt	Munger	Pauly
Brown	Haukoos	Knickerbocker	Murphy	Pelowski
Burger	Heap	Knuth	Nelson, C.	Peterson
Carlson, L.	Himle	Kostohryz	Nelson, D.	Price
Carruthers	Hugoson	Krueger	Nelson, K.	Quinn
Clausnitzer	Jacobs	Larsen	Neuenschwander	Quist
Cooper	Jaros	Lasley	O'Connor	Redalen
Dauner	Jefferson	Long	Ogren	Reding
DeBlieck	Jennings	Marsh	Olsen, S.	Rest
Dempsey	Jensen	McDonald	Olson, E.	Rice

Richter	Schoenfeld	Sparby	Tunheim	Welle
Riveness	Schreiber	Stanius	Uphus	Wenzel
Rodosovich	Seaberg	Sviggum	Valento	Winter
Rose	Segal	Swenson	Vanasek	Wynia
Rukavina	Shaver	Thiede	Vellenga	Spk. Norton
Sarna	Simoneau	Tjornhom	Voss	
Schafer	Skoglund	Tompkins	Wagenius	
Scheid	Solberg	Trimble	Waltman	

The bill was passed and its title agreed to.

H. F. No. 235, A bill for an act relating to education; allowing certain districts to mail summaries of the school board proceedings rather than publish them; amending Minnesota Statutes 1986, section 123.33, 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 122 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Kostohryz

The bill was passed and its title agreed to.

H. F. No. 602, A bill for an act relating to health; creating an exception to the nursing home moratorium for a facility operated on

the Red Lake Indian Reservation; amending Minnesota Statutes 1986, section 144A.071, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 656, A bill for an act relating to public safety; regulating high pressure piping and pipefitters; providing penalties; amending Minnesota Statutes 1986, sections 326.461, subdivision 2; 326.47, subdivision 3; 326.48, subdivision 1; 326.50; 326.51; proposing coding for new law in Minnesota Statutes, chapter 326.

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.	Beard	Bertram	Brown	Carruthers
Battaglia	Begich	Blatz	Burger	Clark
Bauerly	Bennett	Boo	Carlson, L.	Clausnitzer

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

The bill was passed and its title agreed to.

H. F. No. 816, A bill for an act relating to drivers' licenses; traffic regulations; requiring courts to furnish information relating to previous convictions without charge in gross misdemeanor prosecutions of the driving while under the influence law; imposing a penalty on person who violates conditions attached to limited driver's license; amending Minnesota Statutes 1986, sections 169.121, subdivision 3; 171.17; and 171.30, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Jensen	McDonald	Olson, E.
Battaglia	Dille	Johnson, A.	McEachern	Olson, K.
Bauerly	Dorn	Johnson, R.	McKasy	Omann
Beard	Forsythe	Johnson, V.	McLaughlin	Onnen
Begich	Frederick	Kahn	McPherson	Orenstein
Bennett	Frerichs	Kalis	Milbert	Osthoff
Bertram	Greenfield	Kelly	Miller	Otis
Bishop	Gruenes	Kelso	Minne	Ozment
Blatz	Gutknecht	Kinkel	Morrison	Pappas
Brown	Hartle	Kludt	Munger	Pauly
Burger	Haukoos	Knickerbocker	Murphy	Pelowski
Carlson, L.	Heap	Knuth	Nelson, C.	Peterson
Carruthers	Himle	Kostohryz	Nelson, D.	Poppenhagen
Clark	Hugoson	Krueger	Nelson, K.	Price
Clausnitzer	Jacobs	Larsen	Neuenschwander	Quinn
Cooper	Jaros	Lasley	O'Connor	Quist
Dauner	Jefferson	Long	Ogren	Redalen
DeBlieck	Jennings	Marsh	Olsen, S.	Reding

Rest	Schafer	Skoglund	Trimble	Waltman
Rice	Scheid	Solberg	Tunheim	Welle
Richter	Schoenfeld	Sparby	Uphus	Wenzel
Riveness	Schreiber	Stanius	Valento	Winter
Rodosovich	Seaberg	Sviggum	Vanasek	Wynia
Rose	Segal	Thiede	Vellenga	Spk. Norton
Rukavina	Shaver	Tjornhom	Voss	
Sarna	Simoneau	Tompkins	Wagenius	

The bill was passed and its title agreed to.

H. F. No. 946, A bill for an act relating to employment; prohibiting residency requirements for employees; proposing coding for new law in Minnesota Statutes, chapter 181.

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 91 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jaros	Marsh	Ozment	Simoneau
Battaglia	Jefferson	McEachern	Pappas	Skoglund
Bauerly	Jennings	McLaughlin	Pauly	Solberg
Beard	Jensen	McPherson	Pelowski	Sparby
Begich	Johnson, A.	Milbert	Peterson	Stanius
Bennett	Johnson, R.	Minne	Price	Sviggum
Bertram	Johnson, V.	Munger	Quinn	Tjornhom
Blatz	Kahn	Murphy	Redalen	Trimble
Brown	Kalis	Nelson, C.	Reding	Tunheim
Carlson, L.	Kelly	Nelson, D.	Rest	Uphus
Carruthers	Kinkel	Nelson, K.	Rice	Vanasek
Clark	Kludt	Neuenschwander	Riveness	Vellenga
Cooper	Knuth	O'Connor	Rodosovich	Voss
DeBlick	Kostohryz	Ogren	Rukavina	Wagenius
Greenfield	Krueger	Olson, E.	Sarna	Welle
Gruenes	Larsen	Omann	Schoenfeld	Wenzel
Haukoos	Lasley	Orenstein	Seaberg	Winter
Jacobs	Long	Otis	Segal	Wynia
				Spk. Norton

Those who voted in the negative were:

Burger	Ferichs	Knickerbocker	Onnen	Swenson
Clausnitzer	Gutknecht	McDonald	Poppenhagen	Thiede
Dempsey	Hartle	McKasy	Quist	Tompkins
Dille	Heap	Miller	Richter	Valento
Dorn	Himle	Morrison	Schafer	Waltman
Forsythe	Hugoson	Olsen, S.	Schreiber	
Frederick	Kelso	Olson, K.	Shaver	

The bill was passed and its title agreed to.

Knickerbocker was excused at 4:00 p.m.

GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Simoneau presided during a portion of the meeting of the Committee of the Whole. 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. 955, 1049, 1197, 96, 391, 427, 590, 690, 692, 806, 941, 1031 and 1034 were recommended to pass.

H. F. Nos. 234, 947, 561 and 704 were recommended for progress.

H. F. No. 454 was recommended for progress retaining its place on General Orders.

H. F. No. 269, the first engrossment, which it recommended to pass with the following amendment offered by Kahn; Olson, E.; Johnson, A.; Carlson, D.; Seaberg; Segal; Long; Sparby; Ogren; Steensma; Bishop; Trimble; Scheid; Vanasek; Johnson, R.; Kalis; Munger; Battaglia; Olson, K., and Johnson, V.:

Page 1, line 12, delete everything after "bicycle"

Page 1, line 13, delete everything before the comma

Amend the title as follows:

Page 1, lines 4 and 5, delete "and persons on foot or on roller-skates"

H. F. No. 841, the second engrossment, which it recommended to pass with the following amendment offered by Bishop:

Page 2, line 19, after "recover" insert "up to three times its" and delete "triple damages for the"

Page 2, line 20, delete "expenses and costs" and insert "damages"

Page 2, line 21, beginning with "These costs" delete the rest of the sentence

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 calls were taken in the Committee of the Whole:

Kahn; Olson, E.; Johnson, A.; Carlson, D.; Seaberg; Segal; Long; Sparby; Ogren; Steensma; Bishop; Trimble; Scheid; Vanasek; Johnson, R.; Kalis; Munger; Battaglia; Olson, K., and Johnson, V., moved to amend H. F. No. 269, the first engrossment, as follows:

Page 1, line 12, delete everything after "bicycle"

Page 1, line 13, delete everything before the comma

Amend the title as follows:

Page 1, lines 4 and 5, delete "and persons on foot or on rollerskates"

The question was taken on the Kahn et al amendment and the roll was called. There were 100 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Battaglia	Greenfield	Larsen	Otis	Simoneau
Bauerly	Gruenes	Lasley	Pappas	Skoglund
Beard	Heap	Long	Pauly	Solberg
Bennett	Himle	McKasy	Pelowski	Sparby
Bertram	Hugoson	McLaughlin	Peterson	Stanius
Bishop	Jacobs	McPherson	Price	Sviggum
Blatz	Jefferson	Milbert	Quinn	Swenson
Boo	Jennings	Morrison	Quist	Tjornhom
Brown	Johnson, A.	Munger	Redalen	Tompkins
Burger	Johnson, R.	Murphy	Reding	Trimble
Carlson, L.	Johnson, V.	Nelson, C.	Rest	Tunheim
Carruthers	Kahn	Nelson, D.	Riveness	Uphus
Clark	Kalis	Nelson, K.	Rodosovich	Valento
Cooper	Kelly	Ogren	Rose	Vanasek
Dauner	Kelso	Olsen, S.	Rukavina	Vellenga
DeBlicck	Kinkel	Olson, K.	Sarna	Voss
Dille	Knickerbocker	Omann	Scheid	Wagenius
Dorn	Knuth	Onnen	Schoenfeld	Winter
Forsythe	Kostohryz	Orenstein	Seaberg	Wynia
Frederick	Krueger	Osthoff	Segal	Spk. Norton

Those who voted in the negative were:

Anderson, G.	Gutknecht	Marsh	O'Connor	Schreiber
Begich	Hartle	McDonald	Ozment	Shaver
Clausnitzer	Haukoos	McEachern	Poppenhagen	Thiede
Dempsey	Jensen	Miller	Richter	Waltman
Frerichs	Kludt	Neuenschwander	Schafer	Welle
				Wenzel

The motion prevailed and the amendment was adopted.

The question was taken on the motion to recommend passage of H. F. No. 269, the first engrossment, as amended, and the roll was called. There were 82 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Battaglia	Frederick	Krueger	Osthoff	Skoglund
Bauerly	Greenfield	Larsen	Pappas	Sparby
Beard	Gruenes	Long	Peterson	Stanius
Bennett	Jaros	McEachern	Price	Swenson
Bertram	Jefferson	McLaughlin	Quinn	Trimble
Bishop	Jennings	Milbert	Redalen	Tunheim
Brown	Jensen	Munger	Rest	Uphus
Burger	Johnson, A.	Murphy	Richter	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Riveness	Vellenga
Carruthers	Johnson, V.	Nelson, D.	Rose	Voss
Clark	Kahn	Nelson, K.	Rukavina	Wagenius
Cooper	Kalis	Ogren	Sarna	Winter
Dauner	Kelly	Olsen, S.	Scheid	Wynia
DeBlicke	Kelso	Olson, E.	Schoenfeld	Spk. Norton
Dille	Kinkel	Olson, K.	Seaberg	
Dorn	Knickerbocker	Onnen	Segal	
Forsythe	Knuth	Orenstein	Simoneau	

Those who voted in the negative were:

Anderson, G.	Heap	McPherson	Pelowski	Tjornhom
Begich	Himle	Miller	Poppenhagen	Tompkins
Blatz	Hugoson	Minne	Quist	Vanasek
Clausnitzer	Jacobs	Morrison	Rodosovich	Waltman
Dempsey	Khudt	Neuenschwander	Schafer	Welle
Frerichs	Kostohryz	O'Connor	Schreiber	Wenzel
Gutknecht	Lasley	Omman	Shaver	
Hartle	Marsh	Ozment	Sviggun	
Haukoos	McDonald	Pauly	Thiede	

The motion prevailed.

The question was taken on the motion to recommend passage of H. F. No. 1034 and the roll was called. There were 60 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Long	Otis	Skoglund
Battaglia	Jaros	McLaughlin	Pappas	Steensma
Bauerly	Jefferson	Minne	Peterson	Swenson
Begich	Johnson, A.	Munger	Quinn	Tompkins
Bertram	Kahn	Murphy	Reding	Trimble
Bishop	Kelly	Nelson, C.	Rest	Tunheim
Boo	Khudt	Neuenschwander	Rice	Vanasek
Clark	Knuth	O'Connor	Riveness	Vellenga
Cooper	Kostohryz	Ogren	Rukavina	Wagenius
Dauner	Krueger	Olson, K.	Scheid	Winter
DeBlicke	Larsen	Orenstein	Segal	Wynia
Dille	Lasley	Osthoff	Simoneau	Spk. Norton

Those who voted in the negative were:

Bennett	Brown	Carlson, L.	Dempsey	Forsythe
Blatz	Burger	Clausnitzer	Dorn	Frederick

Frerichs	Johnson, V.	Morrison	Quist	Thiede
Gruenes	Kalis	Nelson, D.	Redalen	Tjornhom
Gutknecht	Kinkel	Olsen, S.	Richter	Uphus
Hartle	Lieder	Omann	Rodosovich	Valento
Haukoos	Marsh	Onnen	Schafer	Waltman
Himle	McDonald	Ozment	Schreiber	Welle
Hugoson	McKasy	Pauly	Sparby	Wenzel
Jensen	McPherson	Pelowski	Stanius	
Johnson, R.	Miller	Poppenhagen	Swiggum	

The motion prevailed.

MOTIONS AND RESOLUTIONS

McKasy moved that the name of Valento be stricken and the name of Osthoff be added as an author on H. F. No. 96. The motion prevailed.

Kalis moved that the name of Rose be stricken and the names of Knuth and Waltman be added as authors on H. F. No. 485. The motion prevailed.

Wagenius moved that the name of Long be stricken and the name of Kludt be added as an author on H. F. No. 1209. The motion prevailed.

Murphy moved that the name of Jefferson be added as chief author and the name of Murphy be shown as second author on H. F. No. 1310. The motion prevailed.

Ogren moved that the name of Beard be added as an author on H. F. No. 1390. The motion prevailed.

Quinn moved that the name of Bennett be stricken and the name of Swenson be added as an author on H. F. No. 1473. The motion prevailed.

Dempsey moved that the name of Gruenes be added as an author on H. F. No. 1493. The motion prevailed.

Jensen moved that the names of Olsen, S., and Milbert be added as authors on H. F. No. 1503. The motion prevailed.

Munger moved that the name of Shaver be added as an author on H. F. No. 1507. The motion prevailed.

Greenfield moved that the name of Segal be added as an author on H. F. No. 1512. The motion prevailed.

Wynia moved that the names of Forsythe, Greenfield and Segal be added as authors on H. F. No. 1524. The motion prevailed.

Pappas moved that H. F. No. 1264, now on the Technical Consent Calendar, be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

Long moved that H. F. No. 298, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Reding moved that H. F. No. 629, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Clark moved that H. F. No. 363 be recalled from the Committee on Appropriations and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Rice moved that H. F. No. 1397 be recalled from the Committee on Transportation and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Vanasek moved pursuant to House Concurrent Resolution No. 3 that the Chief Clerk be directed to invite the Senate by message to meet with the House in Joint Convention in the Chamber of the House of Representatives at 1:00 p.m. on Wednesday, April 15, 1987, to elect members to the Board of Regents of the University of Minnesota. The motion prevailed.

Begich introduced:

House Concurrent Resolution No. 8, A House concurrent resolution commemorating the life and work of John Mariucci.

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

Nelson, K., moved that H. F. No. 1075 be returned to its author. The motion prevailed.

ADJOURNMENT

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, April 9, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

