

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## FIFTY-FIRST DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MAY 13, 1987

The House of Representatives convened at 11:00 a.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Ronald A. Smith, Open Door Baptist Church, St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Clark was excused until 11:40 a.m. Shaver was excused until 3:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

Anderson, R., was excused while in conference.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 829, 899, 298, 302, 485, 1326, 438, 290, 606, 705, 239, 413, 887, 1496 and 1505 and S. F. Nos. 852, 361, 1018, 1335, 604, 121 and 167 have been placed in the members' files.

S. F. No. 1335 and H. F. No. 1452, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Johnson, A., moved that the rules be so far suspended that S. F. No. 1335 be substituted for H. F. No. 1452 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1018 and H. F. No. 1070, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Rest moved that the rules be so far suspended that S. F. No. 1018 be substituted for H. F. No. 1070 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Anderson, G., from the Committee on Appropriations to which was referred:

S. F. No. 63, A bill for an act relating to motor vehicles; providing that passenger automobile license plates be issued for a six-year period; providing for license plate replacement fees; amending Minnesota Statutes 1986, section 168.12, subdivisions 1, 2a, and 5; repealing Minnesota Statutes 1986, section 168.12, subdivisions 3 and 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 168.011, is amended by adding a subdivision to read:

Subd. 35. [LIMOUSINE.] "Limousine" means a passenger automobile for hire, other than a taxicab or a van, that is regularly engaged in the business of transporting persons and that has a rear seating capacity of not more than nine passengers.

Sec. 2. Minnesota Statutes 1986, section 168.12, subdivision 1, is amended to read:

Subdivision 1. [NUMBER PLATES; VISIBILITY, PERIODS OF ISSUANCE.] The registrar, upon the approval and payment, shall issue to the applicant the number plates required by law, bearing the state name and the number assigned. The number assigned may be a combination of a letter or sign with figures. The color of the plates and the color of the abbreviation of the state name and the number assigned shall be in marked contrast. The plates shall be lettered, spaced, or distinguished to suitably indicate the registration of the vehicle according to the rules of the registrar, and when a vehicle is registered on the basis of total gross weight, the plates issued shall clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid. These number plates shall be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly mounted on an unlighted vehicle, these number plates, when viewed from a vehicle equipped with standard headlights, shall be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet. The registrar shall issue these number plates for the following periods:

(1) Number plates issued pursuant to sections 168.27, subdivisions 16 and 17, and 168.053 shall be for a one-year period;

(2) New number plates issued pursuant to section 168.012, subdivision 1, shall be issued to a vehicle for as long as it is owned by the exempt agency and shall not be transferable from one vehicle to another but may be transferred with the vehicle from one tax exempt agency to another;

(3) Plates issued for passenger automobiles as defined in section 168.011, subdivision 7, ~~motoreycles, motorized bicycles, and motor scooters~~ shall be issued for a six-year period starting not later than October 1986, or until the next general reissuance of plates every six years thereafter, whichever is less; and, All plates issued under this paragraph must be replaced if they are six years old or older at the time of annual registration or will become so during the registration period.

(4) Plates for any vehicle not specified in ~~clauses~~ paragraphs (1), (2) and (3), except for trailers as hereafter provided, shall be issued

for the life of the vehicle. Beginning with number plates issued for the year 1981, plates issued for trailers with a total gross weight of 3,000 pounds or less shall be issued for the life of the trailer and shall be not more than seven inches in length and four inches in width.

In a year in which plates are not issued, the registrar shall issue for each registration a tab or sticker to designate the year of registration. This tab or sticker shall show the calendar year or years for which issued, and is valid only for that period. The number plates, number tabs, or stickers issued for a motor vehicle may not be transferred to another motor vehicle during the period for which it is issued.

Notwithstanding any other provision of this subdivision, number plates issued to a vehicle which is used for behind-the-wheel instruction in a driver education course in a public school may be transferred to another vehicle used for the same purpose without payment of any additional fee. The registrar shall be notified of each transfer of number plates under this paragraph, and may prescribe a form for notification.

Sec. 3. Minnesota Statutes 1986, section 168.12, subdivision 2a, is amended to read:

Subd. 2a. [PERSONALIZED LICENSE PLATES.] Personalized license plates must be issued to an applicant for registration of a passenger automobile, van, or pickup truck, motorcycle, or self-propelled recreational vehicle, upon compliance with the laws of this state relating to registration of the vehicle and upon payment of a one-time fee of \$100 in addition to the registration tax required by law for the vehicle. The commissioner shall designate a replacement fee for personalized license plates that is calculated to cover the cost of replacement. This fee is required whenever the personalized license plates are required to be replaced by law. In lieu of the numbers assigned as provided in subdivision 1, personalized license plates must have imprinted on them a series of not more than ~~six~~ seven numbers and letters in any combination. When an applicant has once obtained personalized plates, the applicant shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if application is made for them at least 30 days before the first date that registration can be renewed. The commissioner of public safety shall adopt rules in the manner provided by chapter 14, regulating the issuance and transfer of personalized license plates. No words or combination of letters placed on personalized license plates may be used for commercial advertising, be of an obscene, indecent, or immoral nature, or be of a nature that would offend public morals or decency. The call signals or letters of a radio or television station are not commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued under this subdivision may be transferred to another motor vehicle owned or jointly owned by the applicant, upon the payment of a fee of \$5, which must be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by rule provide a form for notification.

Notwithstanding any law to the contrary, if the personalized license plates are lost, stolen, or destroyed, the applicant may apply and shall receive duplicate license plates bearing the same combination of letters and numbers as the former personalized plates upon the payment of a \$5 fee.

The fee prescribed for personalized license plates must be paid only in those years in which the number plate itself is issued, and must not be payable in a year in which a year plate, tab, or sticker is issued in lieu of a number plate.

Fees from the sale of permanent and duplicate personalized license plates must be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 4. Minnesota Statutes 1986, section 168.12, is amended by adding a subdivision to read:

Subd. 2d. [VIETNAM ERA VETERANS; SPECIAL LICENSE PLATE.] The registrar shall issue special license plates to an applicant who served in the active military service in a branch of the armed forces of the United States after July 1, 1961, and before July 1, 1978, was discharged under honorable conditions and is an owner or joint owner of a passenger automobile, station wagon, or van or pickup truck included within the definition of a passenger automobile upon payment of a fee of \$10, payment of the registration tax required by law, and compliance with other laws relating to registration and licensing of motor vehicles and drivers.

The veteran shall have a certified copy of the veteran's discharge papers, indicating character of discharge, at the time of application.

The commissioner of veterans affairs shall design the special plates subject to the approval of the registrar. An applicant must not be issued more than two sets of plates for vehicles owned or jointly owned by the applicant. The commissioner of veterans affairs shall estimate the number of special plates that will be required and submit the estimate to the registrar. Upon payment of a fee of \$5, plates issued under this subdivision may be transferred to another motor vehicle owned or jointly owned by the person to whom the plates were issued. Fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.

The registrar may adopt rules under the administrative procedure act to govern the issuance and use of the special plates authorized by this subdivision.

Sec. 5. Minnesota Statutes 1986, section 168.12, subdivision 5, is amended to read:

Subd. 5. [ADDITIONAL FEE.] In addition to any fee otherwise authorized or any tax otherwise imposed upon any motor vehicle, the payment of which is required as a condition to the issuance of any number license plate or plates, the commissioner of public safety may impose a fee of \$2 for a license plate for a motorcycle, motorized bicycle, or motorized sidecar, and \$3 \$2 for license plates, other than license plates issued pursuant to section 168.27, subdivisions 16 and 17, for passenger automobiles; ~~provided that no fee is required for plates issued within one calendar year before a general reissuance of plates under subdivision 4.~~ Graphic design license plates shall only be issued for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

Sec. 6. [168.123] [SPECIAL LICENSE PLATES FOR PEARL HARBOR SURVIVORS.]

Subdivision 1. [ISSUANCE AND DESIGN.] The registrar shall issue special license plates bearing the inscription "PEARL HARBOR SURVIVOR" to an applicant who was a member of the United States Armed Forces stationed on the island of Oahu, Hawaii, or offshore, during the attack on Pearl Harbor on December 7, 1941, and who complies with the laws of this state relating to the registration and licensing of motor vehicles and drivers. Application for these plates may be made only at the time of renewal or first application for registration. The registrar shall determine the design and size of these plates.

Subd. 2. [FEES; TRANSFER.] The fee for one set of two plates is \$10, in addition to the registration tax required by law for the motor vehicle. This additional fee is payable only when the plates are issued and is not payable in a year in which tabs or stickers are issued instead of number plates.

Notwithstanding section 168.12, subdivision 1, these plates may be transferred to another motor vehicle owned or jointly owned by the Pearl Harbor survivor on payment of a fee of \$5.

Fees paid under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.

Subd. 3. [USE.] The registrar may issue special license plates under this section only for use on a motor vehicle that is a passenger

automobile, van, station wagon, pickup truck, motorcycle, or recreational vehicle, and that is not used for commercial purposes.

Sec. 7. Minnesota Statutes 1986, section 168.125, is amended to read:

**168.125 [SPECIAL LICENSE PLATES FOR FORMER PRISONERS OF WAR.]**

Subdivision 1. **[SPECIAL PLATES; APPLICATION; FEE; TRANSFER ISSUANCE AND DESIGN.]** The registrar shall issue special license plates bearing the inscription "EX-POW" to any applicant who is both a former prisoner of war and an owner or joint owner of a motor vehicle upon the applicant's compliance with all the laws of this state relating to the registration and licensing of motor vehicles and drivers. The special license plates shall be of a design and size to be determined by the commissioner. Plates bearing the "EX-POW" inscription may be issued for only one motor vehicle per applicant.

Application for issuance of these plates shall be made at the time of renewal or first application for registration. The application shall include a certification by the commissioner of veterans affairs that the applicant was a member of the military forces of the United States who was captured, separated, and incarcerated by an enemy of the United States during a period of armed conflict.

The applicant shall pay, in addition to the registration tax required by law, a fee of \$10 for the special license plates issued under this section, in an amount calculated by the commissioner to cover the cost of the license plates. The additional fee is payable only when the plates are issued and no additional fee is payable in any year in which tabs or stickers are issued in lieu of number plates. All fees from the sale of the special license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.

Notwithstanding the provisions of section 168.12, subdivision 1, the special license plates issued under this section may be transferred to another motor vehicle owned or jointly owned by the former prisoner of war upon the payment of a fee of \$5. This fee shall be paid into the state treasury and credited to the highway user tax distribution fund.

For purposes of this section, "motor vehicle" means a passenger automobile, station wagon, pickup truck, motorcycle, or recreational vehicle.

Subd. 2. **[SPECIAL PLATE PLATES; EX-POW AND HANDICAPPED INSIGNIA.]** The registrar shall issue special license plates bearing both the "EX-POW" and handicapped insignia to any

applicant who is entitled to the special license plates provided under this section and who is also entitled to special license plates for the physically handicapped under section 168.021 upon compliance with the provisions of both sections. The special license plates shall be of a design and size to be determined by the commissioner.

Subd. 3. [RULES; COMMISSIONER OF PUBLIC SAFETY.] The commissioner of public safety may promulgate by rule, in accordance with the provisions of chapter ~~15~~ 14, the procedures for issuance or transfer of the special license plates authorized under this section.

Subd. 4. [RULES; COMMISSIONER OF VETERANS AFFAIRS.] The commissioner of veterans affairs shall ~~promulgate by rule, in accordance with the provisions of chapter 14,~~ establish the procedure for obtaining the certification of former prisoner of war status.

Subd. 5. [SAVINGS PROVISION.] Nothing in this section shall alter the exemption for disabled war veterans provided for in section 168.031.

Sec. 8. [168.1261] [LIMOUSINE; LICENSE PLATES.]

Subdivision 1. [UNIQUE REGISTRATION CATEGORY.] A unique vehicle registration category is established for limousines as defined in section 1.

Subd. 2. [LICENSE PLATES.] The registrar shall issue limousine license plates upon the applicant's compliance with laws relating to registration and licensing of motor vehicles and drivers. The applicant must provide the registrar with proof that the passenger automobile license tax and a \$10 fee have been paid for each limousine receiving limousine license plates. The limousine license plates must be designed to specifically identify the vehicle as a limousine. Limousine license plates may not be transferred upon sale of the limousine, but may be transferred to another limousine owned by the same person upon notifying the registrar and paying a \$5 transfer fee.

Subd. 3. [INSURANCE.] The application must include a certificate of insurance verifying that a valid commercial insurance policy is in effect and giving the name of the insurance company and the number of the insurance policy. The policy must provide stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is granted, of not less than \$100,000 because of bodily injury to one person in any one accident and, subject to said limit for one person, of not less than \$300,000 because of injury to two or more persons in any one accident. The insurance company must notify the commissioner if the policy is canceled or if the policy no longer provides the coverage required by this subdivision.



Sec. 9. Minnesota Statutes 1986, section 169.71, subdivision 4, is amended to read:

Subd. 4. No person shall drive or operate any motor vehicle required to be registered in the state of Minnesota upon any street or highway under the following conditions:

(a) when the windshield is composed of, covered by, or treated with any material which has the effect of making the windshield more reflective or in any other way reducing light transmittance through the windshield;

(b) when any window on the vehicle is composed of, covered by, or treated with any material that has a highly reflective or mirrored appearance;

(c) when any side window or rear window is composed of or treated with any material so as to obstruct or substantially reduce the driver's clear view through the window or has a light transmittance of less than 50 percent plus or minus three percent in the visible light range or a luminous reflectance of more than 20 percent plus or minus three percent; or

(d) when any material has been applied after August 1, 1985, to any motor vehicle window without an accompanying permanent marking which indicates the percent of transmittance and the percent of reflectance afforded by the material. The marking must be in a manner so as not to obscure vision and be readable when installed on the vehicle.

This subdivision does not apply to glazing materials which:

(a) have not been modified since the original installation, nor to original replacement windows and windshields, that were originally installed or replaced in conformance with Federal Motor Vehicle Safety Standard 205;

(b) were are required to satisfy prescription needs of the driver of the vehicle and if the driver is in possession of such the prescription; or

(c) were are applied to:

(1) the rear windows of a pickup truck as defined in section 168.011, subdivision 29; or to;

(2) the rear windows or the side windows on either side behind the driver's seat of a van as defined in section 168.011, subdivision 28; or;

(3) the side and rear windows of any a vehicle used to transport human remains by a funeral establishments establishment holding a permit under the provisions of section 149.08; or

1. (4) the side and rear windows of a limousine as defined in section

Sec. 10. [TRANSITION.]

Passenger automobile license plates issued under Minnesota Statutes, section 168.12, subdivision 1, paragraph (3), before the effective date of this section must be replaced during the sixth year after they were issued.

Sec. 11. [REPEALER.]

Minnesota Statutes 1986, section 168.12, subdivisions 3 and 4, are repealed.

Section 4 is repealed January 1, 1990.

Sec. 12. [EFFECTIVE DATE.]

Sections 2, 3, 5, and 10 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to motor vehicles; providing for replacement of passenger automobile plates every six years; providing for fees for personalized license plates; providing for license plate replacement fees; authorizing special license plates for Pearl Harbor survivors and Vietnam-era veterans; providing for fees for EX-POW license plates; providing for special license plates for limousines; amending Minnesota Statutes 1986, sections 168.011, by adding a subdivision; 168.12, subdivisions 1, 2a, 5, and by adding a subdivision; 168.125; and 169.71, subdivision 4; repealing Minnesota Statutes 1986, section 168.12, subdivisions 3 and 4; proposing coding for new law in Minnesota Statutes, chapter 168."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1335, 1018 and 63 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Lasley, Kalis and Carlson, D., introduced:

H. F. No. 1668, A bill for an act relating to motor vehicles; increasing and allocating fees and motor vehicle excise tax for dealer plates; restricting use of dealer plates; amending Minnesota Statutes 1986, section 168.27, subdivision 16.

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

## HOUSE ADVISORIES

The following House Advisories were introduced:

Voss introduced:

H. A. No. 37, A proposal to study regulation of the mortgage lending industry.

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

Frederick introduced:

H. A. No. 38, A proposal to study the business and consumer convenience needs in very small communities.

The advisory was referred to the Committee on Regulated Industries.

## 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 Files, herewith returned:

H. F. No. 147, A bill for an act relating to crimes; expanding the crime of witness tampering to include the act of intimidating a witness to make false statements; amending Minnesota Statutes 1986, section 609.498, subdivisions 1 and 2.

H. F. No. 151, A bill for an act relating to crime victims; permitting the crime victims reparation board to file a claim for reparations; altering the manner of determining reparations claims; requiring law enforcement agencies to aid the board; providing for the classification of various data; clarifying ambiguous language; providing penalties; amending Minnesota Statutes 1986, sections 609.101; 611A.04, by adding a subdivision; 611A.52, subdivision 8; 611A.53, subdivision 2; 611A.57; 611A.66; and 611A.74, subdivision 2; repealing Minnesota Statutes 1986, section 611A.59.

H. F. No. 350, A bill for an act relating to crime; extending the crimes of murder in the third degree and manslaughter in the first degree to deaths caused by the sale or distribution of controlled substances; making it a felony to cause great bodily harm by selling or distributing certain controlled substances; imposing penalties; amending Minnesota Statutes 1986, sections 609.195; and 609.20; proposing coding for new law in Minnesota Statutes, chapter 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 556, A bill for an act relating to human services; establishing difficulty of care payments for children in foster care; amending Minnesota Statutes 1986, section 256.82, subdivision 3, and by adding a subdivision.

H. F. No. 931, A bill for an act relating to public guardianship; modifying standards and procedures for the appointment of public guardians for mentally retarded persons; providing for powers and duties of public guardians; amending Minnesota Statutes 1986, sections 252.291, subdivision 3; 252A.01; 252A.02, subdivisions 2, 4, 6, 7, 8, 11, 12, and by adding subdivisions; 252A.03, subdivisions 2 and 3; 252A.04, subdivisions 1 and 3; 252A.05; 252A.06; 252A.07, subdivisions 1 and 3; 252A.14; 252A.16; 252A.17; 252A.19, subdivisions 1, 2, and 3, and by adding a subdivision; 252A.20, subdivision 1; 252A.21, subdivision 2; 253B.03, subdivisions 1 and 6; and 525.56, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 252A; repealing Minnesota Statutes 1986, sections 252A.08; 252A.10; 252A.11; 252A.13; 252A.15; and 252A.18.

H. F. No. 1266, A bill for an act relating to Hennepin county; providing bonding authority for library construction and betterment; amending Minnesota Statutes 1986, section 383B.245.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 281, A bill for an act relating to elections; providing for experimental mail elections; proposing coding for new law in Minnesota Statutes, chapter 204B.

H. F. No. 334, A bill for an act relating to elections; changing registration, absentee ballot, filing, training, administrative, electronic voting, ballot preparation, canvassing, and election contest provisions; amending Minnesota Statutes 1986, sections 201.071, subdivision 4; 201.091, subdivision 4; 203B.03, subdivision 1; 203B.06, subdivision 3; 204B.11, subdivision 1; 204B.27, subdivision 1; 204B.40; 204C.24, subdivision 1; 204C.27; 204C.31, subdivision 1; 204D.04, subdivision 2; 204D.11, subdivision 6; 206.61, subdivision 5; 206.82, subdivision 2; 206.90, subdivision 3; and 209.021, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 351.

H. F. No. 354, A bill for an act relating to state government; providing for a job class entitled chiropractor in the state civil service; proposing coding for new law in Minnesota Statutes, chapter 43A.

H. F. No. 1267, A bill for an act relating to insurance; regulating investments of domestic companies; defining terms; providing additional investment authority; amending Minnesota Statutes 1986, section 60A.11, subdivisions 10 and 26.

H. F. No. 1365, A bill for an act relating to liquor; authorizing the city of Little Canada to issue two additional on-sale licenses.

H. F. No. 1475, A bill for an act relating to state government; civil service; providing opportunities for persons with disabilities; amending Minnesota Statutes 1986, section 43A.10, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 43A.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 561, A bill for an act relating to government data; providing for access to data by protection and advocacy systems; amending Minnesota Statutes 1986, section 13.89.

H. F. No. 642, 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.

H. F. No. 872, A bill for an act relating to hazardous waste facilities; providing for financial responsibility when an owner or operator is bankrupt; proposing coding for new law in Minnesota Statutes, chapter 116.

H. F. No. 1197, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1986, chapters 84A; 105; 112; 274; 276; 352; 352B; 365; 430; and 447.

H. F. No. 1350, A bill for an act relating to jobs and training; establishing limits for rates under the child care sliding fee program; amending Minnesota Statutes 1986, section 268.91, subdivision 8.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 230, A bill for an act relating to elections; authorizing combination of certain municipalities for election purposes; amending Minnesota Statutes 1986, sections 204B.14, subdivisions 2, 4, 5,

and by adding a subdivision; 204B.21, subdivision 2; and 204B.22, subdivision 1.

The Senate has appointed as such Committee:

Messrs. Stumpf, Hughes and Samuelson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1159, A bill for an act relating to retirement; public pension plan or fund assets; prohibiting certain transfers or uses of assets; proposing coding for new law in Minnesota Statutes, chapter 356.

The Senate has appointed as such Committee:

Messrs. Wegscheid; Moe, D. M., and Renneke.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 706, A bill for an act relating to juveniles; clarifying certain recent changes to the juvenile court act; clarifying the hearing and records procedures of the juvenile court; providing for the enforcement of juvenile court restitution orders; permitting administrative docketing of certain unpaid county reimbursements; clarifying certain crime victim notification and protection laws; amending Minnesota Statutes 1986, sections 260.155, subdivisions 1 and 1a; 260.156; 260.161; 260.185, by adding a subdivision; 548.091, subdivision 1; 595.02, subdivision 4; 609.115, subdivision 1; 609.3471; 611A.031; and 611A.035; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1986, sections 609.115, subdivisions 1b and 1c; and 636.08.

The Senate has appointed as such Committee:

Messrs. Cohen, Merriam and Ramstad.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 384, A bill for an act relating to crimes; providing for prosecution of certain gross misdemeanor violations; increasing the maximum fine for petty misdemeanor violations; creating a gross misdemeanor crime of damage to property; creating the crimes of check forgery and offering a forged check; increasing the maximum bail for certain misdemeanors and gross misdemeanors; prescribing penalties; amending Minnesota Statutes 1986, sections 171.07, subdivision 1a; 487.25, subdivision 10; 609.02, subdivision 4a; 609.224, subdivision 2; 609.52, subdivisions 1, 2, and 3; 609.595; 609.625; 609.821, subdivisions 1, 2, and 3; 626A.05, subdivision 2; and 629.47; proposing coding for new law in Minnesota Statutes, chapters 609 and 629.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Greenfield moved that the House concur in the Senate amendments to H. F. No. 384 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 384, A bill for an act relating to crimes; providing for prosecution of certain gross misdemeanor violations; increasing the maximum fine for petty misdemeanor violations; creating a gross misdemeanor crime of damage to property; creating the crimes of check forgery and offering a forged check; increasing the maximum bail for certain misdemeanors and gross misdemeanors; prescribing penalties; amending Minnesota Statutes 1986, sections 171.07, subdivision 1a; 487.25, subdivision 10; 609.02, subdivision 4a; 609.224, subdivision 2; 609.52; 609.595; 609.625; 609.821; 626A.05, subdivision 2; 629.34, subdivision 1; and 629.47; proposing coding for new law in Minnesota Statutes, chapters 609 and 629.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 1563, A bill for an act relating to public safety; providing that local governing body may appoint local board of appeal for order issued under the state fire code; providing for notice; providing for smoke detector maintenance; providing penalties; amending Minnesota Statutes 1986, sections 299F.011, subdivision 6, and by adding subdivisions; and 299F.362, subdivisions 5, 6, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Quinn moved that the House concur in the Senate amendments to H. F. No. 1563 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1563, A bill for an act relating to public safety; providing that local governing body may appoint local board of appeal for order issued under the state fire code; providing for notice; providing for smoke detector maintenance; providing penalties; amending Minnesota Statutes 1986, sections 299F.011, subdivision 6, and by adding subdivisions; and 299F.362, subdivisions 5, 6, and by adding a subdivision.

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

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 1421, A bill for an act relating to insurance; regulating the formation and operation of risk retention groups; prescribing the powers and duties of the commissioner; defining terms; prescribing

penalties; proposing coding for new law as Minnesota Statutes, chapter 60E.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Carruthers moved that the House concur in the Senate amendments to H. F. No. 1421 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1421, A bill for an act relating to insurance; regulating the formation and operation of risk retention groups; prescribing the powers and duties of the commissioner; defining terms; prescribing penalties; proposing coding for new law as Minnesota Statutes, chapter 60E.

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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 822, A bill for an act relating to commerce; requiring that credit card applications contain specific disclosures respecting conditions and costs; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

O'Connor moved that the House concur in the Senate amendments to H. F. No. 822 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 822, A bill for an act relating to commerce; requiring that credit card applications contain specific disclosures respecting conditions and costs; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G.

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

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Tompkins  
Trimble  
Tunheim

Uphus  
Valento  
Vanasek

Vellenga  
Voss  
Wagenius

Waltman  
Welle  
Wenzel

Winter  
Wynia  
Spk. Norton

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

Mr. Speaker:

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

H. F. No. 955, A bill for an act relating to port authority powers for the cities of Roseville and White Bear Lake; amending Laws 1985, chapter 301, sections 3 and 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Valento moved that the House concur in the Senate amendments to H. F. No. 955 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 955, A bill for an act relating to port authority powers for the cities of Roseville and White Bear Lake; amending Laws 1985, chapter 301, sections 3 and 4.

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 122 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Johnson, R.	McLaughlin	Otis
Battaglia	Dille	Johnson, V.	McPherson	Ozment
Bauerly	Dorn	Kahn	Milbert	Pappas
Beard	Forsythe	Kalis	Miller	Pauly
Begich	Frederick	Kelly	Minne	Pelowski
Bennett	Frerichs	Kelso	Morrison	Peterson
Bertram	Greenfield	Kinkel	Munger	Poppenhagen
Bishop	Gutknecht	Kludd	Murphy	Price
Blatz	Hartle	Knickerbocker	Nelson, C.	Quinn
Boo	Haukoos	Knuth	Nelson, K.	Quist
Brown	Heap	Kostohryz	Neuenschwander	Redalen
Burger	Himle	Krueger	O'Connor	Reding
Carlson, D.	Hugoson	Lasley	Ogren	Rest
Carlson, L.	Jacobs	Lieder	Olsen, S.	Rice
Carruthers	Jaros	Long	Olson, E.	Richter
Clausnitzer	Jefferson	Marsh	Olson, K.	Riveness
Cooper	Jennings	McDonald	Omman	Rodosovich
Dauner	Jensen	McEachern	Onnen	Rose
DeBlick	Johnson, A.	McKasy	Orenstein	Rukavina

Sarna	Skoglund	Tjornhom	Vanasek	Winter
Schafer	Solberg	Tompkins	Vellenga	Wynia
Schoenfeld	Sparby	Trimble	Voss	Spk. Norton
Seaberg	Stanius	Tunheim	Wagenius	
Segal	Steensma	Uphus	Waltman	
Simoneau	Swenson	Valento	Wenzel	

Those who voted in the negative were:

Schreiber      Sviggum      Thiede

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

Mr. Speaker:

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

H. F. No. 1314, A bill for an act relating to courts; conforming fees for the filing of an unlawful detainer action in Hennepin county with other civil fees and unlawful detainer fees collected throughout the state; changing Hennepin county conciliation court filing and counterclaim fees; amending Minnesota Statutes 1986, sections 488A.03, subdivision 11; and 488A.14, subdivisions 1 and 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Carruthers moved that the House concur in the Senate amendments to H. F. No. 1314 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1314, A bill for an act relating to courts; conforming fees for the filing of an unlawful detainer action in Hennepin county with other civil fees and unlawful detainer fees collected throughout the state; changing Hennepin county conciliation court filing and counterclaim fees; amending Minnesota Statutes 1986, sections 488A.03, subdivision 11; and 488A.14, subdivisions 1 and 5.

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

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.      Battaglia      Bauerly      Beard      Begich

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

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

Mr. Speaker:

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

H. F. No. 362, A bill for an act relating to Hennepin county; creating a county housing and redevelopment authority; applying the municipal housing and redevelopment act to Hennepin county; providing for local approval of projects; proposing coding for new law in Minnesota Statutes, chapter 383B.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Jefferson moved that the House concur in the Senate amendments to H. F. No. 362 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 362, A bill for an act relating to Hennepin county; creating a county housing and redevelopment authority; applying the municipal housing and redevelopment act to Hennepin county; providing for local approval of projects; proposing coding for new law in Minnesota Statutes, chapter 383B.

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 105 yeas and 24 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Bennett	Gutknecht	Marsh	Rose	Thiede
Blatz	Haukoos	McPherson	Schafer	Tjornhom
Dempsey	Himle	Pauly	Schreiber	Valento
Frederick	Hugoson	Poppenhagen	Stanisus	Waltman
Frerichs	Johnson, V.	Quist	Sviggum	

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

Mr. Speaker:

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

H. F. No. 3, A bill for an act relating to labor; changing the minimum wage; amending Minnesota Statutes 1986, section 177.24, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kelly moved that the House concur in the Senate amendments to H. F. No. 3 and that the bill be repassed as amended by the Senate.



A roll call was requested and properly seconded.

The question was taken on the Kelly motion and the roll was called. There were 102 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jaros	Milbert	Quinn	Swiggum
Anderson, R.	Jefferson	Minne	Quist	Swenson
Battaglia	Jennings	Morrison	Redalen	Tjornhom
Bauerly	Jensen	Munger	Reding	Tompkins
Beard	Johnson, A.	Murphy	Rest	Trimble
Begich	Johnson, R.	Nelson, C.	Rice	Tunheim
Bennett	Johnson, V.	Nelson, D.	Riveness	Uphus
Bishop	Kalis	Nelson, K.	Rodosovich	Valento
Blatz	Kelly	Neuenschwander	Rose	Vanasek
Boo	Kelso	O'Connor	Rukavina	Vellenga
Carlson, D.	Kinkel	Ogren	Sarna	Voss
Carlson, L.	Kludt	Olsen, S.	Scheid	Wagenius
Carruthers	Knuth	Olson, E.	Schoenfeld	Waltman
Clark	Kostohryz	Orenstein	Seaberg	Welle
Cooper	Krueger	Osthoff	Segal	Wenzel
Dorn	Larsen	Otis	Simoneau	Winter
Frederick	Lasley	Ozment	Skoglund	Wynia
Greenfield	Lieder	Pappas	Solberg	Spk. Norton
Hartle	McEachern	Pelowski	Sparby	
Himle	McKasy	Peterson	Stanius	
Jacobs	McLaughlin	Price	Steensma	

Those who voted in the negative were:

Bertram	Dempsey	Gutknecht	Marsh	Pauly
Burger	Dille	Haukoos	McDonald	Richter
Clausnitzer	Forsythe	Heap	Miller	Schafer
Dauner	Frerichs	Hugoson	Olson, K.	Schreiber
DeBlick	Gruenes	Knickerbocker	Omann	Thiede

The motion prevailed.

H. F. No. 3, A bill for an act relating to labor; changing the minimum wage; amending Minnesota Statutes 1986, section 177.24, subdivision 1.

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

The question was taken on the repassage of the bill and the roll was called. There were 90 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bennett	Carruthers	Jaros	Kalis
Anderson, R.	Bishop	Clark	Jefferson	Kelly
Battaglia	Boo	Cooper	Jennings	Kelso
Bauerly	Brown	Dorn	Jensen	Kinkel
Beard	Carlson, D.	Greenfield	Johnson, A.	Kludt
Begich	Carlson, L.	Jacobs	Johnson, R.	Knuth

Kostohryz	Murphy	Pappas	Scheid	Trimble
Krueger	Nelson, C.	Peterson	Schoenfeld	Tunheim
Larsen	Nelson, D.	Price	Segal	Valento
Lasley	Nelson, K.	Quinn	Simoneau	Vanasek
Lieder	Neuenschwander	Reding	Skoglund	Vellenga
McEachern	O'Connor	Rest	Solberg	Voss
McKasy	Olsen, S.	Rice	Sparby	Wagenius
McLaughlin	Olson, E.	Riveness	Stanis	Welle
Milbert	Orenstein	Rodosovich	Steensma	Wenzel
Minne	Osthoff	Rose	Swenson	Winter
Morrison	Otis	Rukavina	Tjornhom	Wynia
Munger	Ozment	Sarna	Tompkins	Spk. Norton

Those who voted in the negative were:

Bertram	Forsythe	Hugoson	Omann	Schafer
Blatz	Frederick	Johnson, V.	Onnen	Seaberg
Burger	Frerichs	Knickerbocker	Pauly	Svigum
Clausnitzer	Gruenes	Marsh	Pelowski	Thiede
Dauner	Hartle	McDonald	Poppenhagen	Uphus
DeBlieck	Haukoos	McPherson	Quist	Waltman
Dempsey	Heap	Miller	Redalen	
Dille	Himle	Olson, K.	Richter	

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

Mr. Speaker:

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

H. F. No. 792, A bill for an act relating to credit unions; permitting certain groups to join existing credit unions; amending Minnesota Statutes 1986, section 52.05.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Voss moved that the House concur in the Senate amendments to H. F. No. 792 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 792, A bill for an act relating to credit unions; permitting certain groups to join existing credit unions; amending Minnesota Statutes 1986, section 52.05.

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 123 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Forsythe	McDonald	Quist	Thiede
Gruenes	Miller	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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 308, A bill for an act relating to crimes; including live performances in the statute regulating exposure of minors to sexually provocative material; amending Minnesota Statutes 1986, sections 617.291; and 617.294.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Pappas moved that the House concur in the Senate amendments to H. F. No. 308 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 308, A bill for an act relating to crimes; obscenity; prohibiting exhibition of obscene live performances to juveniles in a

place of public accommodation; prohibiting the admission of a minor to an obscene exhibition even if minor does not pay for admission; amending Minnesota Statutes 1986, sections 617.291; and 617.294.

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

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 590, A bill for an act relating to crimes; sentencing; allowing a two year stay of sentence in misdemeanor cases involving driving under the influence and fifth degree assault; amending Minnesota Statutes 1986, section 609.135, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Rest moved that the House concur in the Senate amendments to H. F. No. 590 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 590, A bill for an act relating to crimes; sentencing; allowing the extension of a stay of execution in misdemeanor cases involving driving under the influence; amending Minnesota Statutes 1986, section 609.135, subdivision 2.

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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 690, A bill for an act relating to traffic regulations; requiring a blood or urine test when there is probable cause to

believe there is impairment by a controlled substance; requiring alternative test to be offered under certain conditions; amending Minnesota Statutes 1986, section 169.123, subdivisions 2 and 2a.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Swenson moved that the House concur in the Senate amendments to H. F. No. 690 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 690, A bill for an act relating to traffic regulations; requiring a blood or urine test when there is probable cause to believe there is impairment by a controlled substance; requiring alternative test to be offered under certain conditions; amending Minnesota Statutes 1986, section 169.123, subdivisions 2 and 2a.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 1366, A bill for an act relating to occupations and professions; creating the Minnesota task force on interior designers and decorators and providing for its duties.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kinkel moved that the House concur in the Senate amendments to H. F. No. 1366 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1366, A bill for an act relating to occupations and professions; creating the Minnesota task force on interior designers and decorators and providing for its duties.

The bill was read for the 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 104 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Lieder	Osthoff	Segal
Battaglia	Greenfield	Long	Otis	Simoneau
Bauerly	Hartle	McEachern	Pappas	Skoglund
Beard	Heap	McKasy	Pelowski	Solberg
Begich	Jacobs	McLaughlin	Peterson	Sparby
Bertram	Jaros	McPherson	Poppenhagen	Steensma
Bishop	Jefferson	Milbert	Price	Tompkins
Boo	Jennings	Minne	Quinn	Trimble
Brown	Jensen	Morrison	Redalen	Tunheim
Burger	Johnson, A.	Munger	Reding	Uphus
Carlson, L.	Johnson, R.	Murphy	Rest	Valento
Carruthers	Kahn	Nelson, C.	Rice	Vanasek
Clark	Kalis	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kelly	Neuenschwander	Rodosovich	Voss
Cooper	Kelso	O'Connor	Rose	Wagenius
Dauner	Kinkel	Ogren	Rukavina	Welle
DeBlicke	Kludt	Olson, E.	Sarna	Wenzel
Dempsey	Kostohryz	Olson, K.	Scheid	Winter
Dille	Krueger	Omann	Schoenfeld	Wynia
Dorn	Larsen	Onnen	Schreiber	Spk. Norton
Forsythe	Lasley	Orenstein	Seaberg	

Those who voted in the negative were:

Anderson, R.	Gutknecht	Knickerbocker	Olsen, S.	Sviggum
Blatz	Haukoos	Knuth	Ozment	Thiede
Carlson, D.	Himle	Marsh	Pauly	Tjornhom
Frerichs	Hugoson	McDonald	Quist	Waltman
Gruenes	Johnson, V.	Miller	Richter	

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

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

O'Connor moved that the House refuse to concur in the Senate amendments to H. F. No. 1073, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 1312, A bill for an act relating to peace officers; requiring licensure as a prerequisite to exercising the authority of a peace officer unless otherwise authorized by law; prohibiting persons from misrepresenting themselves as peace officers or part-time peace officers; prescribing penalties; amending Minnesota Statutes 1986, sections 169.98, by adding subdivisions; 367.41, subdivision 1; and 626.84; proposing coding for new law in Minnesota Statutes, chapter 626.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kelly moved that the House concur in the Senate amendments to H. F. No. 1312 and that the bill be repassed as amended by the Senate. The motion prevailed.



H. F. No. 1312, A bill for an act relating to peace officers; requiring licensure as a prerequisite to exercising the authority of a peace officer; prohibiting persons from misrepresenting themselves as peace officers or part-time peace officers; prescribing penalties; amending Minnesota Statutes 1986, sections 169.98, by adding subdivisions; 367.41, subdivision 1; and 626.84; proposing coding for new law in Minnesota Statutes, chapter 626.

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

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 687, A bill for an act relating to collection and dissemination of data; allowing law enforcement agencies to release the

date of birth of persons involved in traffic accidents; amending Minnesota Statutes 1986, section 169.09, subdivision 13.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Poppenhagen moved that the House concur in the Senate amendments to H. F. No. 687 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 687, A bill for an act relating to collection and dissemination of data; allowing law enforcement agencies to release the date of birth of persons involved in traffic accidents; amending Minnesota Statutes 1986, section 169.09, subdivision 13.

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 117 yeas and 15 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Beard	Greenfield	Jefferson	Larsen	Olson, K.
Carruthers	Haukoos	Jensen	McEachern	Quinn
Frerichs	Jacobs	Kahn	O'Connor	Sarna

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

Mr. Speaker:

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

H. F. No. 1041, A bill for an act relating to adoption; requiring certain notifications to parents placing a child for adoption and to proposed adoptive parents; specifying that adoptive parents may not voluntarily terminate parental rights for any reason not available to birth parents; amending Minnesota Statutes 1986, sections 259.24, subdivision 5; 259.25, subdivision 1; and 260.221; proposing coding for new law in Minnesota Statutes, chapter 259.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Wagenius moved that the House concur in the Senate amendments to H. F. No. 1041 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1041, A bill for an act relating to adoption; requiring certain notifications to parents placing a child for adoption and to proposed adoptive parents; specifying that adoptive parents may not voluntarily terminate parental rights for any reason not available to birth parents; amending Minnesota Statutes 1986, sections 259.24, subdivision 5; 259.25, subdivision 1; and 260.221; proposing coding for new law in Minnesota Statutes, chapter 259.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	Dille	Himle	Kalis
Anderson, R.	Burger	Dorn	Hugoson	Kelly
Battaglia	Carlson, D.	Forsythe	Jacobs	Kelso
Bauerly	Carlson, L.	Frederick	Jaros	Kinkel
Beard	Carruthers	Frerichs	Jefferson	Kludt
Begich	Clark	Greenfield	Jennings	Knickerbocker
Bennett	Clausnitzer	Gruenes	Jensen	Knuth
Bertram	Cooper	Gutknecht	Johnson, A.	Kostohryz
Bishop	Dauner	Hartle	Johnson, R.	Krueger
Blatz	DeBlicke	Haukoos	Johnson, V.	Larsen
Boo	Dempsey	Heap	Kahn	Lasley

Lieder	Neuenschwander	Poppenhagen	Schreiber	Uphus
Long	O'Connor	Price	Seaberg	Valento
McDonald	Ogren	Quinn	Segal	Vanasek
McEachern	Olsen, S.	Quist	Simoneau	Vellenga
McKasy	Olson, E.	Redalen	Skoglund	Voss
McLaughlin	Olson, K.	Reding	Solberg	Wagenius
McPherson	Omamn	Rest	Sparby	Waltman
Milbert	Onnen	Rice	Stanisus	Welle
Miller	Orenstein	Richter	Steensma	Wenzel
Minne	Osthoff	Rodosovich	Sviggum	Winter
Morrison	Otis	Rose	Swenson	Wynia
Munger	Ozment	Rukavina	Thiede	Spk. Norton
Murphy	Pappas	Sarna	Tjornhom	
Nelson, C.	Pauly	Schafer	Tompkins	
Nelson, D.	Pelowski	Scheid	Trimble	
Nelson, K.	Peterson	Schoenfeld	Tunheim	

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

Mr. Speaker:

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

H. F. No. 388, A bill for an act relating to crimes; providing for attachment of financial assets of persons charged with committing a felony; updating the wiretap law; prohibiting persons from defrauding insurers by concealing or removing property for the purpose of making a fraudulent insurance claim; amending Minnesota Statutes 1986, sections 609.611; and 626A.05, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Rivenness moved that the House concur in the Senate amendments to H. F. No. 388 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 388, A bill for an act relating to crimes; providing for attachment of financial assets of persons charged with committing a felony; updating the wiretap law; prohibiting persons from defrauding insurers by concealing or removing property for the purpose of making a fraudulent insurance claim; amending Minnesota Statutes 1986, sections 609.611; and 626A.05, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 1119, A bill for an act relating to state lands; permitting the sale of certain land in St. Louis county.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Rukavina moved that the House concur in the Senate amendments to H. F. No. 1119 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1119, A bill for an act relating to state lands; permitting the sale of certain land in St. Louis county.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 593, A bill for an act relating to crimes; requiring insurance companies to notify and release insurance policy information to certain law enforcement and prosecutorial authorities regarding motor vehicle thefts under investigation; prescribing higher penalties for major theft and motor vehicle theft; providing that orders of restitution may be entered in favor of corporate victims; allowing the court to amend or issue orders of restitution when the defendant is on probation or supervised release; extending the statute of limitations for certain major thefts to five years; amending Minnesota Statutes 1986, sections 90.301, subdivision 6; 256.98;

256B.35, subdivision 5; 393.07, subdivision 10; 609.52, subdivision 3; 611A.01; 611A.04, subdivision 1; and 628.26; proposing coding for new law in Minnesota Statutes, chapter 65B.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Jefferson moved that the House concur in the Senate amendments to H. F. No. 593 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 593, A bill for an act relating to crimes; requiring insurance companies to notify and release insurance policy information to certain law enforcement and prosecutorial authorities regarding motor vehicle thefts under investigation; prescribing higher penalties for major theft, motor vehicle theft, and repeat violations of the crime of unauthorized use of a motor vehicle; providing that orders of restitution may be entered in favor of corporate victims; allowing the court to amend or issue orders of restitution when the defendant is on probation or supervised release; extending the statute of limitations for certain major thefts to five years; amending Minnesota Statutes 1986, sections 90.301, subdivision 6; 256.98; 256B.35, subdivision 5; 393.07, subdivision 10; 609.52, subdivision 3; 611A.01; 611A.04, subdivision 1; and 628.26; proposing coding for new law in Minnesota Statutes, chapter 65B.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dauner	Jennings	Marsh	Olson, E.
Anderson, R.	DeBlieck	Jensen	McDonald	Olson, K.
Battaglia	Dempsey	Johnson, A.	McEachern	Omann
Bauerly	Dille	Johnson, R.	McKasy	Onnen
Beard	Dorn	Johnson, V.	McLaughlin	Orenstein
Begich	Forsythe	Kahn	McPherson	Osthoff
Bennett	Frederick	Kalis	Milbert	Otis
Bertram	Frerichs	Kelly	Miller	Ozment
Bishop	Greenfield	Kelso	Minne	Pappas
Blatz	Gruenes	Kinkel	Morrison	Pauly
Boo	Gutknecht	Kludt	Munger	Pelowski
Brown	Hartle	Knickerbocker	Murphy	Peterson
Burger	Haukoos	Knuth	Nelson, C.	Poppenhagen
Carlson, D.	Heap	Kostohryz	Nelson, D.	Price
Carlson, L.	Himle	Krueger	Nelson, K.	Quinn
Carruthers	Hugoson	Larsen	Neuenschwander	Quist
Clark	Jacobs	Lasley	O'Connor	Redalen
Clausnitzer	Jaros	Lieder	Ogren	Reding
Cooper	Jefferson	Long	Olsen, S.	Rest

Rice	Scheid	Sparby	Trimble	Waltman
Richter	Schoenfeld	Stanis	Tunheim	Welle
Riveness	Schreiber	Steensma	Uphus	Wenzel
Rodosovich	Seaberg	Swiggum	Valento	Winter
Rose	Segal	Swenson	Vanasek	Wynia
Rukavina	Simoneau	Thiede	Vellenga	Spk. Norton
Sarna	Skoglund	Tjornhom	Voss	
Schafer	Solberg	Tompkins	Wagenius	

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

Mr. Speaker:

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

H. F. No. 1374, A bill for an act relating to the office of the attorney general; removing the numerical limit on the number of assistant attorneys general; authorizing the attorney general to delegate contract review duties; amending Minnesota Statutes 1986, section 8.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 8.

PATRICK E. FLAHAVEN, Secretary of the Senate

Simoneau moved that the House refuse to concur in the Senate amendments to H. F. No. 1374, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 841, A bill for an act relating to utilities; providing for prevention of unlawful meter bypass, tampering, and use; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carruthers moved that the House refuse to concur in the Senate amendments to H. F. No. 841, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.



Mr. Speaker:

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

H. F. No. 1622, A bill for an act relating to courts; providing court of appeals and crime victim representation on the sentencing guidelines commission; providing that terms of commission members appointed by the governor are coterminous with the governor; changing the date on which the commission's report to the legislature is due; clarifying the membership on judicial appeal panels; permitting retired judges to solemnize marriages; clarifying judicial representation on the judicial standards board; authorizing the supreme court to adopt court rules; restricting mileage reimbursement for law clerks; amending Minnesota Statutes 1986, sections 244.09, subdivisions 2, 3, and 11; 253B.19, subdivision 1; 480.051; 481.02, subdivision 3; 484.545, subdivision 3; 484.62; 490.15, subdivision 1; 517.04; and 525.06.

PATRICK E. FLAHAVEN, Secretary of the Senate

Orenstein moved that the House refuse to concur in the Senate amendments to H. F. No. 1622, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 1304, A bill for an act relating to insurance; regulating cancellations of insurance agency contracts; proposing coding for new law in Minnesota Statutes, chapter 60A.

PATRICK E. FLAHAVEN, Secretary of the Senate

Milbert moved that the House refuse to concur in the Senate amendments to H. F. No. 1304, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 1209, A bill for an act relating to public nuisances; defining a nuisance; providing for the enjoinder of nuisances; proposing coding for new law in Minnesota Statutes, chapter 617; repealing Minnesota Statutes 1986, sections 617.33; 617.34; 617.35; 617.36; 617.37; 617.38; 617.39; 617.40; and 617.41.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wagenius moved that the House refuse to concur in the Senate amendments to H. F. No. 1209, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

H. F. No. 596, A bill for an act relating to jails; providing for the detention and confinement of minors subject to prosecution as adults; amending Minnesota Statutes 1986, sections 641.14; and 636.07.

PATRICK E. FLAHAVEN, Secretary of the Senate

Kelly moved that the House refuse to concur in the Senate amendments to H. F. No. 596, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 830:

S. F. No. 830, A bill for an act relating to commerce; regulating nonrenewals and transfers of franchises; providing civil liability for unfair practices in relation to franchises; amending Minnesota Statutes 1986, sections 80C.14; and 80C.17, subdivision 1.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Pehler, Luther and Frederickson, D. J.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Gruenes moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 830. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 1261:

S. F. No. 1261, A bill for an act relating to the state building code; changing certain provisions relating to public buildings; amending Minnesota Statutes 1986, sections 16B.60, subdivisions 3 and 6; 16B.61, by adding a subdivision; and 16B.71.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Marty, Frederickson, D. J., and Frederickson, D. R.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

DeBlieck moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1261. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 915:

S. F. No. 915, A bill for an act relating to crime; amending trespass law to prohibit harassment on private property; prohibiting following and stalking with intent to harass, abuse, or threaten; removing requirement that caller not disclose identity for purposes of misdemeanor harassing telephone calls; prohibiting intentional harassment by delivering a letter or object; providing penalties; amending Minnesota Statutes 1986, sections 609.605, subdivision 1; 609.746; 609.79, subdivision 1; and 609.795.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Ms. Reichgott, Messrs. Spear and Ramstad.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Pappas moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 915. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 1:

S. F. No. 1, A bill for an act relating to economic development; rural development; renaming and providing powers to the agricultural resource loan guaranty board; establishing a mineral resources program; establishing duties for the community development division in the department of energy and economic development; transferring the independent wastewater treatment grant program from the pollution control agency to the Minnesota public finance authority; changing the membership of the Minnesota job skills partnership board; establishing the rural development board; establishing the challenge grant program; establishing the customized training program; establishing the greater Minnesota corporation; establishing the state supplemental education grant program; establishing the Minnesota public finance authority; providing a program for revitalization of the cities of St. Paul and Minneapolis; creating a program for funding economic development projects in the taconite tax relief area; permitting investment of earnings of the northeast Minnesota economic protection trust in venture capital enterprises; appropriating money; amending Minnesota Statutes 1986, sections 15.039, by adding a subdivision; 16A.80, subdivision 2a; 41A.01; 41A.02, subdivisions 3, 4, 6, 11, and by adding subdivisions; 41A.05,

subdivisions 1 and 2; 41A.08; 116.16, subdivisions 2, 4, 5, 9, and by adding subdivisions; 116.18, subdivisions 2a and 3a; 116J.36, subdivisions 2, 3b, 3c, 8, 8a, and 11; 116J.37, subdivision 1, and by adding a subdivision; 116J.955, subdivisions 1 and 2; 116L.03, subdivision 2; 281.17; 298.292; 298.296, subdivision 2; 462.384, subdivision 7; 462.385, subdivisions 1 and 3; 462.386, subdivision 1; 462.387, subdivisions 1, 3 and 4; 462.39, subdivisions 2 and 3; 462.391, subdivisions 2, 3 and 4; 462.395; 462.396, subdivision 1; 462.398; and 462.445, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 41A; 93; 116J; 116L; and 136A; proposing coding for new law as Minnesota Statutes, chapters 116N; 116P; and 446A; repealing Minnesota Statutes 1986, sections 116.167; 116J.951; 116J.961; 116J.965; 116M.01; 116M.02; 116M.03; 116M.04; 116M.05; 116M.06; 116M.07; 116M.08; 116M.09; 116M.10; 116M.11; 116M.12; 116M.13; 472.11, subdivisions 3, 5, 6, 7, 8, and 9; 472.12, subdivisions 2, 3, and 4; 472.125; 472.13, subdivisions 2, 3, and 4; and Laws 1969, chapters 833 and 984.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Moe, R. D.; Pogemiller and Dicklich.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Tunheim moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 911:

S. F. No. 911, A bill for an act relating to education; requiring school districts to make available instruction in Braille reading and writing to blind pupils; proposing coding for new law in Minnesota Statutes, chapter 126.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Hughes and Pehler and Mrs. Brataas.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

Rukavina moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 911. The motion prevailed.

Mr. Speaker:

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

Senate Concurrent Resolution No. 10, A Senate concurrent resolution relating to the legislature; requiring a study of broadcasting the proceedings and hearings of the Senate and House of Representatives.

PATRICK E. FLAHAVEN, Secretary of the Senate

Senate Concurrent Resolution No. 10 was referred to the Committee on Rules and Legislative Administration.

Mr. Speaker:

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

S. F. Nos. 1210, 1260, 1449, 1280, 686, 704, 896 and 966.

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. 451, 533, 575, 875, 1095 and 1307.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 1210, A bill for an act relating to health; creating a program of health insurance for certain families; increasing cigarette and tobacco products taxes; raising the income standard for families for medical assistance; prescribing a floor stocks tax on cigarettes and tobacco products distributors; appropriating money; amending Minnesota Statutes 1986, sections 256B.06, subdivision 1; 297.02, subdivision 1; 297.03, subdivision 5; 297.13, subdivision 1; 297.32, subdivisions 1 and 2; 297.35, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 256 and 297.

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

S. F. No. 1260, A bill for an act relating to state government; providing reimbursement for certain child care expenses incurred in connection with service on state boards, councils, committees, and task forces; amending Minnesota Statutes 1986, sections 15.0575, subdivision 3; 15.059, subdivisions 3 and 6; and 214.09, subdivision 3.

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

S. F. No. 1449, A bill for an act relating to taxation; requiring a registration certificate for park trailers; imposing a registration tax on park trailers; requiring unregistered park trailers to pay property tax; imposing motor vehicle excise tax on park trailers; providing that motor vehicle dealers may sell park trailers; amending Minnesota Statutes 1986, sections 168.011, subdivisions 4 and 8; 168.012, subdivision 9; 168.013, subdivision 1, and by adding a subdivision; 168.053, subdivision 2; 168.27, subdivision 1; and 297B.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 168.

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

S. F. No. 1280, A bill for an act relating to public safety; increasing taxable gross weight of vehicles at which proof of payment of use tax is required; providing for permits for new vehicles used in events for promotion purposes; changing trip permit conditions; increasing fine for unlawful use of registration plates or certificates; allowing police to give age of parties in traffic accident to media; providing for the disclosure of certain information from accident reports; providing for service of notice of driver's license revocation by court; prescribing contents of petition for judicial review of driver's license

revocation; subjecting alcohol problem assessment rules to administrative procedure act; prescribing actions by drivers on one-way road when emergency vehicle approaching; requiring school buses on one-way, separated roads with shoulders to load and unload without flashing lights; removing obsolete deadlines; prohibiting alteration of vehicle stop lamps; providing for \$10 fee for class A classified provisional driver's license; allowing inspection of school buses for approved wheelchair devices; amending Minnesota Statutes 1986, sections 168.013, subdivision 20; 168.187, subdivision 17; 168.27, subdivision 16; 168.36, subdivision 2; 169.09, subdivision 13; 169.121, subdivision 7; 169.123, subdivision 5c; 169.124, subdivision 2; 169.20, subdivision 5; 169.44, subdivisions 2, 16, and 17; 169.57, by adding a subdivision; 171.06, subdivision 2; and 299A.11.

The bill was read for the first time.

Jensen moved that S. F. No. 1280 and H. F. No. 413, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 686, A bill for an act relating to agriculture; establishing liens and security interests that are subject to federal notice and registration provisions and provisions prescribing when buyers of farm products purchase subject to or free of security interests; proposing coding for new law in Minnesota Statutes, chapter 223A.

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

S. F. No. 704, A bill for an act relating to administrative procedure; defining certain terms; requiring agencies to solicit outside information before publishing proposed rules; limiting instances in which agencies are required to consider the impact of proposed rules on small businesses; providing for regulatory analyses of proposed rules in certain instances; empowering agencies to adopt emergency rules in certain circumstances; authorizing the legislative commission for review of administrative rules to review exemptions from the administrative procedure act; amending Minnesota Statutes 1986, sections 14.02; 14.05, subdivisions 2 and 4; 14.08; 14.10; 14.115, by adding a subdivision; 14.131; 14.15, subdivision 3; 14.23; 14.26; 14.29, subdivision 1; 14.30; 14.31; 14.365; 14.37, subdivision 1; 14.40; and 14.62, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 14 and 541; repealing Minnesota Statutes 1986, section 14.115, subdivision 1.

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



S. F. No. 896, A bill for an act relating to probate; providing for the award of sentimental property to the decedent's children; amending Minnesota Statutes 1986, sections 525.15; and 525.151; proposing coding for new law in Minnesota Statutes, chapter 525.

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

S. F. No. 966, A bill for an act relating to unclaimed property; enacting the Uniform Unclaimed Property Act (1981); amending Minnesota Statutes 1986, sections 80C.03; 149.12; 198.231; 345.25; 356.65, subdivision 2; and 624.68; proposing coding for new law in Minnesota Statutes, chapter 345; repealing Minnesota Statutes 1986, sections 345.31 to 345.60.

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

S. F. No. 451, A bill for an act relating to public safety; parking for handicapped persons; imposing a fine for violations of handicapped parking provisions; providing penalties; amending Minnesota Statutes 1986, sections 168.021, subdivisions 1, 1a, 2, 3, 5, and 6; 169.345; and 169.346; repealing Minnesota Statutes 1986, section 168.021, subdivision 7.

The bill was read for the first time.

Reding moved that S. F. No. 451 and H. F. No. 629, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 533, A bill for an act relating to the city of Hermantown; extending the period that land held by the city for economic development is exempt from tax.

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

S. F. No. 575, A bill for an act relating to organ donation; appropriating money to print driver's license renewal notice communications about organ donation.

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

S. F. No. 875, A bill for an act relating to energy; requiring the legislative advisory commission to recommend allocation of oil overcharge money; appropriating oil overcharge money for low-income energy conservation.

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

S. F. No. 1095, A bill for an act relating to taxation; clarifying determination of estimated property taxes for settlement with local taxing districts; providing an appeal mechanism; amending Minnesota Statutes 1986, section 276.11.

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

S. F. No. 1307, A bill for an act relating to education; establishing a task force on implementing a common course numbering system; appropriating money.

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

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1170:

Welle, Osthoff and Knickerbocker.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 378:

Jacobs, Quinn and Redalen.

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

#### RECESS

#### RECONVENED

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

Rose was excused between the hours of 1:25 p.m. and 2:50 p.m.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Vanasek, from the Committee on Rules and Legislative Administration, pursuant to House Rule No. 1.9, designated the following bills as Special Orders to be acted upon immediately following Special Orders pending for today, Wednesday, May 13, 1987:

H. F. No. 756; S. F. No. 1099; H. F. Nos. 862, 1297, 523, 794, 1095, 629, 939, 1002, 1499, 1645, 899, 887, 485, 829 and 438; S. F. Nos. 167 and 456.

The following Conference Committee Reports were received:

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 554

A bill for an act relating to natural resources; changing certain provisions relating to state park motor vehicle permits; amending Minnesota Statutes 1986, section 85.05, subdivision 2.

May 8, 1987

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H. F. No. 554, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 554 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [85.0501] [SPECIAL USES OF STATE PARKS.]

Subdivision 1. [RULES.] The commissioner may make rules for the use of state parks including:

(1) special parking space for automobiles or other motor-driven vehicles in a state park or state recreation area;

(2) special parking spurs, campgrounds for automobiles, sites for tent camping, and special auto trailer coach parking spaces, for the use of the individual charged for the space;

(3) improvement and maintenance of golf courses already established in state parks, and charging reasonable use fees;

(4) state park pageant areas that may be established in a state park to have historical or other pageants conducted by the commissioner of a state agency or other public agency; and

(5) providing water, sewer, and electric service to trailer or tent campsites and charging a reasonable use fee.

Subd. 2. [STATE PARK PAGEANTS.] The commissioner may stage state park pageants in a state park, municipal park, or on other land near or adjoining a state park and charge an entrance or use fee for the pageant. All receipts from the pageants must be used in the same manner as though the pageants were conducted in a state park.

Subd. 3. [FEE FOR CERTAIN PARKING AND CAMPSITE USE.]

(a) An individual using spaces in state parks under subdivision 1, clause (2), shall be charged daily rates determined and set by the commissioner in a manner and amount consistent with the type of facility provided for the accommodation of guests in a particular park and with similar facilities offered for tourist camping and similar use in the area.

(b) The fee for special parking spurs, campgrounds for automobiles, sites for tent camping, and special auto trailer coach parking spaces is one-half of the fee set in paragraph (a) on Sunday through Thursday of each week for:

(1) an individual age 65 or over who is a resident of the state and who furnishes satisfactory proof of age and residence;

(2) a physically handicapped person with a motor vehicle that has special plates issued under section 168.021, subdivision 1; or

(3) a physically handicapped person who possesses a certificate issued under section 169.345, subdivision 3.

Subd. 4. [DEPOSIT OF FEES.] (a) Fees paid for special state park uses under this section shall be deposited in the state treasury and credited to the state park maintenance and operation account.

(b) Gross receipts derived from sales, rentals, or leases of natural resources within state parks, recreation areas, and waysides, other than those on trust fund lands, must be deposited in the state treasury and be credited to the state park maintenance and operation account.

Sec. 2. [85.0502] [STATE PARK PERMITS.]

Subdivision 1. [FORM, ISSUANCE, VALIDITY.] (a) The commissioner shall prepare and provide state park permits for each calendar year that state a motor vehicle may enter and use state parks, state recreation areas, and state waysides over 50 acres in area. State park permits must be available and placed on sale by October 1 of the year preceding the calendar year that the permit is valid.

(b) A state park permit may be affixed when purchased and used from the time it is affixed until the end of the calendar year for which it is issued. State park permits in each category must be numbered consecutively for each year of issue.

(c) State park permits shall be issued by employees of the division of parks and recreation as designated by the commissioner.

Subd. 2. [REQUIREMENT.] Except as provided in section 3, a motor vehicle may not enter a state park, state recreation area, or state wayside over 50 acres in area, without a state park permit issued under this section. The state park permit must be affixed to the lower right corner windshield of the motor vehicle and must be completely affixed by its own adhesive to the windshield.

Subd. 3. [SECOND VEHICLE PERMITS.] The commissioner shall prescribe and issue second vehicle state park permits for persons who own more than one motor vehicle and who request a second permit for the second vehicle on a form prescribed by the commissioner. The commissioner may issue an applicant only one second vehicle permit.

Subd. 4. [TWO-DAY PERMITS.] The commissioner shall prescribe a special state park permit for use of state parks, state recreation areas, or state waysides up to two days under conditions prescribed by the commissioner.

Subd. 5. [DAILY VEHICLE PERMIT FOR GROUPS.] The commissioner may authorize special daily vehicle state park permits for groups by rule.

Subd. 6. [EMPLOYEE'S PERMIT.] (a) The commissioner shall prescribe and issue an employee's state park permit to state employees, peace officers, and contractors, that must enter areas where state park permits are required to perform official duties. An employee, peace officer, or contractor must display the special permit on the motor vehicle in the same manner as state park permits are displayed.

(b) A motor vehicle displaying only an employee's state park permit may not enter a place where state park permits are required if the vehicle is used for purposes other than performing official duties.

Subd. 7. [HANDICAPPED PERSONS AND PERSONS OVER AGE 65.] (a) The commissioner shall prescribe and issue special state park permits for:

(1) an individual age 65 years or older who furnishes satisfactory proof of age and is a resident of the state;

(2) a physically handicapped person with a motor vehicle that has special plates issued under section 168.021, subdivision 1; and

(3) up to two days for a physically handicapped person who possesses a certificate issued under section 169.345, subdivision 3.

(b) The permit or the decal issued under this subdivision is valid only when displayed on a vehicle owned and occupied by the person to whom the permit is issued.

### Sec. 3. [85.0503] [STATE PARK PERMIT EXEMPTIONS.]

Subdivision 1. [STATE PARK OPEN HOUSE DAY.] (a) A state park permit is not required for a motor vehicle to enter a state park, state monument, state recreation area, or state wayside, on one day each calendar year, which the commissioner may designate as state park open house day. The commissioner may designate two consecutive days as state park open house day, if the open house is held in conjunction with a special pageant described in section 1, subdivision 2.

(b) The commissioner shall announce the date of state park open house day at least 30 days in advance of the date it occurs.

(c) The state park open house day is to acquaint the public with state parks, recreation areas, and waysides.

Subd. 2. [FORT SNELLING MEMORIAL CHAPEL ISLAND.] A state park permit is not required and a fee may not be charged for motor vehicle entry or parking at the Fort Snelling Memorial Chapel Island portion of Fort Snelling State Park.

Subd. 3. [INTERSTATE PARK.] A Minnesota state park permit is not required at Interstate Park if a valid, current, Wisconsin state park permit or sticker authorizing entry of a motor vehicle into Wisconsin state parks is appropriately displayed on the vehicle and the commissioner has entered into an agreement with appropriate officials of the state of Wisconsin that authorizes motor vehicles displaying Minnesota state park permits free entry into Interstate State Park of Wisconsin on a reciprocal basis.

### Sec. 4. [85.0504] [STATE PARK PERMIT FEES.]

Subdivision 1. [FEES.] The fee for state park permits for:

- (1) an annual use of state parks is \$15;
- (2) a second vehicle state park permit is one-half the annual state park permit fee in clause (1);
- (3) a special state park permit valid up to two days is \$3;
- (4) a special daily vehicle state park permit for groups is as prescribed by the commissioner;
- (5) an employee's state park permit is without charge;
- (6) a special state park permit for handicapped persons and persons over age 65 under section 2, subdivision 7, clauses (1) and (2), is one-half the annual state park permit fee in clause (1) of this subdivision; and
- (7) a special state park permit valid up to two days for handicapped persons and persons over age 65 under section 2, subdivision 7, clauses (1) and (3), is one-half of the special state park permit fee in clause (3) of this subdivision.

Subd. 2. [FEE DEPOSIT AND APPROPRIATION.] The fees collected under this section shall be deposited in the state treasury and credited to the state park maintenance and operation account. Appropriations from the account shall be for state park maintenance and operation.

Sec. 5. [REPEALER.]

Minnesota Statutes 1986, section 85.05, is repealed.

Sec. 6. [EFFECTIVE DATE.]

This act is effective 30 days after final enactment."

Delete the title and insert:

"A bill for an act relating to natural resources; changing certain provisions relating to state park permits; authorizing and assessing fees for state park permits for second vehicles; authorizing a state park permit exemption for Interstate Park under reciprocal agreement with Wisconsin; proposing coding for new law in Minnesota Statutes, chapter 85; repealing Minnesota Statutes 1986, section 85.05."

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

House Conferees: THOMAS RUKAVINA, PAUL M. THIEDE AND WILLARD MUNGER.

Senate Conferees: JAMES C. PEHLER, DENNIS R. FREDERICKSON AND STEVEN MORSE.

Rukavina moved that the report of the Conference Committee on H. F. No. 554 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 554, A bill for an act relating to natural resources; changing certain provisions relating to state park motor vehicle permits; amending Minnesota Statutes 1986, section 85.05, subdivision 2.

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

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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



## CONFERENCE COMMITTEE REPORT ON H.F. NO. 200

A bill for an act relating to abuse and neglect reporting; providing a standard for the disclosure of a reporter's name under the child abuse reporting act and the vulnerable adults reporting act; amending Minnesota Statutes 1986, sections 626.556, subdivision 11; and 626.557, subdivision 12.

May 7, 1987

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

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H. F. No. 200, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: KATHLEEN O. VELLENGA, PHIL CARRUTHERS AND KATHLEEN A. BLATZ.

Senate Conferees: LINDA BERGLIN, JIM RAMSTAD AND DONNA C. PETERSON.

Vellenga moved that the report of the Conference Committee on H. F. No. 200 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 200, A bill for an act relating to abuse and neglect reporting; providing a standard for the disclosure of a reporter's name under the child abuse reporting act and the vulnerable adults reporting act; amending Minnesota Statutes 1986, sections 626.556, subdivision 11; and 626.557, subdivision 12.

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

The question was taken on the repassage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Osthoff	Skoglund
Battaglia	Gruenes	Lieder	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	McDonald	Pappas	Stanius
Begich	Haukoos	McEachern	Pelowski	Steensma
Bennett	Heap	McKasy	Peterson	Sviggum
Bertram	Hugoson	McLaughlin	Poppenhagen	Swenson
Bishop	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, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rukavina	Wagenius
Dauner	Kelso	O'Connor	Sarna	Waltman
DeBlieck	Kinkel	Ogren	Schafer	Welle
Dempsey	Kludd	Olsen, S.	Scheid	Wenzel
Dille	Knickerbocker	Olson, E.	Schoenfeld	Winter
Dorn	Knuth	Olson, K.	Schreiber	Wynia
Forsythe	Kostohryz	Omman	Seaberg	Spk. Norton
Frederick	Krueger	Onnen	Segal	
Frerichs	Larsen	Orenstein	Simoneau	

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

Dorn was excused between the hours of 1:30 p.m. and 2:50 p.m.

Orenstein was excused between the hours of 1:55 p.m. and 2:50 p.m.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 596:

Kelly, Blatz and Kludd.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 638:

Minne, Kostohryz and Gutknecht.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1:

Schoenfeld, Otis and Neuenschwander.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 830:

Gruenes, Kelly and Dempsey.

The Speaker called Simoneau to the Chair.

### SPECIAL ORDERS

S. F. No. 677 was reported to the House.

Ogren, Jacobs, Clark, Jennings, Quinn, McLaughlin, Scheid, Osthoff, Minne, Jensen, Rodosovich, Beard, Lieder and Jaros moved to amend S. F. No. 677, as follows:

Page 16, after line 4, insert:

"Sec. 13. [237.63] [TELEPHONE ASSISTANCE PLAN; DEFINITIONS.]

Subdivision 1. [SCOPE.] The terms used in sections 13 to 16 have the meanings given them in this section.

Subd. 2. [COMMISSION.] "Commission" means the Minnesota public utilities commission.

Subd. 3. [DEPARTMENT.] "Department" means the Minnesota department of public service.

Subd. 4. [TELEPHONE COMPANY.] "Telephone company" has the meanings given it in section 237.01, subdivisions 2 and 3, that provides local exchange telephone service.

Subd. 5. [ACCESS LINE.] "Access line" means telephone company-owned facilities furnished to permit switched access to the telecommunications network that extend from a central office to the demarcation point on the property where the subscriber is served. The term includes access lines provided to residential and business subscribers, includes centrex access lines on a trunk-equivalent basis, but does not include private nonswitched or wide area telephone service access lines.

Subd. 6. [FEDERAL MATCHING PLAN.] "Federal matching plan" means the telephone assistance plan formulated by the Federal Communications Commission that provides federal assistance to local telephone subscribers.

Subd. 7. [TELEPHONE ASSISTANCE PLAN.] "Telephone assistance plan" means the plan to be adopted by the commission and to be jointly administered by the commission, the department of human services, and the telephone companies, as required by sections 13 to 16.

Subd. 8. [DOCUMENTATION.] "Documentation" means (1) the most recent income tax return filed by members of the subscriber's household, (2) for each employed member of the subscriber's household, either paycheck stubs for the last two months or a written statement from the employer of wages earned during the preceding two months, (3) a Medicaid card or food stamps eligibility document, (4) documents that show that the subscriber is on a pension from the department of human services, the Social Security Administration, the Veterans Administration, or other pension providers, (5) a letter showing the subscriber's dismissal from a job or other documents showing unemployment, or (6) other document that supports the subscriber's declaration of annual income level.

Sec. 14. [237.64] [DEVELOPMENT OF TELEPHONE ASSISTANCE PLAN.]

Subdivision 1. [COMMISSION RESPONSIBILITY.] The commission shall develop a telephone assistance plan under this section.

Subd. 2. [SCOPE.] The telephone assistance plan must be statewide and apply to telephone companies that provide local exchange service in Minnesota.

Subd. 3. [FEDERAL MATCHING PLAN.] The telephone assistance plan must contain adequate provisions to enable telephone companies to qualify for assistance under the federal matching plan.

Subd. 4. [HOUSEHOLDS ELIGIBLE FOR CREDITS.] The telephone assistance plan must provide telephone assistance credit for a residential household in Minnesota that:

(1) does not receive aid for telephone service under any other program other than the federal matching plan or the telephone assistance plan;

(2) has a household member who subscribes to local exchange telephone service and who is 65 years of age or older; and

(3) has a maximum total annual household income level that does not exceed:

(i) when the size of the household is 1, \$7,862;

(ii) when the size of the household is 2, \$10,281;

- (iii) when the size of the household is 3, \$12,699;
- (iv) when the size of the household is 4, \$15,118;
- (v) when the size of the household is more than 4, \$15,118 plus for each additional household member, \$2,419.

Subd. 5. [NATURE AND EXTENT OF CREDITS.] The telephone assistance plan may provide for telephone assistance credits to eligible households up to the amounts available under the federal matching plan. However, the credits available under the telephone assistance plan may not exceed:

(1) more than 50 percent of the local exchange rate charged for the local exchange service provided to the household by that household's telephone company; and

(2) the level of credits that can actually be funded in accordance with the limitations contained in subdivision 6.

Subd. 6. [FUNDING.] The commission shall provide for the funding of the telephone assistance plan by assessing a uniform recurring monthly surcharge applicable to all classes and grades of access lines provided by each telephone company in the state. The revenue generated by the surcharge must not exceed \$2,500,000 on a statewide basis. This statewide \$2,500,000 limitation must be apportioned between telephone companies based on their relative number of access lines.

Subd. 7. [ADMINISTRATION.] The telephone assistance plan must be administered jointly by the commission, the department of human services, and the telephone companies in accordance with the following guidelines:

(a) The commission and the department of human services shall develop eligibility certification forms that must be completed at least annually by the subscriber residing in a household for the purposes of certifying eligibility for telephone assistance plan credits to the telephone companies.

(b) The department of human services, through its various offices and agencies, shall determine the eligibility for telephone assistance plan credits on an annual basis according to the criteria contained in subdivision 4, based upon consideration of documentation made available to the department of human services by the subscriber, and shall provide the necessary certification forms to eligible households for provision by the households to the telephone company.

(c) The telephone company shall provide telephone assistance plan credits against monthly charges in the month following receipt of an eligibility certification form and shall continue to provide credits for 12 months after, unless notified that eligibility has terminated earlier. At the end of every 12-month period, telephone assistance plan credits cease unless the telephone company has been provided with a new eligibility certification form.

(d) The commission shall serve as the administrator of a statewide surcharge revenue pool and be reimbursed for its administrative expenses from the surcharge revenue pool. As the administrator, the commission shall:

(1) establish a uniform statewide surcharge in accordance with subdivision 6;

(2) establish a uniform statewide level of telephone assistance plan credit that each telephone company shall extend to each eligible household in its service area;

(3) require each telephone company to account to the commission on a periodic basis for surcharge revenues collected by the company, expenses incurred by the company, and credits extended by the company under the telephone assistance plan;

(4) require each telephone company to remit excess surcharge revenues to the commission for administration as part of the pool; and

(5) remit to each telephone company from the surcharge revenue pool the amount necessary to compensate the company for expenses and telephone assistance plan credits that are not covered by the surcharge revenue collected by the company. When it appears that the revenue generated by the maximum surcharge permitted under subdivision 6 will be inadequate to fund any particular established level of telephone assistance plan credits, the commission shall reduce the credits to a level that can be adequately funded by the maximum surcharge. Similarly, the commission may increase the level of the telephone assistance plan credit that is available or reduce the surcharge to a level and for a period of time that will prevent an unreasonable overcollection of surcharge revenues.

(e) Each telephone company shall maintain adequate records of surcharge revenues, expenses, and credits related to the telephone assistance plan and shall, as part of its annual report or separately, provide the commission and the department with a financial report of its experience under the telephone assistance plan for the previous year. That report must also be adequate to satisfy the reporting requirements of the federal matching plan.

(f) The department shall investigate complaints against telephone companies with regard to the telephone assistance plan and shall report the results of its investigation to the commission.

Sec. 15. [237.65] [RULES.]

The commission shall adopt rules under the administrative procedure act necessary or appropriate to establish the telephone assistance plan in accordance with this chapter so that the telephone assistance plan is effective as of January 1, 1988, or as soon after that date as Federal Communications Commission approval of the telephone assistance plan is obtained.

Sec. 16. [237.66] [PARTICIPATION OF DEPARTMENT OF HUMAN SERVICES.]

The department of human services shall participate in the implementation and administration of the telephone assistance plan in accordance with sections 13 to 16.

Sec. 17. [LEGISLATIVE REPORT.]

By January 1, 1989, the commission shall submit a report to the legislature with regard to the implementation, administration, and effectiveness of the telephone assistance plan and shall make any recommendations the commission believes are appropriate with regard to eligibility, funding, and administration of the telephone assistance plan."

Pages 20 and 21, delete section 20

Renumber the sections in sequence

Correct internal references accordingly

Amend the title accordingly

A roll call was requested and properly seconded.

POINT OF ORDER

Schreiber raised a point of order pursuant to rule 3.9 that the Ogren et al amendment was not in order. Speaker pro tempore Simoneau ruled the point of order not well taken and the amendment in order.

McDonald moved to amend the Ogren et al amendment to S. F. No. 677, as follows:

In the amendment, page 2, line 27, after "service" delete "and who is 65 years of age or older"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 44 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	McKasy	Quist	Swenson
Bennett	Frerichs	McPherson	Redalen	Thiede
Bishop	Gruenes	Miller	Richter	Tjornhom
Boo	Haukoos	Nelson, C.	Schafer	Tompkins
Burger	Heap	Neuenschwander	Schreiber	Uphus
Carlson, D.	Hugoson	Omman	Seaberg	Valento
Clausnitzer	Johnson, V.	Onnen	Stanius	Waltman
Dempsey	Marsh	Ozment	Steensma	Winter
Dille	McDonald	Poppenhagen	Sviggum	

Those who voted in the negative were:

Battaglia	Jefferson	Lieder	Pappas	Skoglund
Bauerly	Jensen	Long	Pelowski	Solberg
Beard	Johnson, A.	McEachern	Peterson	Sparby
Begich	Johnson, R.	McLaughlin	Price	Trimble
Bertram	Kahn	Milbert	Quinn	Tunheim
Brown	Kalis	Minne	Reding	Vanasek
Carlson, L.	Kelly	Munger	Rest	Vellenga
Carruthers	Kelso	Murphy	Rice	Voss
Clark	Kinkel	Nelson, D.	Riveness	Wagenius
Cooper	Kludt	Nelson, K.	Rodosovich	Welle
Dauner	Knickerbocker	O'Connor	Rukavina	Wenzel
DeBlick	Knuth	Ogren	Sarna	Wynia
Greenfield	Kostohryz	Olson, E.	Scheid	Spk. Norton
Hartle	Krueger	Olson, K.	Schoenfeld	
Jacobs	Larsen	Osthoff	Segal	
Jaros	Lasley	Otis	Simoneau	

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

The question recurred on the Ogren et al amendment and the roll was called. There were 95 yeas and 31 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Clark	Jensen	Krueger	Nelson, C.
Battaglia	Cooper	Johnson, A.	Larsen	Nelson, D.
Bauerly	Dauner	Johnson, R.	Lasley	Nelson, K.
Beard	DeBlick	Johnson, V.	Long	O'Connor
Begich	Dorn	Kahn	Marsh	Ogren
Bertram	Greenfield	Kelly	McEachern	Olson, E.
Boo	Gruenes	Kelso	McLaughlin	Olson, K.
Brown	Jacobs	Kinkel	Milbert	Omman
Carlson, D.	Jaros	Kludt	Minne	Onnen
Carlson, L.	Jefferson	Knuth	Munger	Orenstein
Carruthers	Jennings	Kostohryz	Murphy	Osthoff



Otis	Rest	Scheid	Swenson	Voss
Ozment	Rice	Segal	Tjornhom	Wagenius
Pappas	Riveness	Simoneau	Tompkins	Waltman
Pelowski	Rodosovich	Skoglund	Trimble	Welle
Peterson	Rose	Solberg	Tunheim	Wenzel
Price	Rukavina	Sparby	Uphus	Winter
Quinn	Sarna	Stanius	Vanasek	Wynia
Reding	Schafer	Steensma	Vellenga	Spk. Norton

Those who voted in the negative were:

Anderson, G.	Frerichs	Knickerbocker	Pauly	Svigum
Bennett	Hartle	McDonald	Poppenhagen	Thiede
Burger	Haukoos	McKasy	Quist	Valento
Clausnitzer	Heap	McPherson	Redalen	
Dempsey	Himle	Miller	Richter	
Forsythe	Hugoson	Morrison	Schreiber	
Frederick	Kalis	Neuenschwander	Seaberg	

The motion prevailed and the amendment was adopted.

Olson, E., moved to amend S. F. No. 677, as amended, as follows:

Page 3 of the Ogren et al amendment, line 11, delete everything after "plan" and insert "through a local exchange telephone company access surcharge to interexchange carriers for access to the local exchange. The statewide revenue to be generated by the access surcharge must not exceed \$2,500,000. The access surcharge, to the extent possible, must be coordinated with any statewide toll compensation plan adopted by the commission."

Page 3 of the Ogren et al amendment, delete lines 12 to 17

Page 4 of the Ogren et al amendment, lines 8, 9, 11, 17, 21, 23, 26, 27, 31, 33 and 35 before "surcharge" insert "access"

Page 5 of the Ogren et al amendment, line 1, before "surcharge" insert "access"

A roll call was requested and properly seconded.

The question was taken on the Olson, E., amendment and the roll was called. There were 36 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Cooper	Kalis	Olson, E.	Schafer
Bauerly	DeBlieck	Kludt	Olson, K.	Shaver
Bertram	Dempsey	Lasley	Omann	Sparby
Bishop	Gruenes	Lieder	Onnen	Stanius
Boo	Himle	McDonald	Otis	Svigum
Brown	Jensen	Milbert	Peterson	Swenson
Burger	Johnson, V.	Nelson, C.	Redalen	Tunheim
				Waltman

Those who voted in the negative were:

Anderson, R.	Haukoos	Marsh	Pauly	Simoneau
Battaglia	Heap	McEachern	Pelowski	Skoglund
Beard	Hugoson	McKasy	Poppenhagen	Solberg
Begich	Jacobs	McLaughlin	Quinn	Steensma
Bennett	Jaros	McPherson	Quist	Thiede
Carlson, D.	Jefferson	Miller	Reding	Tjornhom
Carlson, L.	Jennings	Minne	Rest	Tompkins
Carruthers	Johnson, A.	Munger	Richter	Trimble
Clark	Kahn	Murphy	Riveness	Uphus
Clausnitzer	Kelly	Nelson, K.	Rodosovich	Valento
Dauner	Kelso	O'Connor	Rose	Vanasek
Dorn	Kinkel	Ogren	Rukavina	Voss
Forsythe	Knickerbocker	Olsen, S.	Sarna	Wagenius
Frederick	Knuth	Orenstein	Scheid	Wenzel
Frerichs	Kostohryz	Osthoff	Schreiber	Winter
Greenfield	Krueger	Ozment	Seaberg	Spk. Norton
Hartle	Long	Pappas	Segal	

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

Schreiber moved to amend S. F. No. 677, as amended, as follows:

Page 1 of the Ogren et al amendment, delete lines 32 to 36

Page 2 of the Ogren et al amendment, delete lines 1 to 8 and insert:

"Subd. 8. [INCOME.] For purposes of sections 13 to 17, income has the meaning given it in section 290A.03, subdivision 3."

A roll call was requested and properly seconded.

The question was taken on the Schreiber amendment and the roll was called. There were 114 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Kinkel	Nelson, D.	Quinn
Anderson, R.	Frerichs	Kludt	Nelson, K.	Quist
Battaglia	Greenfield	Knickerbocker	Neuenschwander	Redalen
Bauerly	Gruenes	Knuth	O'Connor	Reding
Beard	Hartle	Kostohryz	Ogren	Rest
Begich	Haukoos	Krueger	Olsen, S.	Rice
Bennett	Heap	Lasley	Olson, E.	Richter
Bertram	Himle	Long	Olson, K.	Riveness
Boo	Hugoson	Marsh	Omann	Rose
Brown	Jacobs	McDonald	Onnen	Sarna
Burger	Jefferson	McEachern	Osthoff	Schafer
Carlson, D.	Jennings	McKasy	Otis	Scheid
Carlson, L.	Jensen	McPherson	Ozment	Schreiber
Carruthers	Johnson, A.	Milbert	Pappas	Seaberg
Clausnitzer	Johnson, R.	Miller	Pauly	Segal
Cooper	Johnson, V.	Morrison	Pelowski	Shaver
Dempsey	Kahn	Munger	Peterson	Simoneau
Dille	Kalis	Murphy	Poppenhagen	Solberg
Forsythe	Kelly	Nelson, C.	Price	Sparby

Stanius  
Sviggum  
Swenson  
Thiede

Tjornhom  
Tompkins  
Trimble  
Tunheim

Uphus  
Valento  
Vanasek  
Vellenga

Voss  
Wagenius  
Waltman  
Welle

Wenzel  
Wynia  
Spk. Norton

Those who voted in the negative were:

Clark  
Dauner  
DeBlicek

Jaros  
Kelso  
Larsen

Lieder  
Minne  
Rodosovich

Rukavina  
Steensma  
Winter

The motion prevailed and the amendment was adopted.

Rose was excused between the hours of 3:40 p.m. and 4:00 p.m.

S. F. No. 677, A bill for an act relating to public utilities; providing for the reduced regulation of certain competitive telephone services, with limitations and procedures; requiring persons providing private shared tenant service to grant certain access; requiring a study and report on universal service assistance; amending Minnesota Statutes 1986, sections 237.01, subdivision 3; 237.081, subdivision 1a; 237.11; 237.12; 237.16, subdivision 1; 237.17; and 237.22; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1986, sections 237.13; 237.41; 237.42; and 237.43.

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

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.  
Anderson, R.  
Battaglia  
Bauerly  
Beard  
Begich  
Bennett  
Bertram  
Bishop  
Boo  
Brown  
Burger  
Carlson, D.  
Carlson, L.  
Carruthers  
Clark  
Clausnitzer  
Cooper  
Dauner  
DeBlicek  
Dempsey  
Dille  
Dorn

Forsythe  
Frederick  
Frerichs  
Greenfield  
Gruenes  
Hartle  
Haukoos  
Heap  
Himle  
Hugoson  
Jacobs  
Jaros  
Jefferson  
Jennings  
Johnson, A.  
Johnson, R.  
Johnson, V.  
Kahn  
Kalis  
Kelly  
Kelso  
Kinkel

Kludt  
Knickerbocker  
Knuth  
Kostohryz  
Krueger  
Larsen  
Lasley  
Lieder  
Long  
Marsh  
McDonald  
McEachern  
McKasy  
McLaughlin  
McPherson  
Milbert  
Miller  
Minne  
Morrison  
Munger  
Murphy  
Nelson, C.  
Nelson, D.

Nelson, K.  
Neuenschwander  
O'Connor  
Ogren  
Olsen, S.  
Olson, E.  
Olson, K.  
Omann  
Onnen  
Orenstein  
Osthoff  
Otis  
Ozment  
Pappas  
Pauly  
Pelowski  
Peterson  
Price  
Quinn  
Quist  
Redalen  
Reding  
Rest

Rice  
Richter  
Riveness  
Rodosovich  
Rukavina  
Sarna  
Schafer  
Scheid  
Schoenfeld  
Schreiber  
Seaberg  
Segal  
Shaver  
Simoneau  
Skoglund  
Solberg  
Sparby  
Stanius  
Steensma  
Sviggum  
Swenson  
Thiede  
Tjornhom

Tompkins  
Trimble  
Tunheim

Uphus  
Valento  
Vanasek

Vellenga  
Voss  
Wagenius

Waltman  
Welle  
Wenzel

Winter  
Wynia  
Spk. Norton

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

Orenstein was excused between the hours of 3:45 p.m. and 4:00 p.m.

Dorn was excused between the hours of 3:45 p.m. and 4:15 p.m.

Speaker pro tempore Simoneau called Long to the Chair.

H. F. No. 938 was reported to the House.

Simoneau moved to amend H. F. No. 938, the first engrossment, as follows:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1986, section 8.07, is amended to read:

8.07 [OPINIONS; COUNTY, CITY, TOWN, PUBLIC PENSION FUND, SCHOOL ATTORNEYS, COMMISSIONER OF EDUCATION.]

The attorney general on application shall give an opinion, in writing, to county, city, town, public pension fund attorneys, or the attorneys for the board of a school district or unorganized territory on questions of public importance; and on application of the commissioner of education shall give an opinion, in writing, upon any question arising under the laws relating to public schools. On all school matters such opinion shall be decisive until the question involved shall be decided otherwise by a court of competent jurisdiction."

Renumber the remaining sections

Page 4, line 20, delete "6" and insert "7"

Amend the title as follows:

Page 1, line 2, after the semicolon insert "legal advisor for public pension funds;"

Page 1, line 5, after "sections" insert "8.07;"

The motion prevailed and the amendment was adopted.

Minne moved to amend H. F. No. 938, the first engrossment, as amended, as follows:

Page 4, after line 18, insert:

"Sec. 7. [HIBBING COUNCIL MEMBER.]

Notwithstanding the "incumbency" provisions of Minnesota Statutes, section 353.01, subdivision 7, and rules adopted by the PERA board, to the contrary, a person who served on the city council for the city of Hibbing and elected PERA membership from January 1, 1983, and who terminated service November 25, 1986, after being re-elected to the city council for a term beginning January 6, 1987, shall be no longer considered a member of the association for service rendered as an elected official as of the termination date of November 25, 1986. The person shall have the right in accordance with section 353.01, subdivisions 2a, clause (a), and 7, to exercise the option to become a member of the association for any service rendered as an elected official on or after January 1, 1987."

Renumber the remaining section

Page 4, line 20, delete "7" and insert "8"

The motion prevailed and the amendment was adopted.

H. F. No. 938, A bill for an act relating to retirement; legal advisor for public pension funds; regulating workers' compensation offsets to public employee retirement association benefits; amending Minnesota Statutes 1986, sections 8.07; 353.29, subdivision 2; 353.33, subdivision 5, and by adding a subdivision; 353.651, subdivision 2; 353.656, subdivision 2, and by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bishop	Carruthers	Dille	Haukoos
Anderson, R.	Blatz	Clark	Forsythe	Heap
Battaglia	Boo	Clausnitzer	Frederick	Himle
Bauerly	Brown	Cooper	Greenfield	Hugoson
Beard	Burger	Dauner	Gruenes	Jacobs
Begich	Carlson, D.	DeBlicke	Gutknecht	Jaros
Bertram	Carlson, L.	Dempsey	Hartle	Jefferson

Jennings	Marsh	Olson, K.	Riveness	Tjornhom
Jensen	McDonald	Omman	Rodosovich	Tompkins
Johnson, A.	McEachern	Onnen	Rukavina	Trimble
Johnson, R.	McKasy	Osthoff	Sarna	Tunheim
Johnson, V.	McLaughlin	Otis	Schafer	Uphus
Kahn	McPherson	Ozment	Scheid	Valento
Kalis	Milbert	Pappas	Schoenfeld	Vanasek
Kelly	Miller	Pauly	Schreiber	Vellenga
Kelso	Minne	Pelowski	Seaberg	Voss
Kinkel	Morrison	Peterson	Segal	Wagenius
Kludt	Munger	Poppenhagen	Shaver	Waltman
Knickerbocker	Murphy	Price	Simoneau	Welle
Knuth	Nelson, C.	Quinn	Skoglund	Wenzel
Kostohryz	Nelson, D.	Quist	Solberg	Winter
Krueger	Nelson, K.	Redalen	Sparby	Wynia
Larsen	Neuenschwander	Reding	Steenasma	Spk. Norton
Lasley	O'Connor	Rest	Sviggun	
Lieder	Ogren	Rice	Swenson	
Long	Olsen, S.	Richter	Thiede	

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

H. F. No. 727 was reported to the House.

Larsen moved to amend H. F. No. 727, the first engrossment, as follows:

Pages 3 and 4, delete section 3 and renumber the subsequent section

Amend the title as follows:

Page 1, line 4, delete “, heads of higher education systems,”

Page 1, line 7, after “1” delete the comma and insert “and”; after “7” delete “and 7b,”

The motion prevailed and the amendment was adopted.

H. F. No. 727, A bill for an act relating to state government; amending the process for establishing salaries for the chair of the regional transit board and directors of statewide pension systems; amending Minnesota Statutes 1986, section 15A.081, subdivisions 1 and 7, and by adding a subdivision.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 1045, A bill for an act relating to insurance; establishing a demonstration project to provide medical insurance to certain low income persons; proposing coding for new law in Minnesota Statutes, chapter 256B.

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.	DeBlieck	Johnson, V.	Milbert	Pappas
Anderson, R.	Dempsey	Kahn	Minne	Pauly
Battaglia	Dille	Kalis	Morrison	Pelowski
Bauerly	Forsythe	Kelly	Munger	Peterson
Beard	Frederick	Kelso	Murphy	Poppenhagen
Begich	Frerichs	Kinkel	Nelson, C.	Price
Bennett	Greenfield	Kludt	Nelson, D.	Quinn
Bertram	Gutknecht	Knuth	Nelson, K.	Redalen
Blatz	Hartle	Kostohryz	Neuenschwander	Reding
Boo	Haukoos	Krueger	O'Connor	Rest
Brown	Heap	Larsen	Ogren	Rice
Burger	Himle	Lasley	Olson, E.	Riveness
Carlson, D.	Jacobs	Lieder	Olson, K.	Rodosovich
Carlson, L.	Jaros	Long	Omann	Rose
Carruthers	Jefferson	Marsh	Onnen	Rukavina
Clark	Jennings	McDonald	Orenstein	Sarna
Clausnitzer	Jensen	McEachern	Osthoff	Schafer
Cooper	Johnson, A.	McKasy	Otis	Scheid
Dauner	Johnson, R.	McLaughlin	Ozment	Schoenfeld

Seaberg	Sparby	Tompkins	Vellenga	Winter
Segal	Stanius	Trimble	Voss	Wynia
Shaver	Steensma	Tunheim	Wagenius	Spk. Norton
Simoneau	Sviggum	Uphus	Waltman	
Skoglund	Swenson	Valento	Welle	
Solberg	Tjornhom	Vanasek	Wenzel	

Those who voted in the negative were:

Hugoson	Miller	Richter
Knickerbocker	Quist	Thiede

The bill was passed and its title agreed to.

H. F. No. 1183, A bill for an act relating to human services; establishing service principles and rate-setting procedures for day training and habilitation services provided to persons with mental retardation and related conditions; amending Minnesota Statutes 1986, sections 245.782, subdivision 5; 252.21; 252.22; 252.23; 252.24, subdivisions 1 and 4; 252.25; 256B.02, subdivision 8; 256B.501, subdivisions 1, 2, and 8; 256E.09, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 252; repealing Minnesota Statutes 1986, sections 256B.501, subdivisions 5, 6, 7, and 9; and 256E.06, subdivision 2a; repealing Minnesota Rules, parts 9525.1210, subparts 11 and 12; 9525.1230, subpart 2; 9525.1260; 9525.1270; 9525.1280; and 9525.1310.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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



Tompkins  
Trimble  
Tunheim

Uphus  
Valento  
Vanasek

Vellenga  
Voss  
Wagenius

Waltman  
Welle  
Wenzel

Winter  
Wynia  
Spk. Norton

The bill was passed and its title agreed to.

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

H. F. No. 1210, A bill for an act relating to human services; regulating the licensure of programs for the care of children or of adults with certain disabilities; providing penalties; replacing the existing licensure law; amending Minnesota Statutes 1986, sections 256D.01, by adding a subdivision; and 256D.37, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 1986, sections 245.781; 245.782; 245.783; 245.791; 245.792; 245.801; 245.802; 245.803; 245.804; 245.805; 245.811; 245.812; 245.88; 245.881; 245.882; 245.883; 245.884; and 245.885.

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

The bill was passed and its title agreed to.

H. F. No. 1351 was reported to the House.

Schafer moved to amend H. F. No. 1351, the second engrossment, as follows:

Page 1, line 13, before the semicolon insert “,DEER, BEAR, CANADA GEESE”

Page 1, line 19, before the period insert “deer, bear, or Canada geese”

Page 1, line 28, delete “elk” and insert “those animals”

Page 2, line 31, after the comma insert “deer, bear, or Canada geese”

Page 5, line 21, delete “\$200” and insert “\$400”

Amend the title accordingly

A roll call was requested and properly seconded.

Orenstein was excused between the hours of 4:23 p.m. and 5:50 p.m.

The question was taken on the Schafer amendment and the roll was called. There were 35 yeas and 88 nays as follows:

Those who voted in the affirmative were:

Blatz	Frerichs	Johnson, V.	Osthoff	Shaver
Boo	Gutknecht	Kelly	Ozment	Svigum
Burger	Hartle	Knickerbocker	Poppenhagen	Swenson
Clausnitzer	Haukoos	McPherson	Quist	Thiede
Dempsey	Heap	Miller	Redalen	Tompkins
Dille	Himle	Morrison	Richter	Uphus
Frederick	Hugoson	Olsen, S.	Schafer	Waltman

Those who voted in the negative were:

Anderson, G.	DeBlieck	Kelso	McLaughlin	Omann
Anderson, R.	Forsythe	Kinkel	Milbert	Onnen
Battaglia	Greenfield	Kludd	Minne	Otis
Bauerly	Gruenes	Knuth	Munger	Pappas
Beard	Jacobs	Kostohryz	Murphy	Pelowski
Begich	Jaros	Krueger	Nelson, C.	Peterson
Bertram	Jefferson	Larsen	Nelson, D.	Price
Brown	Jennings	Lasley	Nelson, K.	Quinn
Carlson, L.	Jensen	Lieder	Neuenschwander	Reding
Carruthers	Johnson, A.	Long	O'Connor	Rest
Clark	Johnson, R.	Marsh	Ogren	Riveness
Cooper	Kahn	McEachern	Olson, E.	Rodosovich
Dauner	Kalis	McKasy	Olson, K.	Rukavina

Sarna  
Scheid  
Schoenfeld  
Schreiber  
Seaberg

Segal  
Simoneau  
Skoglund  
Solberg  
Sparby

Steensma  
Tjornhom  
Trimble  
Tunheim  
Vanasek

Vellenga  
Voss  
Wagenius  
Welle  
Wenzel

Winter  
Wynia  
Spk. Norton

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

H. F. No. 1351, A bill for an act relating to natural resources; authorizing the taking of elk and amending related laws; authorizing compensation for certain crop damage caused by elk; appropriating money; amending Minnesota Statutes 1986, sections 97A.421, subdivision 6; 97A.431; 97A.465, subdivisions 1 and 3; 97A.471, subdivision 3; 97A.475, subdivision 2; 97A.525, subdivision 1; 97A.535; and 97B.201; proposing coding for new law in Minnesota Statutes, chapters 3 and 97B.

The bill was read for the 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 113 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Anderson, G.  
Anderson, R.  
Battaglia  
Bauerly  
Beard  
Begich  
Bennett  
Bertram  
Blatz  
Boo  
Brown  
Burger  
Carlson, D.  
Carlson, L.  
Carruthers  
Clark  
Cooper  
Dauner  
Dempsey  
Dille  
Frederick  
Greenfield  
Gruenes

Hartle  
Heap  
Himle  
Jacobs  
Jaros  
Jefferson  
Jennings  
Jensen  
Johnson, A.  
Johnson, R.  
Johnson, V.  
Kahn  
Kalis  
Kelly  
Kelso  
Kinkel  
Kludt  
Knickerbocker  
Knuth  
Kostohryz  
Krueger  
Larsen  
Lasley

Lieder  
Long  
McDonald  
McEachern  
McKasy  
McLaughlin  
McPherson  
Miller  
Minne  
Morrison  
Munger  
Murphy  
Nelson, C.  
Nelson, D.  
Nelson, K.  
Neuenschwander  
O'Connor  
Ogren  
Olson, E.  
Olson, K.  
Omman  
Onnen  
Otis

Ozment  
Pappas  
Pelowski  
Peterson  
Price  
Quinn  
Quist  
Redalen  
Reding  
Rest  
Rice  
Richter  
Riveness  
Rodosovich  
Rose  
Rukavina  
Sarna  
Schafer  
Schoenfeld  
Schreiber  
Seaberg  
Segal  
Shaver

Simoneau  
Skoglund  
Solberg  
Sparby  
Stanis  
Steensma  
Sviggum  
Swenson  
Thiede  
Tompkins  
Trimble  
Tunheim  
Uphus  
Vanasek  
Vellenga  
Voss  
Wagenius  
Wenzel  
Winter  
Wynia  
Spk. Norton

Those who voted in the negative were:

Clausnitzer  
DeBlick  
Forsythe  
Frerichs

Gutknecht  
Haukoos  
Hugoson  
Marsh

Milbert  
Olsen, S.  
Osthoff  
Pauly

Poppenhagen  
Scheid  
Tjornhom  
Valento

Waltman  
Welle

The bill was passed and its title agreed to.

H. F. No. 1399, A bill for an act relating to economic development; authorizing certain entities involved in economic development to participate in secondary markets; authorizing the use of appropriated money for secondary market purposes; amending Minnesota Statutes 1986, sections 116M.04, by adding a subdivision; 116M.08, by adding a subdivision; 362A.03, by adding a subdivision; 458.192, by adding a subdivision; 458C.14, by adding a subdivision; and 462.445, subdivision 4.

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

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 18 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Blatz	Gutknecht	Pauly	Scheid	Tjornhom
Clausnitzer	Haukoos	Poppenhagen	Schreiber	Valento
Forsythe	McDonald	Quist	Shaver	
Frerichs	Miller	Richter	Thiede	

The bill was passed and its title agreed to.

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

Carlson, D., was excused while in conference.

S. F. No. 51 was reported to the House.

## POINT OF ORDER

Thiede raised a point of order pursuant to rule 5.10 that S. F. No. 51 was not in order. Speaker pro tempore Long ruled the point of order not well taken and S. F. No. 51 in order.

## POINT OF ORDER

Thiede raised a point of order pursuant to section 240 of "Mason's Manual of Legislative Procedure" relating to the purpose of points of order. Speaker pro tempore Long deferred her decision on the Thiede point of order.

Vanasek pursuant to rule 5.10 announced that S. F. Nos. 90 and 51 and H. F. Nos. 1297, 899, 1095, 606, 523, 1499, 1645, 302 and 485 meet the requirements of the House Budget Resolution.

Greenfield moved to amend S. F. No. 51, the unofficial engrossment, as follows:

Page 2, line 20, delete "7" and insert "8"

Page 3, line 8, delete "hospice core services" and insert "a hospice program"

Page 4, line 17, delete "provider" and insert "provision"

Page 4, lines 18 and 19, delete "that is provided for a fee"

Pages 6 and 7, delete section 5 and insert:

"Sec. 5. [144A.45] [REGULATION OF HOME CARE SERVICES.]

Subdivision 1. [RULES.] The commissioner shall adopt rules for the regulation of home care providers pursuant to sections 3 to 8 and 14. The rules shall include the following:

(a) provisions to assure, to the extent possible, the health, safety and well-being, and appropriate treatment of persons who receive home care services;

(b) requirements that home care providers furnish the commissioner with specified information necessary to implement sections 3 to 8 and 14;

(c) standards of training of home care provider personnel, which may vary according to the nature of the services provided or the health status of the consumer;

(d) standards of supervision by a registered nurse or other appropriate health care professionals of personnel providing home care services, which may vary according to the nature of the services provided or the health status of the consumer;

(e) requirements for the involvement of a consumer's physician, the documentation of physicians' orders, if required, and the consumer's treatment plan, and the maintenance of accurate, current clinical records;

(f) the establishment of different classes of licenses for different types of providers and different standards and requirements for different kinds of home care services; and

(g) operating procedures required to implement the home care bill of rights.

Subd. 2. [REGULATORY FUNCTIONS.] (a) The commissioner shall:

(1) evaluate, monitor, and license home care providers in accordance with sections 5 to 8 and 14;

(2) inspect the office and records of a provider during regular business hours, provided that when conducting routine office visits or inspections, the commissioner shall provide at least 48 hours advance notice to the home care provider;

(3) with the consent of the consumer, visit the home where services are being provided;

(4) issue correction orders and assess civil penalties in accordance with section 144.653, subdivisions 5 to 8; and

(5) take other action reasonably required to accomplish the purposes of sections 3 to 8 and 14.

(b) In the exercise of the authority granted in sections 3 to 8 and 14, the commissioner shall comply with the applicable requirements of section 144.122, the government data practices act, and the administrative procedure act.

Subd. 3. [ADVISORY TASK FORCE.] The commissioner of health shall establish and appoint a home care advisory task force consisting of 15 members representing the various kinds of home care providers, including a hospice program, health care professionals, community health services agencies, and consumers. The appointment, removal, and compensation of members is as provided in section 15.059, subdivision 6. The task force shall provide advice and

recommendations to the commissioner regarding the development of rules required by subdivision 1."

Page 9, line 24, delete "2" and insert "3"

Page 11, line 18, delete "Hospice core" and insert "Core"

Page 11, line 20, delete the period and insert "that are"

Page 11, line 21, delete "Hospice core services may be"

Page 11, line 30, delete "the immediate kin" and insert "relatives"

Page 11, line 31, delete "and other relatives"

Page 11, delete lines 34 to 36

Page 12, delete lines 1 to 7 and insert:

"(4) "Hospice program" means palliative and supportive care and other services provided by an interdisciplinary team under the direction of an identifiable hospice administration to terminally ill hospice patients and their families to meet the physical, nutritional, emotional, social, spiritual, and special needs experienced during the final stages of illness, dying, and bereavement, through a centrally coordinated program that ensures continuity and consistency of home and inpatient care provided directly or through an agreement."

Page 12, delete lines 10 to 12 and insert "hospice patients and their families, including, at a minimum, those individuals who are providers of core services;"

Page 12, line 14, delete the comma and insert "and"

Page 12, line 15, delete the comma

Page 12, delete lines 21 and 22

Page 13, after line 5, insert:

"(7) that volunteer services are provided by individuals who have completed a hospice training program and are qualified to provide the services;"

Renumber the remaining clauses

Page 21, line 19, after "services" insert ", \$191,000 to be available for the fiscal year ending June 30, 1988, and \$325,000"

The motion prevailed and the amendment was adopted.

Onnen moved to amend S. F. No. 51, the unofficial engrossment, as amended, as follows:

Page 4, after line 5, insert:

"(8) an employee of a nursing home licensed under chapter 144A who provides emergency services to individuals residing in an apartment unit attached to the nursing home;"

Renumber the subsequent clauses

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Hugoson, Bishop and Krueger were excused for the remainder of today's session.

Onnen moved to amend S. F. No. 51, the unofficial engrossment, as amended, as follows:

Page 3, line 28, after "needs" insert a semicolon and delete to the end of the line

Page 3, delete line 29

A roll call was requested and properly seconded.

The question was taken on the Onnen amendment and the roll was called. There were 48 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Bennett	Gutknecht	Morrison	Rose	Uphus
Blatz	Hartle	Olson, K.	Schafer	Valento
Boo	Haukoos	Omann	Schreiber	Waltman
Burger	Himle	Onnen	Seaberg	Wenzel
Carlson, D.	Jennings	Ozment	Shaver	
Clausnitzer	Johnson, V.	Pauly	Stanis	
Dempsey	Kalis	Pelowski	Sviggum	
Forsythe	Marsh	Poppenhagen	Swenson	
Frederick	McDonald	Quist	Thiede	
Frerichs	McKasy	Redalen	Tjornhom	
Gruenes	McPherson	Richter	Tompkins	



## Those who voted in the negative were:

Anderson, G.	Jacobs	Lieder	Otis	Solberg
Battaglia	Jefferson	Long	Pappas	Sparby
Bauerly	Jensen	McEachern	Peterson	Steensma
Beard	Johnson, A.	McLaughlin	Price	Trimble
Begich	Johnson, R.	Milbert	Quinn	Tanheim
Bertram	Kahn	Minne	Rest	Vanasek
Brown	Kelly	Murphy	Rice	Vellenga
Carlson, L.	Kelso	Nelson, C.	Riveness	Voss
Carruthers	Kinkel	Nelson, K.	Rodosovich	Wagenius
Clark	Kludt	Neuenschwander	Rukavina	Welle
Cooper	Knickerbocker	O'Connor	Sarna	Winter
Dauner	Knuth	Ogren	Scheid	Wynia
DeBlieck	Kostohryz	Olsen, S.	Schoenfeld	Spk. Norton
Greenfield	Larsen	Olson, E.	Segal	
Heap	Lasley	Osthoff	Skoglund	

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

Onnen moved to amend S. F. No. 51, the unofficial engrossment, as amended, as follows:

Page 3, line 28, after "is" insert "not"

Page 3, line 28, delete "primarily as a"

Page 3, line 29, delete "contribution and not"

A roll call was requested and properly seconded.

The question was taken on the Onnen amendment and the roll was called. There were 51 yeas and 70 nays as follows:

## Those who voted in the affirmative were:

Bennett	Forsythe	Knickerbocker	Pauly	Stanis
Blatz	Frederick	Marsh	Poppenhagen	Steenma
Boo	Frerichs	McDonald	Quist	Sviggum
Burger	Gruenes	McKasy	Redalen	Swenson
Carlson, D.	Gutknecht	McPherson	Richter	Thiede
Clausnitzer	Haukoos	Miller	Rose	Tjornhom
Cooper	Heap	Morrison	Schafer	Uphus
Dauner	Himle	Olsen, S.	Schreiber	Valento
DeBlieck	Johnson, V.	Omamn	Seaberg	Waltman
Dempsey	Kalis	Onnen	Shaver	Wenzel
				Winter

## Those who voted in the negative were:

Anderson, G.	Carlson, L.	Jensen	Kludt	McEachern
Battaglia	Carruthers	Johnson, A.	Knuth	McLaughlin
Bauerly	Clark	Johnson, R.	Kostohryz	Milbert
Beard	Greenfield	Kahn	Larsen	Minne
Begich	Hartle	Kelly	Lasley	Murphy
Bertram	Jacobs	Kelso	Lieder	Nelson, C.
Brown	Jefferson	Kinkel	Long	Nelson, D.

Nelson, K.	Ozment	Rest	Schoenfeld	Vanasek
Neuenschwander	Pappas	Rice	Segal	Vellenga
O'Connor	Pelowski	Riveness	Skoglund	Voss
Ogren	Peterson	Rodosovich	Solberg	Wagenius
Olson, E.	Price	Rukavina	Sparby	Welle
Olson, K.	Quinn	Sarna	Trimble	Wynia
Osthoff	Reding	Scheid	Tunheim	Spk. Norton

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

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

S. F. No. 51, A bill for an act relating to health; requiring licensure of home care agencies; providing a home care bill of rights; providing a complaint procedure for home care clients; regulating hospice programs; appropriating money; amending Minnesota Statutes 1986, sections 144.335, subdivision 1; 144.699, subdivision 2; 144A.51, subdivision 6, and by adding a subdivision; 144A.52, subdivision 3; 144A.53; 144A.54, subdivision 1; 256B.04, by adding a subdivision; 364.09; and 626.557, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

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

The question was taken on the passage of the bill and the roll was called. There were 107 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Kostohryz	Orenstein	Shaver
Battaglia	Gruenes	Larsen	Osthoff	Skoglund
Bauerly	Gutknecht	Lasley	Ozment	Solberg
Beard	Hartle	Lieder	Pappas	Sparby
Begich	Heap	Long	Pauly	Stanius
Bennett	Himle	McEachern	Pelowski	Steensma
Bertram	Jacobs	McKasy	Peterson	Svigum
Blatz	Jefferson	McLaughlin	Price	Swenson
Boo	Jennings	Milbert	Quinn	Tjornhom
Brown	Jensen	Minne	Reding	Tompkins
Burger	Johnson, A.	Murphy	Rest	Trimble
Carlson, L.	Johnson, R.	Nelson, C.	Rice	Tunheim
Carruthers	Johnson, V.	Nelson, D.	Riveness	Valento
Clark	Kahn	Nelson, K.	Sarna	Vanasek
Clausnitzer	Kalis	Neuenschwander	Schafer	Vellenga
Cooper	Kelly	O'Connor	Scheid	Voss
Dauner	Kelso	Ogren	Schoenfeld	Wagenius
DeBlicke	Kinkel	Olsen, S.	Schreiber	Waltman
Dille	Kludt	Olson, E.	Seaberg	Welle
Forsythe	Knickerbocker	Olson, K.	Segal	Wenzel
Frerichs	Knuth	Omman		Winter
				Wynia
				Spk. Norton

Those who voted in the negative were:

Frederick	McDonald	Poppenhagen	Richter
Haukoos	McPherson	Quist	Thiede
Marsh	Onnen	Redalen	Uphus

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

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

S. F. No. 735, A bill for an act relating to human services; providing for a statewide interpreter service for hearing impaired persons; altering membership on Minnesota council for the hearing impaired; amending Minnesota Statutes 1986, sections 256C.24, subdivisions 2 and 3; 256C.25, subdivisions 1 and 2; and 256C.28, subdivisions 1 and 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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 606, A bill for an act relating to environment; establishing a petroleum tank release cleanup program; authorizing state

action to prevent or correct health and environmental damage resulting from releases from petroleum storage tanks; establishing a petroleum tank release cleanup fund; establishing a petroleum tank release compensation board; authorizing reimbursement from the fund; requiring rulemaking; providing for administration by the pollution control agency and the department of commerce; requiring certification of tank installers; appropriating money; amending Minnesota Statutes 1986, sections 116.46, by adding subdivisions; 116.47; and 116.48, subdivision 4; proposing coding for new law as Minnesota Statutes, chapter 115C; proposing coding for new law in Minnesota Statutes, chapter 116.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Vanasek moved that the remaining bills on Special Orders for today be continued one day. The motion prevailed.

## GENERAL ORDERS

Vanasek moved that the bills on General Orders for today be continued one day. The motion prevailed.

There being no objection, the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 12, A bill for an act relating to retirement; increasing survivor benefits payable by the Virginia firefighters' relief association; authorizing payment to alternate beneficiaries if no spouse survives.

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

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 549, A bill for an act relating to retirement; increasing survivor benefits payable by the Hibbing police and firefighters relief associations and service pensions for certain retired firefighters; amending Laws 1967, chapter 678, section 2, as amended; Laws 1977, chapter 169, section 1, subdivision 1a, as amended; and Laws 1971, chapter 614, section 1, subdivision 2, as amended.

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

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 863, A bill for an act relating to waste control; appropriating money to reimburse Farmington for excess charges.

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

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 913, A bill for an act relating to workers' compensation; providing a general administrative reform; providing for certain proceedings to be expedited; providing penalties; amending Minnesota Statutes 1986, sections 14.48; 175.007, subdivision 1; 175.101, subdivision 2; 176.011, subdivisions 2, 6, 7a, 9, and by adding a subdivision; 176.041, subdivision 1, and by adding a subdivision; 176.081, subdivision 2; 176.102, subdivisions 2, 3, 3a, 4, 6, 8, 10, and 13; 176.103, subdivisions 2 and 3; 176.111, subdivision 17; 176.133; 176.135, subdivisions 1, 1a, 2, 3, and by adding subdivisions; 176.136, subdivision 2; 176.1361; 176.139; 176.155, subdivisions 1, 3, and 5; 176.179; 176.185, by adding a subdivision; 176.191, subdivisions 1 and 2; 176.195, subdivision 3; 176.221, subdivisions 1, 3, and 7; 176.225, subdivisions 1 and 4; 176.231, subdivisions 2, 10, and by adding a subdivision; 176.271, subdivision 1; 176.275; 176.291; 176.301, subdivision 1; 176.305, subdivisions 1, 2, and by adding subdivisions; 176.306, subdivision 1, and by adding a subdivision; 176.312; 176.321, subdivisions 2 and 3; 176.331; 176.341, subdivision 3, and by adding subdivisions; 176.351, subdivision 2a; 176.361, subdivisions 2, 5, and 7; 176.371; 176.411, subdivision 1; 176.421, subdivision 4, and by adding a subdivision; 176.442; 176.511, subdivisions 1, 2, and 3; 176.521; 176.541, subdivisions 2, 3, 4, and 6; 176.571, subdivisions 1 and 2; 176.572; 176.581; 176.591, subdivision 3; 176.603; 176.83, subdivisions 5, 7, and 11; 176.84; 176B.02; and 176B.05; proposing coding for new law in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1986, sections 176.012; 176.101, subdivision 3v; 176.102, subdivision 6a; 176.103, subdivision 4; 176.136, subdivision 4; 176.195, subdivisions 4, 5, and 6; 176.241; 176.242; 176.2421; 176.243; 176.244; 176.271, subdivision 2; 176.501; 176.571, subdivisions 3, 4, 5, 6, and 7; and 176.602.

Reported the same back with the following amendments:

Page 2, after line 31, insert:

"Sec. 2. [60A.101] [SELF-INSURERS; DEPOSIT OF SECURITIES.]

Subdivision 1. [REQUIREMENT.] A workers' compensation self-insurer, except the state and its political subdivisions, as well as political subdivision self-insurance pools exempted by sections 471.98 to 471.982 must deposit securities or surety bonds acceptable to the commissioner of commerce of a value at least equal to:

(1) 110 percent of its total outstanding workers' compensation liability provided that the deposit shall be no less than the retention level selected with the workers' compensation reinsurance association, for an employer who has been self-insured for at least two years. The total outstanding workers' compensation liability in-

curred must be certified by an actuary who is a member of the casualty actuarial society one year after the date of authority to self-insure and every fourth year thereafter unless requested more frequently by the commissioner of commerce. Self-insurers authorized to self-insure on the effective date of this section must provide this actuarial certification of outstanding liabilities by July 1, 1988, or upon the anniversary of their authority to self-insure, whichever comes first; or

(2) the greater of the retention level selected with the workers' compensation reinsurance association, or 70 percent of the employer's estimated current modified premium as developed using the rates currently utilized by the Minnesota workers' compensation assigned risk plan for an employer who has been self-insured less than two years.

Subd. 2. [SURETY BOND FORM.] The bond shall be in the form as follows:

"KNOW ALL PERSONS BY THESE PRESENTS: That we, (entity to be bonded), of (location), (hereinafter called the "principal(s)"), as principal(s), and (bonding company name), a (name of state) corporation, of (location) (hereinafter called the "surety"), as surety, are held and firmly bound unto the commissioner of commerce of the STATE OF MINNESOTA for the use and benefit of the employees of the principal(s) and to pay workers' compensation obligations of the principal(s) in the sum of (amount in writing), for the payment of which well and truly to be made, the principal(s) bind themselves, their successors and assigns, and the surety binds itself and its successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, in accordance with the provisions of Minnesota Statutes, section 176.181, the principal(s) has by written order of the commissioner of commerce of the state of Minnesota been exempted from insuring their liability for compensation according to the Minnesota workers' compensation act and have been permitted by order to self-insure all liability hereafter arising under the workers' compensation act.

NOW, THEREFORE, the condition of this obligation is such that if the principal(s) shall, according to the terms, provisions, and limitations of the Minnesota workers' compensation act, pay all of the principal's liabilities and obligations under the act, including all benefits as provided by the act, then this obligation shall be null and void, otherwise to remain in full force and effect subject, however, to the following terms and conditions.

(a) The liability of the surety is limited to the payment of all legal liabilities and obligations, including payment of compensation and medical benefits, provided by the workers' compensation act of

Minnesota which are payable by the principals for or on account of personal injuries or occupational diseases sustained during or attributable to the entire period that the bond is in effect, subject to cancellation, as provided in paragraphs (b) and (e). In no event shall the total liability of the surety exceed the penal amount of the bond.

(b) In the event of a default, whenever occurring, on the part of the principal(s) to abide by any award, order, or decision directing and awarding payment of such legal liabilities, obligations, or benefits to or on behalf of any employee or the dependents of any deceased employee, which occurred during the period this bond remains in force regardless of whether this bond has been canceled prior to the making of the claim or the award, order, or decision, the commissioner of commerce may, upon twenty-days notice to the surety and opportunity to be heard, require the surety to pay the amount of the award, order, or decision to be enforced in the same manner as an award may be enforced against said principal(s).

(c) Service on the surety shall be deemed to be service on the principals.

(d) This bond shall continue in force from year to year unless canceled as herein provided. However, the penal amount of the bond must be revised each year to comply with all statutory requirements and rules. Regardless of the number of years this bond remains in force or the number of annual premiums paid or payable, the total liability of the surety hereunder may not exceed the penal amount of the bond.

(e) This bond may be canceled at any time by the surety by giving 60-days notice in writing to the commissioner of commerce of the state of Minnesota at its offices in the city of St. Paul, Minnesota, and upon expiration of said 60 days, the liability of the surety hereunder shall cease, except as to liability incurred hereunder prior to the expiration of said 60 days, as set out in paragraph (a).

(f) This bond shall become effective at (time of day, month, day, year).

IN TESTIMONY WHEREOF, said principal(s) and said surety have caused this instrument to be signed by their respective duly-authorized officers and their corporate seals to be hereunto affixed this (day, month, year).

Signed, sealed, and delivered  
in the presence of:

.....  
.....  
.....

Corporation Name

By: .....

Bonding Company Name

By: ....."



Subd. 3. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given them.

"Control" means, with respect to a company or organization authorized to self-insure under Minnesota Statutes, section 176.181, and Minnesota Rules, parts 2780.0100 to 2780.9920:

(1) the ownership of, directly or indirectly, or acting through one or more other persons, control of or the power to vote, 25 percent or more of any class of voting securities; and

(2) control in any manner over the election of a majority of the directors."

Page 12, after line 12, insert:

"Sec. 12. Minnesota Statutes 1986, section 176.041, subdivision 4, is amended to read:

Subd. 4. [OUT-OF-STATE EMPLOYMENTS.] If an employee who regularly performs the primary duties of employment outside of this state or is hired to perform the primary duties of employment outside of this state, receives an injury within this state in the employ of the same employer, such injury shall be covered within the provisions of this chapter if the employee chooses to forego any workers' compensation claim resulting from the injury that the employee may have a right to pursue in some other state, provided that the special compensation fund is not liable for payment of benefits pursuant to section 176.183 if the employer is not insured against workers' compensation liability pursuant to this chapter and the employee is a nonresident of Minnesota on the date of the personal injury."

Page 25, after line 33, insert:

"Sec. 27. Minnesota Statutes 1986, section 176.129, subdivision 9, is amended to read:

Subd. 9. [POWERS OF FUND.] In addition to powers granted to the special compensation fund by this chapter the fund may do the following:

(a) sue and be sued in its own name;

(b) intervene in or commence an action under this chapter or any other law, including, but not limited to, intervention or action as a subrogee to the division's right in a third-party action, any proceeding under this chapter in which liability of the special compensation fund is an issue, or any proceeding which may result in other liability of the fund or to protect the legal right of the fund;

(c) enter into settlements including but not limited to structured, annuity purchase agreements with appropriate parties under this chapter;

(d) contract with another party to administer the special compensation fund; and

(e) take any other action which an insurer is permitted by law to take in operating within this chapter; and

(f) conduct a financial audit of indemnity claim payments and assessments reported to the fund. This may be contracted by the fund to a private auditing firm.

Sec. 28. Minnesota Statutes 1986, section 176.129, subdivision 11, is amended to read:

Subd. 11. [ADMINISTRATIVE PROVISIONS.] The accounting, investigation, and legal costs necessary for the administration of the programs financed by the special compensation fund shall be paid from the fund during each biennium commencing July 1, 1981. Staffing and expenditures related to the administration of the special compensation fund shall be approved through the regular budget and appropriations process. All sums recovered by the special compensation fund as a result of action under section 176.061, or recoveries of payments made by the special compensation fund under section 176.183 or 176.191 shall be credited to the special compensation fund.

Sec. 29. Minnesota Statutes 1986, section 176.129, subdivision 13, is amended to read:

Subd. 13. [EMPLOYER REPORTS.] All employers and insurers shall make reports to the commissioner as required for the proper administration of this section and ~~section~~ sections 176.131 and 176.132. Employers and insurers may not be reimbursed from the special compensation fund for any periods for which the employer has not properly filed reports as required by this section and made all payments due to the special compensation fund under subdivision 3.

Sec. 30. Minnesota Statutes 1986, section 176.131, subdivision 1, is amended to read:

Subdivision 1. If an employee incurs personal injury and suffers disability from that injury alone that is substantially greater, because of a preexisting physical impairment, than what would have resulted from the personal injury alone, the employer or insurer shall pay all compensation provided by this chapter, but the employer shall be reimbursed from the special compensation fund for

all compensation paid in excess of 52 weeks of monetary benefits and \$2,000 in medical expenses, subject to the following exceptions in paragraphs (a), (b), and (c):

(a) If the disability caused by the subsequent injury is made substantially greater by the employee's registered preexisting physical impairment, there shall be apportionment of liability among all injuries. The special compensation fund shall only reimburse for that portion of the compensation, medical expenses, and rehabilitation expenses attributed to the subsequent injury after the applicable deductible has been met.

(b) If the subsequent personal injury alone results in permanent partial disability to a scheduled member under the schedule adopted by the commissioner pursuant to section 176.105, the monetary and medical expense limitations shall not apply and the employer is liable for the compensation, medical expense, and rehabilitation attributable to the permanent partial disability, and may be reimbursed from the special compensation fund only for compensation paid in excess of the disability the special compensation fund shall not reimburse permanent partial disability, medical expenses, or rehabilitation expenses.

Sec. 31. Minnesota Statutes 1986, section 176.131, subdivision 8, is amended to read:

Subd. 8. As used in this section the following terms have the meanings given them:

"Physical impairment" means any physical or mental condition that is permanent in nature, whether congenital or due to injury, disease or surgery and which is or is likely to be a hindrance or obstacle to obtaining employment except that physical impairment is limited to the following:

(a) Epilepsy,

(b) Diabetes,

(c) Hemophilia,

(d) Cardiac disease, provided that objective medical evidence substantiates at least the minimum permanent partial disability listed in the workers' compensation permanent partial disability schedule,

(e) Partial or entire absence of thumb, finger, hand, foot, arm or leg,

(f) Lack of sight in one or both eyes or vision in either eye not correctable to 20/40,

(g) Residual disability from poliomyelitis,

(h) Cerebral Palsy,

(i) Multiple Sclerosis,

(j) Parkinson's disease,

(k) Cerebral vascular accident,

(l) Chronic Osteomyelitis,

(m) Muscular Dystrophy,

(n) Thrombophlebitis,

(o) Brain tumors,

(p) Pott's disease,

(q) Seizures,

(r) Cancer of the bone,

(s) Leukemia,

(t) Any other physical impairment resulting in a disability rating of at least ten percent of the whole body if the physical impairment were evaluated according to standards used in workers' compensation proceedings, and

(u) Any other physical impairments of a permanent nature which the commissioner may by rule prescribe;

"Compensation" has the meaning defined in section 176.011;

"Employer" includes insurer;

"Disability" means, unless otherwise indicated, any condition causing either temporary total, temporary partial, permanent total, permanent partial, death, medical expense, or rehabilitation."

Page 34, after line 33, insert:

"Sec. 46. Minnesota Statutes 1986, section 176.181, subdivision 3, is amended to read:

Subd. 3. [FAILURE TO INSURE, PENALTY.] Any employer who fails to comply with the provisions of subdivision 2 to secure payment of compensation is liable to the state of Minnesota for a penalty of ~~\$100~~ \$750, if the number of uninsured employees is less than five and for a penalty of ~~\$400~~ \$1,500 if the number of such uninsured employees is five or more. If the commissioner determines that the failure to comply with the provisions of subdivision 2 was willful and deliberate, the employer shall be liable to the state of Minnesota for a penalty of ~~\$500~~ \$2,500, if the number of uninsured employees is less than five, and for a penalty of ~~\$2,000~~ \$5,000 if the number of uninsured employees is five or more. If the employer continues noncompliance, the employer is liable for five times the lawful premium for compensation insurance for such employer for the period the employer fails to comply with such provisions, commencing ten days after notice has been served upon the employer by the commissioner of the department of labor and industry by certified mail. These penalties may be recovered jointly or separately in a civil action brought in the name of the state by the attorney general in any court having jurisdiction. Whenever any such failure occurs the commissioner of the department of labor and industry shall immediately certify ~~the~~ that fact ~~thereof~~ to the attorney general. Upon receipt of such certification the attorney general shall forthwith commence and prosecute ~~such~~ the action. All penalties recovered by the state in any such action shall be paid into the state treasury and credited to the special compensation fund. If an employer fails to comply with the provisions of subdivision 2, to secure payment of compensation after having been notified of the employer's duty, the attorney general, upon request of the commissioner, may proceed against the employer in any court having jurisdiction for an order restraining the employer from having any person in employment at any time when the employer is not complying with the provisions of subdivision 2 or for an order compelling the employer to comply with subdivision 2.

Sec. 47. Minnesota Statutes 1986, section 176.182, is amended to read:

**176.182 [BUSINESS LICENSES OR PERMITS; COVERAGE REQUIRED.]**

Every state or local licensing agency shall withhold the issuance or renewal of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2, by providing the name of the insurance company, the policy number, and dates of coverage or the permit to self-insure. The commissioner shall assess a penalty to the employer of \$1,000 payable to the special compensation fund, if the information is not reported or is falsely reported.

Neither the state nor any governmental subdivision of the state shall enter into any contract for the doing of any public work before

receiving from all other contracting parties acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

This section shall not be construed to create any liability on the part of the state or any governmental subdivision to pay workers' compensation benefits or to indemnify the special compensation fund, an employer, or insurer who pays workers' compensation benefits.

Sec. 48. Minnesota Statutes 1986, section 176.183, subdivision 1a, is amended to read:

Subd. 1a. When an employee or the employee's dependent is entitled to benefits under this chapter from a self-insurer, present or past, other than the state and its municipal subdivisions, but the self-insurer fails to pay the benefits, the employee or the employee's dependents, regardless of the date when the accident, personal injury, occupational disease, or death occurred, shall nevertheless receive the benefits from the special compensation fund. The commissioner has a cause of action against the self-insuring employer for reimbursement for all benefits and other expenditures paid out or to be paid out and, in the discretion of the court, the self-insurer is liable for punitive damages in an amount not to exceed 50 percent of the total of all benefits and other expenditures paid out or to be paid out. The commissioner shall institute an action to recover the total expenditures from the fund unless the commissioner determines that no recovery is possible. All proceeds recovered shall be deposited in the general special compensation fund.

By assumption of the obligations of a self-insured employer pursuant to this subdivision, the special compensation fund shall have the right to direct reimbursement under the same conditions and in the same amounts from the workers' compensation insurers reinsurance association and from any other agreement, contract, or insurance policies which would have reimbursed or indemnified the self-insured employer for payments made pursuant to this chapter.

Sec. 49. Minnesota Statutes 1986, section 176.183, subdivision 2, is amended to read:

Subd. 2. The commissioner of labor and industry, in accordance with the terms of the order awarding compensation, shall pay compensation to the employee or the employee's dependent from the special compensation fund. The commissioner of labor and industry shall certify to the commissioner of finance and to the legislature annually the total amount of compensation paid from the special compensation fund under subdivisions 1 and 1a. The commissioner of finance shall upon proper certification reimburse the special compensation fund from the general fund appropriation provided for this purpose. The amount reimbursed shall be limited to the

certified amount paid under this section or the appropriation made for this purpose, whichever is the lesser amount. Compensation paid under this section which is not reimbursed by the general fund shall remain a liability of the special compensation fund and shall be financed by the percentage assessed under section 176.131, subdivision 10 176.129.

Sec. 50. [176.184] [INSPECTIONS; ENFORCEMENT.]

Subdivision 1. [PROOF OF INSURANCE.] The commissioner of labor and industry, in order to carry out the purpose of section 176.181, may request satisfactory proof of authority to self-insure workers' compensation liability or satisfactory proof of insurance coverage for workers' compensation liability. If an employer does not provide satisfactory proof as requested within seven working days of the mailing of the request, the commissioner may proceed in accordance with the provisions of subdivisions 2 to 7.

Subd. 2. [AT PLACE OF EMPLOYMENT.] In order to carry out the purposes of section 176.181, the commissioner, upon presenting appropriate credentials to the owner, operator, or agent in charge, is authorized to enter without delay and at reasonable times any place of employment and to inspect and investigate during regular working hours and at other reasonable times, within reasonable limits, and in a reasonable manner, any records pertaining to that employer's workers' compensation insurance policy, number of employees, documents governing conditions and benefits of employment, contracts with employees and their authorized representatives, and any other documents which may be relevant to the enforcement of section 176.181 and to question privately any employer, owner, operator, agent, or employee with respect to matters relevant to the enforcement of section 176.181.

Subd. 3. [POWERS; COMMISSIONER AND DISTRICT COURT.] In making inspections and investigations under this chapter, the commissioner shall have the power to administer oaths, certify official acts, take and cause to be taken depositions of witnesses, issue subpoenas, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. In case of failure of any person to comply with any subpoena lawfully issued, or on the refusal of any witness to produce evidence or to testify to any matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the commissioner, compel obedience in proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify.

Subd. 4. [RIGHTS OF EMPLOYER AND EMPLOYEE REPRESENTATIVE.] A representative of the employer and a representative authorized by employees shall be given an opportunity to participate in any conference or discussion held prior to, during, or after any

inspection. Where there is no authorized employee representative, the commissioner shall consult with a reasonable number of employees. No employee as a consequence of aiding an inspection shall lose any privilege or payment that the employee would otherwise earn.

Subd. 5. [REQUEST FOR INVESTIGATION BY EMPLOYEE.] (a) Any employee or representative of an employee who believes that their employer is uninsured against workers' compensation liability, may request an inspection by giving notice to the commissioner of the belief and grounds for the belief. Any notice shall be written, shall set forth with reasonable particularity the grounds for the notice, and shall be signed by the employee or representative of employees. A copy of the notice shall be provided the employer, representative, or agent no later than the time of inspection, except that, upon the request of a person giving the notice, the employee's name and the names of individual employees referred to in the notice shall not appear in the copy or on any record published, released, or made available. If upon receipt of the notification the commissioner determines that reasonable grounds exist to believe that the employer is uninsured against workers' compensation liability, the commissioner shall make an inspection in accordance with this section as soon as practicable. If the commissioner determines that there are not reasonable grounds to believe that a violation exists, the commissioner shall so notify the employee or representative of employees in writing. Upon notification, the employee or the employee representative may request the commissioner to reconsider the determination. Upon receiving the request, the commissioner shall review the determination.

(b) The commissioner, upon receipt of a report of violation of the mandatory insurance provisions of sections 176.181 or 176.185 verified by review of the department's insurance registration records and other relevant information, shall initiate a preliminary investigation to determine if reasonable grounds exist to believe that the employer is uninsured against workers' compensation liability, and upon certification of reasonable belief that the employer is uninsured the commissioner shall make an inspection in accordance with paragraph (a).

Subd. 6. [ORDER PERMITTING ENTRY.] Upon the refusal of an owner, operator, or agent in charge to permit entry as specified in this section, the commissioner may apply for an order in the district court in the county which entry was refused, to compel the employer to permit the commissioner to enter and inspect the place of employment.

Subd. 7. [ADVANCE NOTICE.] Advance notice may not be authorized by the commissioner except:

(1) in circumstances where the inspection can most effectively be conducted after regular business hours or where special preparations are necessary for an inspection;



(2) where necessary to assure the presence of representatives of the employer and employees or the appropriate personnel needed to aid in the inspection; and

(3) in other circumstances where the commissioner determines that the giving of advance notice would enhance the probability of an effective and thorough inspection.

When advance notice is given to an employer, notice shall also be given by the commissioner to the authorized representative of employees if the identity of the representative is known to the employer."

Page 41, after line 30, insert:

"Sec. 60. Minnesota Statutes 1986, section 176.225, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF BOOKS AND RECORDS.] To determine whether an employer or insurer is liable for the payment provided by subdivision 1, the division, a compensation judge, or the workers' compensation court of appeals upon appeal may examine the books and records of the employer or insurer relating to the payment of compensation, and may require the employer or insurer to furnish any other information relating to the payment of compensation.

The right of the division to review the records of an employer or insurer includes the right of the special compensation fund to examine records for the proper administration of sections 176.129, 176.131, 176.132, 176.181, and 176.183. The special compensation fund may not review the records of the employer or insurer relating to a claim under section 176.131 until the special compensation fund has accepted liability under that section or a final determination of liability under that section has been made. The special compensation fund may withhold reimbursement to the employer or insurer under section 176.131 or 176.132 if the employer or insurer denies access to records requested for the proper administration of section 176.129, 176.131, 176.132, 176.181, or 176.183."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 8, after "1," insert "4,"

Page 1, line 11, after "17," insert "176.129, subdivisions 9, 11, and 13; 176.131, subdivisions 1 and 8;"

Page 1, line 14, after "176.179;" insert "176.181, subdivision 3; 176.182; 176.183, subdivisions 1a and 2;"

Page 1, line 17, after "176.225, subdivisions 1" insert ", 2,"

Page 1, line 32, delete "chapter" and insert "chapters 60A and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 944, A bill for an act relating to retirement; Minnesota state retirement system; teachers retirement association; first class city teachers retirement funds; authorizing early unreduced retirement under the rule of 90; amending Minnesota Statutes 1986, sections 352.116, by adding a subdivision; 354.44, subdivision 6; and 354A.31, subdivisions 5 and 6.

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

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1153, A bill for an act relating to retirement; Millerville volunteer firefighters relief association; authorizing the recognition of certain prior service in the computation of service pension amounts.

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

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1176, A bill for an act relating to retirement; authorizing the Mankato police benefit association to base certain postretirement increases on other increases granted.

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

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 1459, A bill for an act relating to the town of Irondale; removing a town levy limitation; repealing Laws 1971, chapter 336.

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

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 317, A bill for an act relating to retirement; police and salaried firefighters relief associations; authorizing the voluntary consolidation of local relief associations with the public employees police and fire fund; authorizing the individual election of applicable benefit coverage upon consolidation; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b, 10, and 16; 353.271; 353.64, subdivision 1; and 353.65, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 353 and 356; proposing coding for new law as Minnesota Statutes, chapters 353A and 353B.

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

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 1230, 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 recommendation that the bill pass.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 12, 549, 913, 944, 1153, 1176 and 1459 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 317 and 1230 were read for the second time.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 234, A bill for an act relating to employment; establishing unpaid leave of absences for new parents; setting conditions on return from leave; creating a cause of action; prohibiting cost of parental leave from increasing unemployment insurance experience rating; amending Minnesota Statutes 1986, section 268.06, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 181.

PATRICK E. FLAHAVEN, Secretary of the Senate

McLaughlin moved that the House refuse to concur in the Senate amendments to H. F. No. 234, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

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

S. F. Nos. 478 and 806.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 478, A bill for an act relating to insurance; requiring notification of group life or health coverage changes; eliminating mandatory temporary insurance agent licenses; requiring those who solicit insurance to act as agent for the insured; regulating surplus lines insurance; regulating rates and forms; regulating insurance plan administrators; regulating trust funds; regulating the renewal, nonrenewal, and cancellation of commercial liability and property insurance policies; authorizing employers to jointly self-insure for property or casualty liability and regulating these plans; providing continued group life coverage upon termination or layoff; providing for the establishment and operation of the insurance guaranty association and the life and health guaranty association; regulating accident and health insurance; regulating joint self-insurance employee health plans; requiring the treatment of pregnancy-related conditions in the same manner as other illnesses; mandating certain coverages; clarifying coverage for handicapped dependents; providing continued group accident and health coverage upon termination or layoff; requiring coverage of current spouse and children; imposing surety bond or securities requirements on certain health benefit plans; regulating Medicare supplement plan premium refunds; authorizing the renewal of certain long-term health policies; providing for the establishment and operation of the comprehensive health association and the joint underwriting association; providing comprehensive health insurance coverage for certain employees not eligible for Medicare; regulating fraternal benefit associations; regulating automobile insurance; providing for exemption from certain legal process of cash value, proceeds, or benefits under certain life insurance or annuity contracts; limiting the cancellation of fire insurance binders and policies; providing for administration of the FAIR plan; requiring accident prevention course premium reductions; limiting the grounds for cancellation or reduction in limits during the policy period; providing for the priority of security for payment of basic economic loss benefits; extending basic economic loss benefit protection; requiring coverages for former spouses; specifying membership on the assigned claims bureau; extending no-fault benefits to pedestrians who are struck by motorcycles; regulating township mutual insurance companies; providing for mandatory arbitration of certain claims; establishing a demonstration project to provide medical insurance to certain low income persons; requiring the commissioner to set rates for cooperative housing and neighborhood real estate trust insurance; authorizing investments in certain insurers; regulating trade practices; requiring life and health insurers to substantiate the underwriting standards they use; providing assigned risk plan coverage for certain vehicles used by the handicapped; regulating motor vehicle repairs; regulating certain self-insurance by political subdivisions; granting immunity from liability for volunteer coaches, managers, and officials; clarifying the statute of limitations applicable to actions regarding manufacturers or suppliers of material containing asbes-

tos; modifying discounting of future damages; prescribing penalties; amending Minnesota Statutes 1986, sections 16A.133, subdivision 1; 45.024, subdivision 2; 60A.17, subdivisions 1a, 2c, 11, and 13; 60A.1701, subdivisions 7, and 8; 60A.196; 60A.197; 60A.198, subdivision 3; 60A.23, subdivision 8; 60A.29, subdivisions 2, 5, and 16, and by adding subdivisions; 60A.30; 60A.31; 60B.44, subdivisions 1, 4, 5, and 9; 60C.08, subdivision 1; 60C.09; 60C.12; 61A.28, subdivision 12; 61B.05, subdivision 1; 61B.09; 62A.041; 62A.043, by adding a subdivision; 62A.141; 62A.146; 62A.152, subdivision 2; 62A.17; 62A.21; 62A.27; 62A.31, subdivision 1a; 62A.43, subdivision 2, and by adding a subdivision; 62A.46, by adding a subdivision; 62A.48, subdivisions 1, 2, 6, and by adding a subdivision; 62A.50, subdivision 3; 62D.05, by adding a subdivision; 62D.102; 62E.06, subdivision 1; 62E.10, subdivision 2, and by adding subdivisions; 62E.14, by adding a subdivision; 62F.041, subdivision 2; 62F.06, subdivision 1; 62H.01; 62H.02; 62H.04; 62I.02, subdivisions 1, and 3, and by adding a subdivision; 62I.03, subdivision 5; 62I.04; 62I.12, subdivision 1; 62I.13, by adding a subdivision; 62I.16, subdivision 3; 62I.22, subdivision 2, and by adding a subdivision; 64B.11, subdivision 4; 64B.18; 64B.27; 65A.01, subdivision 3a; 65A.03, subdivision 1; 65A.10; 65A.29, by adding a subdivision; 65A.35, subdivision 5; 65A.39; 65B.03, subdivision 1; 65B.12; 65B.1311; 65B.16; 65B.21, subdivision 2; 65B.28; 65B.46; 65B.49, by adding a subdivision; 65B.525, subdivision 1; 65B.63, subdivision 1; 67A.05, subdivision 2; 67A.06; 67A.231; 70A.06, by adding a subdivision; 70A.08, subdivision 3; 72A.20, subdivisions 11, 17, and by adding subdivisions; 72A.31, subdivision 1; 169.045, subdivision 1, and by adding a subdivision; 471.98, subdivision 2; 604.07, subdivisions 2, 3, 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 60A; 61A; 62A; 62E; 65A; 65B; 72A; 256B; 541; and 604; proposing coding for new law as Minnesota Statutes, chapter 60E; repealing Minnesota Statutes 1986, sections 62A.12; and 67A.43, subdivision 3; and Minnesota Rules, parts 2700.2400 to 2700.2440.

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

S. F. No. 806, A bill for an act relating to agriculture; amending the rural relief act; allowing an additional method to sell defaulted family farm security property; authorizing rural finance authority participation in a beginning farmer program; providing a homestead redemption loan program; amending duties and powers of the rural finance authority; amending and clarifying the right of farmers who have been foreclosed by corporations to receive an offer to purchase or lease the farm; clarifying procedures to be used by a corporation offering a farm to a preceding former owner; voiding a waiver of statutory rights of a debtor as a condition for an agricultural production loan; voiding a waiver of mediation, right of first refusal, and mortgage rights of a debtor; providing penalties for persons who enforce voided waivers; amending notification procedures to desig-

nate a separate homestead after foreclosure; providing notification and designation of separate tracts of agricultural land after foreclosure; reactivating the agricultural data collection task force; restricting the use of the Minnesota grown labeling; providing a penalty for unauthorized use of the Minnesota grown label; extending the deadline for pilot counties to submit agricultural land preservation plans and controls; increasing a certain portion of fees for recording and registering mortgages and deeds that are deposited into the Minnesota conservation fund; allowing reimbursement to the Minnesota conservation fund from the general fund under certain conditions; allowing certain commercial and industrial use of metropolitan agricultural preserves; establishing a program and policy for agricultural commodities utilization and diversification; providing for agricultural trade promotion; providing an exception to the corporate land ownership law; appropriating money; amending Minnesota Statutes 1986, sections 17.03, by adding subdivisions; 17.101, subdivision 1; 17.102; 17.103; 40A.03, subdivision 2; 40A.152, subdivisions 1 and 2; 41.56, subdivision 4; 41B.01, subdivision 2; 41B.02, subdivisions 4, 5, 6, 9, 11, 13, 14, and 15; 41B.03; 41B.035, subdivision 5, and by adding a subdivision; 41B.04, subdivisions 7, 8, 9, 10, 11, and 12; 41B.05; 41B.08, subdivision 4; 41B.12; 41B.19, subdivisions 5 and 6; 473H.10, subdivision 3; 473H.17, subdivisions 1 and 2, and by adding a subdivision; 500.24, subdivisions 2 and 6, and by adding a subdivision; 582.041, subdivisions 1, 2, 3, and 5; Laws 1985, chapter 19, section 6, subdivision 6, as amended; proposing coding for new law in Minnesota Statutes, chapters 17, 41, 41B, 116J, 236A, 550, and 582; repealing Minnesota Statutes 1986, sections 17.03, subdivision 5; 41B.02, subdivision 17; 41B.035, subdivision 4; 41B.04, subdivisions 6, 13, 14, 15, and 16.

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

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1622:

Orenstein, Kelly and Seaberg.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1261:

DeBlieck, Morrison and Jefferson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1304:

Milbert, Quinn and Bishop.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 911:

Rukavina, Olsen, S., and Minne.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1073:

O'Connor, Begich and Tjornhom.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1209:

Wagenius, Orenstein and Bishop.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1374:

Simoneau, Rukavina and Morrison.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 234:

McLaughlin, Rest and Blatz.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 841:

Carruthers, Jacobs and McKasy.

## MOTIONS AND RESOLUTIONS

Wenzel introduced:

House Concurrent Resolution No. 10, A House concurrent resolution saluting the 60th anniversary of Charles A. Lindbergh's solo nonstop flight from New York to Paris in the Spirit of St. Louis.

## SUSPENSION OF RULES

Wenzel moved that the rules be so far suspended that House Concurrent Resolution No. 10 be now considered and be placed upon its adoption. The motion prevailed.



## HOUSE CONCURRENT RESOLUTION NO. 10

A House concurrent resolution saluting the 60th anniversary of Charles A. Lindbergh's solo nonstop flight from New York to Paris in the Spirit of St. Louis.

*Whereas*, Charles Lindbergh, a son of this state, became one of the world's greatest heroes through his aviation exploits; and

*Whereas*, this 25-year-old citizen of Little Falls, Minnesota, on May 20-21, 1927, with courage and vision, successfully completed the first solo nonstop crossing of the Atlantic Ocean in 33½ hours in the Spirit of St. Louis; and

*Whereas*, it was an achievement that electrified the world, and gained for the first time recognition of the international potential of flight; and

*Whereas*, the United States of America, its Congress, and President Calvin Coolidge joyously welcomed Charles Lindbergh home where he was awarded the first Distinguished Flying Cross in our country's history; and

*Whereas*, the valiant Minnesotan in the summer and fall of 1927 made an air tour of 82 cities coast to coast in the Spirit of St. Louis, including triumphal homecomings to Little Falls and the Twin Cities of Minneapolis and St. Paul to popularize aviation and to demonstrate the feasibility of commercial aviation; and

*Whereas*, Charles and Anne Morrow Lindbergh made hazardous exploratory flights to the Orient, Europe, Africa, and South America to establish international airline routes; and

*Whereas*, Charles Lindbergh, whose many interests were nurtured on the banks of the Mississippi River in Little Falls, Minnesota, went on to achieve notable successes in the fields of science and technology and as a Pulitzer prize-winning author; and

*Whereas*, through the Charles A. Lindbergh Fund, a nonprofit foundation headquartered in Minnesota, grants are made in the amount of \$10,580, the cost of the Spirit of St. Louis, to individuals who in their scientific endeavors pursue Lindbergh's philosophy of balancing the advance of technology with preservation of the environment; and

*Whereas*, Minnesota honors its famous son with the sculpture, "Charles Lindbergh, The Man and the Boy," on the Capitol approach, with the Lindbergh Terminal at Minneapolis-St. Paul International Airport, and with the restored Lindbergh Home and the Lindbergh Interpretive Center at Little Falls; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota, the Senate concurring, that it officially recognizes the 60th anniversary of the epic flight of Charles Lindbergh in the Spirit of St. Louis and pays tribute to a hero son whose heritage is forever indelible in our history and whose legacy is the vitally important work being carried on throughout the world by those who believe in his vision and ideals.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is hereby directed to prepare enrolled copies of this resolution, to be authenticated by his signature and those of the Speaker, the Secretary of the Senate, and the Chairman of the Senate Rules and Administration Committee, and that they be presented to Anne Morrow Lindbergh and the Lindbergh Interpretive Center.

Wenzel moved that House Concurrent Resolution No. 10 be now adopted. The motion prevailed and House Concurrent Resolution No. 10 was adopted.

#### PROTEST AND DISSENT

On May 11, 1987, the Speaker of this body ruled a report from a minority of the members of the appropriations committee to be non-germane. The recommendation of the minority in the form of a minority report has never been so treated in the history of this institution.

The ruling was made in an arbitrary exercise of the power of the chair. It was made in violation of those authorities historically governing legislative conduct within this body. It was without precedent within the custom and usage of this body.

The purpose for the institutional abuse is clear. The Speaker violated both rule and tradition for simple political expedience. During the course of the session, the majority has repeatedly demanded that the minority come forward with responsible alternatives. It is the height of hypocrisy for the Speaker to endorse those demands and then bar discussion on just such an alternative.

Pursuant to Article IV, Section 11, of the Minnesota Constitution, We the undersigned members individually and on behalf of all minority members register our protest, and dissent from the decision of the Speaker of this body to break from tradition and disallow discussion of a minority report. We submit, as an element of the protest, the text of the minority report censored by action of the Speaker.

## MINORITY REPORT

May 9, 1987

We, the undersigned, being a minority of the Committee on Appropriations recommend that S. F. No. 1 pass with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

## RURAL DEVELOPMENT

## Section 1. [120.86] [MILK PROGRAM.]

Subdivision 1. [LEGISLATIVE INTENT.] The legislature finds that it is helpful to the health and well-being of the school children in the state that they receive a minimum amount of milk. The purpose of this section is to assure that school districts will be able to provide milk to all children attending school in the state.

Subd. 2. [ESTABLISHMENT.] Each common, independent, and special school district choosing to participate in this program shall provide one-half pint of milk on each school day to all elementary and secondary pupils attending a public or nonpublic school in the district. No child is required to accept the milk that is provided by the district.

Subd. 3. [REIMBURSEMENT.] The department of education shall reimburse school districts for one-half of the cost of providing milk under subdivision 2, except that school districts located wholly or partly within rural economic protection zones, as defined in section 2, must be reimbursed for the entire cost of providing milk under subdivision 2. The commissioner of education shall establish procedures and application forms for reimbursement.

**Sec. 2. [124A.029] [RURAL ECONOMIC PROTECTION ZONE; VALUATION REDUCTION FOR SCHOOL PURPOSES.]**

Subdivision 1. [ZONE CREATED.] The rural economic protection zone is created. The zone consists of all counties constituting distressed counties for purposes of section 297A.257, subdivision 1.

Subd. 2. [REDUCED ADJUSTED ASSESSED VALUATION.] Notwithstanding section 124A.02, subdivision 3a, the adjusted assessed valuation of all property in a school district shall be reduced by ten percent if at least 50 percent of the assessed valuation of

taxable property in the school district is located in a county included in the rural economic protection zone. The resulting amount is the reduced adjusted assessed valuation of the school district. The reduced adjusted assessed valuation shall be used only for the purposes provided in this section. The adjusted assessed valuation under section 124A.02, subdivision 3a, shall be used to determine the basic maintenance mill rate under section 124A.03, subdivision 1a, and the school district's basic maintenance levy under section 124A.03, subdivision 1.

Subd. 3. [COUNTY AUDITOR; DETERMINATION OF TAX.] The department of education shall certify to the county auditor a reduced basic maintenance levy at the time the basic maintenance levy under section 124A.03, subdivision 1, is certified. The reduced basic maintenance levy is the basic maintenance mill rate times the reduced adjusted assessed valuation of the school district. The county auditor shall use the reduced basic maintenance levy when extending the taxes against property in the school district.

Subd. 4. [REIMBURSEMENT.] The commissioner of education shall reimburse school districts for the amount of the reduction under subdivision 3. The amount of the reimbursement is the difference between the basic maintenance levy and the reduced basic maintenance levy. Payment shall be made according to section 124.195, subdivisions 6 and 10.

Subd. 5. [RURAL ECONOMIC PROTECTION FUND.] The rural economic protection fund is created. The fund consists of the amount of the reduction in local government aid distribution under section 477A.013, subdivision 4. The amount in the rural economic protection fund is annually appropriated to the commissioner of education to make the reimbursement in subdivision 4. If the amount in the rural economic protection fund is insufficient to pay the reimbursement in subdivision 4, the amount necessary to pay the reimbursement is annually appropriated from the general fund to the commissioner of education.

### Sec. 3. [161.066] [ALLOCATION OF FUNDS.]

In allocating funds for highway purposes originating from the highway user tax distribution fund, the commissioner of transportation or other authority must give priority to projects pending in the rural economic protection zone.

Sec. 4. Minnesota Statutes 1986, section 177.24, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] (a) Except as provided in paragraph (b) beginning January 1, 1982, except as otherwise provided in sections 177.21 to 177.35, every employer must pay each employee who is 18 years of age or older wages at a rate of at least \$3.35 an hour and

must pay each employee under 18 wages at a rate of at least \$3.02 an hour.

(b) A county board of a county within a rural economic protection zone as defined in section 2 may by resolution establish the minimum wage for jobs in that county at either the state or federal minimum wage. The board may change the established wage once every six months.

Sec. 5. Minnesota Statutes 1986, section 268.06, is amended by adding a subdivision to read:

Subd. 8a. [RURAL ECONOMIC PROTECTION ZONE EMPLOYEES.] An employer's contribution rate is reduced by ten percent for those contributions based on wages paid to employees whose jobs are located in a rural economic protection zone as defined in section 2.

Sec. 6. Minnesota Statutes 1986, section 268.06, is amended by adding a subdivision to read:

Subd. 8b. [SURTAX, CITIES OF FIRST CLASS, JOBS.] An employer's contribution rate is increased by five percent for those contributions based on wages paid to employees whose jobs are located in a city of the first class if the unemployment rate for that city is below the statewide unemployment rate. The increase in rate applies despite any applicable maximum contribution rate otherwise established by law.

Sec. 7. Minnesota Statutes 1986, section 297A.257, subdivision 1, is amended to read:

Subdivision 1. [DESIGNATION OF DISTRESSED COUNTIES.]  
(a) The commissioner of ~~energy and economic development~~ revenue shall annually on June 1 designate those counties which are distressed. A county is distressed if it satisfies either any of the following ~~two~~ criteria:

(1) The county has an average unemployment rate of ten percent or more for the one-year period ending on April 30 of the year in which the designation is made; ~~or~~

(2) the unemployment rate for the entire county was greater than 110 percent of the state average for the 12-month period ending the previous April 30, and 20 percent or more of the county's economy, as determined by the commissioner of jobs and training, is dependent upon agriculture; or

(3) at least 25 percent of all employment within a county is "farm employment." For purposes of this clause, "farm employment" consists of self-employed farmers and their employees. In making the

designation under this clause, the commissioner must use the most recent data available from the United States Department of Commerce, Bureau of Economic Analysis.

If, as a result of a plant closing, layoffs or another similar event affecting a significant number of employees in the county, the commissioner has reason to believe that the average unemployment in the county will exceed ten percent during the one-year period beginning April 30, the commissioner may designate the county as distressed, notwithstanding clause (1).

(b) The commissioner shall designate a portion of a county containing a city of the first class located outside of the metropolitan area as a distressed county if:

(1) that portion of the county has an unemployment rate of ten percent or more for the one-year period ending on April 30 of the year in which the designation is made; and

(2) that portion of the county has a population of at least 50,000 as determined by the 1980 federal census.

(c) A county or the portion of a county designated pursuant to this subdivision shall be considered a distressed county for purposes of this section and chapter 116M.

(d) Except as otherwise specifically provided, the determination of whether a county is distressed must be made using the most current data available from the state demographer. The designation of a distressed county is effective for the 12-month period beginning July 1. A county may be designated as distressed as often as it qualifies.

(e) The authority to designate counties as distressed expires on June 30, 1989.

Sec. 8. Minnesota Statutes 1986, section 297B.09, subdivision 2, is amended to read:

Subd. 2. [HIGHWAY USER TAX DISTRIBUTION FUND AND TRANSIT ASSISTANCE FUND SHARE.] Notwithstanding any law enacted before or after the date of final enactment of this act, the proceeds collected under this chapter must be deposited in the highway user tax distribution fund and the transit assistance fund for apportionment in the following manner:

(a) None of the proceeds collected before July 1, 1984, or between July 1, 1985, and June 30, ~~1987~~ 1986, may be credited to either fund.

(b) 18.75 percent of the proceeds collected after June 30, 1984, and before July 1, 1985, and 18.75 percent of the proceeds collected after

June 30, 1986, and before July 1, 1987, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 6.25 percent of the proceeds must be credited to the transit assistance fund to be appropriated to the commissioner of transportation for transit assistance within the state.

(c) Except as provided in paragraph (f), 37.5 percent of the proceeds collected after June 30, 1987, and before July 1, 1989, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 12.5 percent of the proceeds must be credited to the transit assistance fund to be appropriated to the commissioner of transportation for transit assistance within the state.

(d) Except as provided in paragraph (f), 56.25 percent of the proceeds collected after June 30, 1989, and before July 1, 1991, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 18.75 percent of the proceeds must be credited to the transit assistance fund to be appropriated to the commissioner of transportation for transit assistance within the state.

(e) Except as provided in paragraph (f), 75 percent of the proceeds collected after June 30, 1991, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 25 percent of the proceeds must be credited to the transit assistance fund to be appropriated to the commissioner of transportation for transit assistance within the state.

(f) The distributions under paragraphs (c), (d), and (e) to the highway user tax distribution fund shall be reduced by the amount necessary to fund the appropriation under section 41A.09, subdivision 1.

Sec. 9. Minnesota Statutes 1986, section 477A.013, is amended by adding a subdivision to read:

Subd. 4. [REDUCTION FOR CERTAIN CITIES.] The local government aid distribution for a city with more than \$100,000,000 in "captured assessed value" as defined in section 273.73, subdivision 4, within its taxing jurisdiction, must be reduced by 15 percent from the amount it would otherwise receive in a year.

Sec. 10. [373.41] [AGRICULTURAL LOANS]

A county in a rural economic protection zone, as defined in section 2, or a county where a financial institution has failed during the

preceding two years may establish a revolving loan fund to assist borrowers from failed financial institutions to make a transition to a new commercial lending institution. The county may make loans from the fund to enable borrowers to maintain agricultural production or business services at the level that existed before the failure. The county may require whatever records it deems appropriate to be provided as a condition of a loan. A loan may not extend for more than two years. A loan may not be used to acquire real estate. A loan may be used to make scheduled payments on debt secured by real property but not accelerated or balloon payments.

The county may use any available federal, state, or private funds to provide money for the revolving loan fund. It may use any county power individually or in cooperation with any other local government unit to carry out the provisions of this section. No more than five percent of the principal amount of the fund may be used for administrative expenses in a year. Interest rates on the loans shall be at a rate comparable to that charged by commercial lending institutions.

A county that establishes a fund and program under this section must adopt a system for the administration of the fund and program that is approved by the state auditor before the fund is established.

#### **Sec. 11. [116J.4011] [ADMINISTRATION OF SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT]**

Subdivision 1. [RURAL DEVELOPMENT FUND CREATED; APPROPRIATION.] The rural development fund is created as a special revenue account in the state treasury. The fund shall consist of one-half of the federal money received annually under the provisions of the Housing and Community Development Act of 1974, as amended, and all of the repayment funds received annually from statutory and home rule charter cities, counties, and towns receiving economic development assistance from the fund. The fund shall be expended only for economic development activities authorized under the Housing and Community Development Act of 1974, as amended, and the contents of the fund are continually appropriated to the director for those purposes. No less than one-half of the amount encumbered within a biennium shall be for economic development activities within rural economic protection zones as defined in section 2. Cities, counties, and towns receiving economic development assistance money from the fund shall repay to the fund any assistance received according to the rules adopted by the director of the state planning agency.

Subd. 2. [EMERGENCY RULEMAKING AUTHORITY.] The commissioner of economic development may adopt emergency rules under chapter 14 to implement this section.

#### **Sec. 12. [TRANSFER OF FUNDS.]**



On or before June 30, 1987, the commissioner of finance shall transfer the amount specified for transfer under section 8 for fiscal year 1987 from the general fund to the highway user tax distribution fund and the transit assistance fund.

Sec. 13. [APPROPRIATION.]

\$1,500,000 in fiscal year 1988 and \$1,500,000 in fiscal year 1989 are appropriated from the general fund to the department of education to reimburse school districts under section 1 for providing milk to Minnesota school children.

Sec. 14. [EFFECTIVE DATE.]

Section 2 is effective for taxes levied in 1987 and thereafter. Sections 3 and 10 are effective the day after final enactment. Section 7 is effective for counties designated as distressed on June 1, 1987 and thereafter. Section 9 is effective for distributions made July 15, 1987 and thereafter. Section 12 is effective the day after final enactment.

ARTICLE 2

INSURANCE

Section 1. Minnesota Statutes 1986, section 62E.52, subdivision 2, is amended to read:

Subd. 2. "Eligible person" means any person who is a resident of Minnesota and who, while a resident of Minnesota, has been found by the commissioner to have incurred an obligation to pay:

(1) qualified medical expenses for that person and any dependents in any 12 consecutive months exceeding:

(a) 40 25 percent of household income up to \$15,000, plus 50 percent of household income between \$15,000 \$20,000 and \$25,000 \$30,000, plus 60 50 percent of household income in excess of \$25,000 \$30,000; or

(b) \$2,500 \$3,000, whichever is greater; or

(2) qualified nursing home expenses for that person and any dependents in any 12 consecutive months exceeding 20 percent of household income.

Sec. 2. Minnesota Statutes 1986, section 62E.52, subdivision 3, is amended to read:

Subd. 3. "Qualified medical expense" means any charge incurred subsequent to July 1, 1977 1987, and within 18 months prior to application for coverage under sections 62E.51 to 62E.55 for a health service which is included in the list of covered services described in section 62E.06, subdivision 1, and for which no third party is liable. Expenses related to organ transplants or other experimental procedures must not be considered qualified medical expenses for purposes of sections 62E.51 to 62E.55.

Sec. 3. Minnesota Statutes 1986, section 62E.52, subdivision 7, is amended to read:

Subd. 7. "Commissioner" means the commissioner of human services commerce or the commissioner's designated representative.

Sec. 4. Minnesota Statutes 1986, section 62E.52, is amended by adding a subdivision to read:

Subd. 9. "Financial need" means the demonstrated need of the applicant for financial assistance to meet the reasonable costs of qualified medical expenses as determined from financial information on the applicant by the uniform methodology used by the higher education coordinating board for purposes of the state grant-in-aid program or similar determination of an applicant's ability to pay which takes into consideration both income and assets. In no instance shall an applicant pay less than \$3,000.

Sec. 5. Minnesota Statutes 1986, section 62E.53, subdivision 1, is amended to read:

Subdivision 1. All persons who believe that they are or will become an eligible person may submit an application for state assistance to the commissioner. Applications may be obtained from the business office of any licensed acute care hospital in Minnesota. The application shall include a listing of expenses incurred prior to the date of the application and shall designate the date on which the 12 month period for computing expenses began. No applicant seeking assistance under sections 62E.51 to 62E.55 may list as an expense in the application any income spent in order to become eligible for medical assistance under chapter 256B or general assistance medical care under chapter 256D. Insurance premiums may be included in the expenses used in determination of eligibility under this section.

Sec. 6. Minnesota Statutes 1986, section 62E.53, subdivision 2, is amended to read:

Subd. 2. If the commissioner determines that an applicant is an eligible person, the commissioner shall pay

(1) 90 percent of all qualified expenses of the eligible person and dependents in excess of:

(a) 40 percent of household income under \$15,000, plus 50 percent of household income between \$15,000 and \$25,000, plus 60 percent of household income in excess of \$25,000; or

(b) \$2,500;

whichever is greater for which the commissioner can demonstrate a financial need as defined in section 62E.52 for the 12-month period in which the applicant becomes an eligible person and

(2) all qualified nursing home expenses of the eligible person and dependents in excess of 20 percent of household income. Provided, however, that the payment of qualified nursing home expenses shall not be made until the end of the fiscal year. If the appropriation for the payment of qualified nursing home expenses is inadequate to pay all qualified nursing home expenses, the commissioner shall prorate the payments among all eligible persons in proportion to their share of the total of the qualified nursing home expenses of all eligible persons.

Sec. 7. Minnesota Statutes 1986, section 62E.53, subdivision 3, is amended to read:

Subd. 3. The commissioner shall by rule establish procedures may contract with insurers and others for administrative services and for determining whether and to what extent qualified expenses are reasonable charges. Unless otherwise provided for by rule charges shall be reviewed for reasonableness by the same procedures used to review and limit reimbursement under the provisions of chapter 256B. If the commissioner determines that the charge for a health service is excessive, the commissioner may limit payment to the reasonable charge for that service. If the commissioner determines that a health service provided to an eligible person was not medically necessary, the commissioner may refuse to pay for the service. The commissioner may contract with a review organization as defined in section 145.61, in making any determinations as to whether or not a charge is excessive and in making any determination as to whether or not a service was medically necessary. If the commissioner in accordance with this section refuses to pay all or a part of the charge for a health service, the unpaid portion of the charge shall be deemed to be an unconscionable fee, against the public policy of this state, and unenforceable in any action brought for the recovery of moneys owed.

Sec. 8. Minnesota Statutes 1986, section 62E.53, subdivision 4, is amended to read:

Subd. 4. No applicant shall be eligible for state assistance under sections 62E.51 to 62E.55 unless the applicant has authorized the commissioner of human services commerce in writing to examine all personal medical records developed while the applicant received the medical care for which state assistance is sought. The commissioner shall use the medical records only for the purpose of investigating whether or not a health services vendor has submitted a claim for reimbursement, a cost report or a rate application which the vendor knows to be false in whole or in part, or in order to determine whether or not the medical care provided to the applicant was medically necessary. This written authorization shall be presented to the vendor of medical care before the commissioner gains access to the records. The vendor of medical care shall receive notification from the commissioner at least 24 hours before the commissioner gains access to such records. Notwithstanding any other law to the contrary, a vendor of medical care shall not be subject to any civil or criminal liability for providing access to medical records to the commissioner pursuant to this subdivision.

Sec. 9. Minnesota Statutes 1986, section 62E.531, subdivision 1, is amended to read:

Subdivision 1. When the commissioner pays for or becomes liable for payments for health services under the provisions of sections 62E.51 to 62E.55, the department of human services commerce shall have a lien for payments and liabilities for the services upon any and all causes of action, including actions under the workers' compensation act of this state which accrue to the person to whom the services were furnished, or to the person's legal representatives, as a result of injuries which directly or indirectly led to the incurring of qualified expenses.

The department may perfect and enforce its lien by following the procedures set forth in sections 514.69, 514.70, and 514.71, except that it shall have one year from the date when the last item of health service was furnished in which to file its verified lien statement. The statement shall be filed with the appropriate court administrator in the county in which the recipient of the services resides or in the county in which the action was filed.

Sec. 10. Minnesota Statutes 1986, section 62E.531, subdivision 3, is amended to read:

Subd. 3. Upon furnishing assistance under the provisions of sections 62E.51 to 62E.55, the department of human services commerce shall be subrogated, to the extent of its payments for health services, to any rights the eligible person or a dependent may have under the terms of any plan of health coverage as defined in section 62E.02, subdivision 9 or insurance as defined in section 79.01, subdivision 3. The right of subrogation shall not attach prior

to written notice of the exercise of subrogation rights to the issuer of the plan of health coverage.

The attorney general, or the appropriate county attorney, acting upon direction from the attorney general, commissioner may institute or join a appropriate civil action against the issuer of the plan of health coverage to recover under this subdivision.

Sec. 11. [136A.134] [GRANTS TO DISLOCATED RURAL WORKERS.]

Subdivision 1. [ESTABLISHMENT OF PROGRAM.] A dislocated rural worker grant program is established under the supervision of the higher education coordinating board. The board shall develop policies and procedures for the administration of the program and the allocation of the program funds to eligible institutions.

Subd. 2. [ELIGIBLE INSTITUTIONS.] For purposes of this section, "eligible institution" means eligible institutions as defined in section 136A.101.

Subd. 3. [APPLICANTS.] An applicant is eligible to be considered for a dislocated rural worker grant if the applicant:

(1) is a resident of a county named a rural human resources protection zone under section 245.74, subdivision 1;

(2) is enrolled in an adult farm management program or a program designed to provide preparation for available employment within the local labor market or in an area to which the individual is willing to relocate;

(3) has met the financial need criteria established by the board; and

(4) can demonstrate that one of the following criteria has been met:

(i) the applicant or applicant's spouse has been separated from employment or has received a notice of separation from employment as a result of job obsolescence, plant shutdown, regional decline in the applicant's customary occupation, or industry slowdown and the applicant is unlikely to return to work for that employer or in that occupation within 12 months following separation from employment;

(ii) the applicant is a displaced homemaker; or

(iii) the applicant or the applicant's spouse is a farmer who can demonstrate severe household financial need.

Subd. 4. [PROGRAM RECIPIENTS.] A recipient of a dislocated rural worker grant shall be selected by the post-secondary education institution in accordance with guidelines, policies, and rules established by the board. The board may adopt emergency rules for awarding grants only for the fiscal year beginning July 1, 1987.

Subd. 5. [PROGRAM COORDINATION; INFORMATION.] The board shall develop and provide information to dislocated workers in rural areas about post-secondary education opportunities and student financial aid programs. The board shall also provide for the coordination of dislocated rural worker grants with other available student financial aid programs. Dislocated rural worker grants must be awarded in a manner that maximizes the use of existing federal and state student financial aid programs.

Sec. 12. Minnesota Statutes 1986, section 245.74, subdivision 1, is amended to read:

Subdivision 1. [FORMULA.] The commissioner of human services shall pay equalization aid to counties based upon the appropriation and a formula that includes four factors: recipient rate, per capita income, per capita taxable value, and per capita expenditures for welfare.

(a) Seventy-five percent of the appropriation must be distributed according to the four factor formula.

(b) Twenty-five percent of the appropriation must be distributed on a per capita basis to counties in which 25 percent or more of all employment is farm employment. The commissioner must use the most current information from the United States Department of Commerce, Bureau of Economic Analysis, in determining farm employment. The commissioner shall make the determination on an annual basis and counties meeting the 25 percent requirement shall be designated a rural human resources protection zone. A county that receives a distribution under the four factor formula is not eligible for an increase in distribution based on farm employment.

Sec. 13. Minnesota Statutes 1986, section 268.6751, subdivision 1, is amended to read:

Subdivision 1. [WAGE SUBSIDIES.] (a) Seventy-five percent of wage subsidy money must be allocated to eligible local service units in the following manner described in clauses (1) and (2):

(a) (1) The commissioner shall allocate 70 percent of the funds available for allocation to eligible local service units for wage subsidy programs as follows: the proportion of the wage subsidy money available to each eligible local service unit must be based on the number of unemployed persons in the eligible local service unit for the most recent six-month period and the number of work

readiness assistance cases and aid to families with dependent children cases in the eligible local service unit for the most recent six-month period.

(b) (2) Thirty percent of the money available for wage subsidy programs must be allocated at the direction and discretion of the coordinator. The commissioner shall distribute the discretionary portion of wage subsidy appropriations at the request of the coordinator. For the biennium ending June 30, 1987, up to 25 percent of the discretionary portion of the wage subsidy appropriation may be used to support the office of full productivity and opportunity and the development of an intake, referral, and inventory system. In allocating the remaining discretionary portion of the wage subsidy appropriation, the coordinator shall give priority to eligible local service units that have:

(1) (i) high numbers of farmers who can demonstrate severe household financial need;

(2) (ii) demonstrated success in placing public assistance applicants in private sector jobs;

(3) (iii) demonstrated need beyond the allocation distributed under paragraph (a);

(4) (iv) maximized use of money through coordination with other programs and state, local, and federal agencies, and through the use of matching money from private and nonprofit sources;

(5) (v) demonstrated need to provide special assistance in order to serve unemployed persons who incur unusual costs such as necessary relocation expenses; or

(6) (vi) areas with high unemployment rates.

(b) Twenty-five percent of wage subsidy money must be distributed in the manner and subject to the restrictions provided in section 245.74, subdivision 1, clause (a).

#### Sec. 14. [ELIGIBILITY FOR ENROLLMENT IN STATE PLAN.]

A Minnesota resident of a county designated as a rural human resources protection zone under section 12 may enroll in the state comprehensive health insurance plan described in section 62E.14 within 60 days of the effective date of this section, with a waiver of the preexisting condition limitation in section 62E.14, subdivision 3, and a waiver of the evidence of rejection in section 62E.14, subdivision 1, paragraph (c).

Coverage in the state plan under this section terminates on July 1, 1988.

Sec. 15. [REPORT.]

The commissioner of commerce, after consultation with the commissioners of health, human services, and jobs and training, shall recommend legislation to allow persons referred to in section 14 to obtain group insurance coverage paid for, and administered by, the state. This legislation shall be submitted in the form of a report to the legislature under section 3.195. The report must be submitted to the legislature by January 1, 1988.

Sec. 16. [APPROPRIATION.]

\$7,000,000 is appropriated from the general fund to the commissioner of commerce for the fiscal year ending June 30, 1989, for the purposes of sections 1 to 10. The approved complement of the department of commerce is increased by one position.

\$10,000 is appropriated from the general fund to the commissioner of commerce for the fiscal year ending June 30, 1988, for the purpose of paying the state plan premium to the writing carrier for coverage of those enrolling under section 14.

ARTICLE 3

UNEMPLOYMENT AND WORKERS' COMPENSATION

Section 1. Minnesota Statutes 1986, section 268.03, is amended to read:

268.03 [DECLARATION OF PUBLIC POLICY.]

As a guide to the interpretation and application of sections 268.03 to 268.24, the public policy of this state is declared to be as follows: Economic insecurity due to unemployment is a serious menace to the health, morals, and welfare of the people of this state. Involuntary unemployment is therefore a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burdens. This can be provided by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment to provide benefits for periods of unemployment, thus maintaining purchasing power and limiting the serious social consequences of poor relief assistance. The legislature, therefore, declares that in its considered judgment the public good and the general welfare of the citizens of this state will be promoted by providing, under the police powers of the state for the compulsory setting aside of unemploy-



ment reserves to be used for the benefit of persons unemployed through no fault of their own establishment of an unemployment insurance fund. The reserves of the unemployment insurance fund are to be used to provide a temporary replacement of a portion of lost wages to individuals with a permanent attachment to the work force, who become involuntarily unemployed through no fault of their own, and who are actively seeking, and are willing and available to accept, suitable reemployment.

Sec. 2. 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. 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 or alternative 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, subdivision 25, is amended to read:

Subd. 25. [WAGES.] "Wages" means all remuneration for services, including commissions and bonuses, back pay as of the date of payment, and tips and gratuities paid to an employee by a customer of an employer and accounted for by the employee to the employer, and the cash value of all remuneration in any medium other than cash, except that such term shall not include:

(a) For the purpose of determining contributions payable under section 268.06, subdivision 2, that part of the remuneration which exceeds, for each calendar year, the greater of \$7,000 or that part of the remuneration which exceeds 60 percent of the average annual wage rounded to the nearest \$100 computed in accordance with the provisions of clause (f) (i) \$11,400 for calendar year 1987 and \$12,000 for calendar year 1988 and all calendar years thereafter, for each employer that has an experience ratio of one-tenth of one percent or more, or (ii) \$10,000 for calendar year 1987, and \$12,000 for calendar year 1988 and thereafter, for each employer that has an experience ratio of less than one-tenth of one percent, paid to an

individual by an employer with respect to covered employment in this state, or with respect to employment under the unemployment compensation law of any other state during any calendar year paid to such individual by such covered employer or predecessor during such calendar year; provided, that if the term "wages" as contained in the Federal Unemployment Tax Act is amended to include remuneration in excess of the amount required to be paid hereunder to an individual by an employer under the federal act for any calendar year, wages for the purposes of sections 268.03 to 268.24 shall include remuneration paid in a calendar year up to an amount equal to the dollar limitation specified in the Federal Unemployment Tax Act. For the purposes of this clause, the term "employment" shall include service constituting employment under any employment security law of another state or of the federal government;

(b) The amount of any payment made to, or on behalf of, an employee under a plan or system established by an employer which makes provision for employees generally or for a class or classes of employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (1) retirement or (2) sickness or accident disability or (3) medical and hospitalization expenses in connection with sickness or accident disability, or (4) death, provided the employee has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium (or contributions to premiums) paid by the employer and has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of employment with such employer;

(c) The payment by an employer (without deduction from the remuneration of the employee) (1) of the tax imposed upon an employee under section 3101 of the federal Internal Revenue Code, or (2) of any payment required from an employee under a state unemployment compensation law, with respect to remuneration paid to an employee for domestic service in a private home of the employer or for agricultural labor;

(d) Any payments made to a former employee during the period of active military service in the armed forces of the United States by such employer, whether legally required or not;

(e) Any payment made to, or on behalf of, an employee or beneficiary (1) from or to a trust described in section 401(a) of the federal Internal Revenue Code which is exempt from tax under section 501(a) of such code at the time of such payment unless such payment is made to an employee of the trust as remuneration for

services rendered as an employee and not as a beneficiary of the trust; or (2) under or to an annuity plan which, at the time of such payment is a plan described in section 403(a) of the federal Internal Revenue Code, or (3) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a) of the federal Internal Revenue Code;

(f) On or before July 1 of each year the commissioner shall determine the average annual wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(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;

(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.

The average annual wage determined shall be effective for the calendar year next succeeding the determination. The value of any meals and lodgings furnished by or on behalf of the employer, if at the time of such furnishings it is reasonable to believe that the employee will be able to exclude such items from income under United States Code, title 26, section 119.

Sec. 5. Minnesota Statutes 1986, section 268.04, subdivision 29, is amended to read:

Subd. 29. "Credit week" is any week for which wages or back pay, actually or constructively paid, wages overdue and delayed beyond the usual time of payment, and back pay by or from one or more employers to an employee for insured work equal or exceed 30 percent of the average weekly wage times the adult minimum wage in effect under section 177.24, subdivision 1, on December 31 of the year two years before the year in which the claim is made. The product shall be computed to the nearest whole dollar. 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) 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) 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; and

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

The average weekly wage as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to December 31 of the year of the computation.

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

Subd. 29a. [ALTERNATIVE CREDIT WEEK.] "Alternative credit week" means any week for which wages or back pay, actually or constructively paid, wages overdue and delayed beyond the usual time of payment, and back pay by or from one or more employers to an employee for insured work equal or exceed 20 times the state minimum wage in effect on the date the employee makes a claim for benefits.

Sec. 7. Minnesota Statutes 1986, section 268.04, subdivision 30, is amended to read:

Subd. 30. "Average weekly wage" means the quotient derived by dividing the total wage credits earned by an individual from all employers in insured work in the base period by the number of credit weeks or alternative credit weeks.

Sec. 8. 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. 9. 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. 10. 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; and (3) is an interested party because of the individual's loss of other employment; or (2) provided weekly employment in the base period on an on-call as needed basis, continues to employ the individual on the same basis and provides employment substantially equal to the employment provided in the base period, and 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.

Sec. 11. Minnesota Statutes 1986, section 268.06, subdivision 8, is amended to read:

Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] 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  $1\frac{1}{2}$  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.

The minimum rate for all employers that have had benefits charged to their account at any time during the period described in subdivision 6 shall be one percent if the amount in the unemployment compensation fund is less than \$80,000,000 on June 30 of the preceding calendar year; or nine-tenths of one percent if the fund is more than \$80,000,000 but less than \$90,000,000; or eight-tenths of one percent if the fund is more than \$90,000,000 but less than \$110,000,000; or seven-tenths of one percent if the fund is more than \$110,000,000 but less than \$130,000,000; or six-tenths of one percent if the fund is more than \$130,000,000 but less than \$150,000,000; or five-tenths of one percent if the fund is more than \$150,000,000 but less than \$170,000,000; or three-tenths of one percent if the fund is more than \$170,000,000 but less than \$200,000,000; or one-tenth of one percent if the fund is \$200,000,000 or more; provided that no employer shall have a contribution rate of more than 7.5 percent.

The minimum rate for all employers that have not had benefits charged to their account at any time during the period described in subdivision 6 shall be eight-tenths of one percent for calendar year 1988 and seven-tenths of one percent for calendar year 1989 and thereafter.

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  $2\frac{1}{2}$  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  $1\frac{1}{2}$  percentage points for 1983 and each year thereafter.

#### Sec. 12. [268.062] [STANDBY SOLVENCY SURTAX.]

If the balance in the unemployment compensation fund as calculated on April 1 of a year is less than 12.5 percent of benefits paid out in the previous year, a ten percent surtax is imposed on employers payable to the unemployment compensation fund. The surtax is imposed on the experience portion of the employer's contributions

for the calendar year preceding the April 1 calculation. The surtax shall be assessed on the July 1 next following the April 1 calculation and is due March 1 of the year following its imposition. The surtax imposed by this subdivision is not a part of the employer's contribution rate for the purpose of the maximum tax limitation of section 268.06, subdivision 8. An employer's surtax under this section and contribution rate under section 268.06, subdivision 8, shall not in the aggregate exceed 8.15 percent.

Sec. 13. 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, 18 or more, credit weeks within the base period of employment in insured work with one or more employers, for claims establishing a benefit year prior to July 1, 1988, or 20 or more credit weeks for claims establishing a benefit year subsequent to June 30, 1988, or failing that, 24 or more alternative credit weeks 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

(a) for claims which establish a benefit year prior to July 1, 1988, the individual's total base period wage credits multiplied by 1.0 percent; or

(b) for claims which establish a benefit year subsequent to June 30, 1988, the individual's total base period wage credits multiplied by 1.1 percent if it is the individual's first claim during the five-year period immediately preceding the claim filing, or 1.0 percent for subsequent claims filed within that five-year period.

The amount so computed if not a whole dollar, shall be rounded down to the next lower dollar amount. 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).

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) 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) 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) 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) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1983, shall be \$184.

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

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  $\frac{2}{3}$  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; except that, the maximum number of weeks of benefits that can be received as calculated under this paragraph shall be increased by one for each full year, excluding the first five years, of continuous employment the individual has worked with the same employer, subject to a maximum of eight additional weeks. For purposes of this paragraph, "continuous employment" means an individual has 26 or more credit weeks in a calendar year with the same employer with credit being given for leaves of absence for health reasons.

(3) 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. In addition, one-fourth of the individual's earnings up to the amount of the individual's benefit shall not apply to reduce the individual's benefit. 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) shall apply to claims for benefits which establish a benefit year subsequent to June 30, 1983. The minimum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1987, shall be \$68 for claims based on credit weeks or \$40 for claims based on alternative credit weeks. The maximum weekly benefit amount for claims for benefits that establish a benefit year subsequent to June 30, 1987, shall be \$239.

Sec. 14. 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 or alternative credit weeks in seasonal employment, benefits shall be payable only if the commissioner finds that the individual has earned 15 at least 18 credit weeks or alternative credit weeks in employment which is not seasonal for claims establishing a benefit year prior to July 1, 1988, or at least 20 credit weeks in employment which is not seasonal for claims establishing a benefit year subsequent to June 30, 1988, in addition to any credit weeks or alternative credit weeks 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~~ 18 consecutive weeks or less each calendar year.

Sec. 15. 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, or alternative 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. 16. [268.073] [ADDITIONAL UNEMPLOYMENT COMPENSATION BENEFITS.]

Subdivision 1. Additional unemployment compensation benefits are authorized under this section only if the commissioner determines that:

(1) an employer has reduced operations at an establishment resulting in the reduction of at least 50 percent of the employer's work force and the lay-off of at least 50 employees at that establishment;

(2) the employer does not intend to resume operations which would lead to the reemployment of those employees at any time in the future; and

(3) the unemployment rate for the county in which the establishment is located was ten percent during the month of the reduction or any of the three months preceding or succeeding the reduction.

Subd. 2. [PAYMENT OF BENEFITS.] All benefits payable under this section are payable from the fund.

Subd. 3. [ELIGIBILITY CONDITIONS.] An individual is eligible to receive additional benefits under this section for any week during the individual's benefit year if the commissioner finds that:

(1) the individual's unemployment is the result of a reduction in operations as provided under subdivision 1;

(2) the individual is unemployed and meets the eligibility requirements for the receipt of unemployment benefits under section 268.08;

(3) the individual is not subject to a disqualification for benefits under section 268.09; for the purpose of this subdivision, the disqualifying conditions set forth in section 268.09, and the requalifying requirements thereunder, apply to the receipt of additional benefits under this section;

(4) the individual has exhausted all rights to regular benefits payable under section 268.07, is not entitled to receive extended benefits under section 268.071, and is not entitled to receive unemployment compensation benefits under any other state or federal law for the week in which the individual is claiming additional benefits;

(5) the individual has made a claim for additional benefits with respect to any week the individual is claiming benefits in accordance with the regulations as the commissioner may prescribe with respect to claims for regular benefits; and

(6) the individual has worked at least 26 weeks during the individual's base period in employment with an employer for whom the commissioner has determined there was a reduction in operations under subdivision 1.

Subd. 4. [WEEKLY BENEFIT AMOUNT.] A claimant's weekly benefit amount under this section shall be the same as the individual's weekly benefit amount payable during the individual's current benefit year under section 268.08.

Subd. 5. [MAXIMUM BENEFITS PAYABLE.] A claimant's maximum amount of additional benefits payable in the individual's benefit year shall be six times the individual's weekly benefit amount. Unemployment compensation benefits paid to an individual under any state or federal law other than regular benefits payable under section 268.07 shall be deducted from that individual's maximum amount of additional benefits.

Subd. 6. [ELIGIBILITY.] The additional benefits provided under this section shall be payable to any claimant who meets the eligibility conditions under subdivision 3 whose unemployment occurred on July 1, 1984, or thereafter, provided the claimant has filed a claim for additional benefits which is effective January 1, 1987, or thereafter.

Sec. 17. 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 or alternative credit weeks 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 as follows: ten percent of the amount of the individual's weekly benefit amount otherwise payable shall be paid 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; the remaining 90 percent of the individual's weekly benefit amount shall be paid to the individual after the last week for which the individual has qualified for and been paid benefits. 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. 18. Minnesota Statutes 1986, section 268.08, subdivision 3, is amended to read:

Subd. 3. [NOT ELIGIBLE.] An individual shall not be eligible to receive benefits for any week with respect to which the individual is receiving, has received, or has filed a claim for remuneration in an amount equal to or in excess of the individual's weekly benefit amount in the form of

(1) termination, severance, or dismissal payment or wages in lieu of notice whether legally required or not; provided that if a termination, severance, or dismissal payment is made in a lump sum, the employer may allocate such lump sum payment over a period equal to the lump sum divided by the employee's regular pay while employed by such employer; provided any such payment shall be applied for a period immediately following the last day of work but not to exceed 28 calendar days; or

(2) vacation allowance paid directly by the employer for a period of requested vacation, including vacation periods assigned by the employer under the provisions of a collective bargaining agreement, or uniform vacation shutdown; or

(3) compensation for loss of wages under the workers' compensation law of this state or any other state or under a similar law of the United States, or under other insurance or fund established and paid for by the employer except that this does not apply to an individual who is receiving temporary partial compensation pursuant to section 176.101, subdivision 3k; or

(4) 50 percent of the pension payments from any fund, annuity or insurance maintained or contributed to by a base period employer including the armed forces of the United States if the employee contributed to the fund, annuity or insurance and all of the pension payments if the employee did not contribute to the fund, annuity or insurance; or

(5) 50 percent of a primary insurance benefit under title II of the Social Security Act as amended, or similar old age benefits under any act of congress or this state or any other state.

Provided, that if such remuneration is less than the benefits which would otherwise be due under sections 268.03 to 268.24, the individual shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration; provided, further, that if the appropriate agency of such other state or the federal government finally determines that the individual is not entitled to such benefits, this provision shall not apply. If the computation of reduced benefits, required by this subdivision, is not a whole dollar amount, it shall be rounded down to the next lower dollar amount.

If an individual's benefit is reduced because of the receipt of a pension from the employer that the individual left due to the reasons described in clause (b), the individual's benefit year shall be extended by the number of weeks necessary for the individual to receive the benefit which would have been paid in the benefit year except for that reduction if the following conditions are satisfied:

(a) the individual is ineligible for benefits solely due to the lapse of the benefit year;

(b) the individual is unemployed due to the closing of a place of employment or is otherwise permanently laid off and not due to a voluntary decision of the individual to retire; and

(c) the individual had not attained mandatory retirement age at the time the individual became unemployed.

Sec. 19. Minnesota Statutes 1986, section 268.09, subdivision 1, is amended to read:



Subdivision 1. [DISQUALIFYING CONDITIONS.] An individual separated from employment under clause (1), (2), or (3) shall be disqualified for waiting week credit and benefits. For separations under clauses (1) and (2), the disqualification shall continue until ~~four~~ eight calendar weeks have elapsed following the individual's separation and the individual has earned ~~four~~ eight times the individual's weekly benefit amount in insured work.

(1) [VOLUNTARY LEAVE.] The individual voluntarily and without good cause attributable to the employer discontinued employment with such employer. For the purpose of this clause, a separation from employment by reason of its temporary nature or for inability to pass a test or for inability to meet performance standards necessary for continuation of employment or based solely on a provision in a collective bargaining agreement by which an individual has vested discretionary authority in another to act in behalf of the individual shall not be deemed voluntary.

A separation shall be for good cause attributable to the employer if it occurs as a consequence of sexual harassment. Sexual harassment means unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact or other conduct or communication of a sexual nature when: (1) the employee's submission to such conduct or communication is made a term or condition of the employment, (2) the employee's submission to or rejection of such conduct or communication is the basis for decisions affecting employment, or (3) such conduct or communication has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment and the employer knows or should know of the existence of the harassment and fails to take timely and appropriate action.

(2) [DISCHARGE FOR MISCONDUCT.] The individual was discharged for misconduct, not amounting to gross misconduct connected with work or for misconduct which interferes with and adversely affects employment.

An individual shall not be disqualified under clauses (1) and (2) of this subdivision under any of the following conditions:

(a) The individual voluntarily discontinued employment to accept work offering substantially better conditions of work or substantially higher wages or both;

(b) The individual is separated from employment due to personal, serious illness provided that such individual has made reasonable efforts to retain employment;

An individual who is separated from employment due to the individual's illness of chemical dependency which has been profes-

sionally diagnosed or for which the individual has voluntarily submitted to treatment and who fails to make consistent efforts to maintain the treatment the individual knows or has been professionally advised is necessary to control that illness has not made reasonable efforts to retain employment.

(c) The individual accepts work from a base period employer which involves a change in location of work so that said work would not have been deemed to be suitable work under the provisions of subdivision 2 and within a period of 13 weeks from the commencement of said work voluntarily discontinues employment due to reasons which would have caused the work to be unsuitable under the provision of said subdivision 2;

(d) The individual left employment because of reaching mandatory retirement age and was 65 years of age or older;

(e) The individual is terminated by the employer because the individual gave notice of intention to terminate employment within 30 days. This exception shall be effective only through the calendar week which includes the date of intended termination, provided that this exception shall not result in the payment of benefits for any week for which the individual receives the individual's normal wage or salary which is equal to or greater than the weekly benefit amount;

(f) The individual is separated from employment due to the completion of an apprenticeship program, or segment thereof, approved pursuant to chapter 178;

(g) The individual voluntarily leaves part-time employment with a base period employer while continuing full-time employment if the individual attempted to return to part-time employment after being separated from the full-time employment, and if substantially the same part-time employment with the base period employer was not available for the individual.

(3) [DISCHARGE FOR GROSS MISCONDUCT.] The individual was discharged for gross misconduct connected with work or gross misconduct which interferes with and adversely affects the individual's employment. For a separation under this clause, the commissioner shall impose a total disqualification for the benefit year and cancel all of the wage credits from the last employer from whom the individual was discharged for gross misconduct connected with work.

For the purpose of this clause "gross misconduct" is defined as misconduct involving assault and battery or the malicious destruction of property or arson or sabotage or embezzlement or any other act, including theft, the commission of which amounts to a felony or gross misdemeanor. For an employee of a health care facility, gross

misconduct also includes misconduct involving an act of patient or resident abuse as defined in section 626.557, subdivision 2, clause (d).

If an individual is convicted of a felony or gross misdemeanor for the same act or acts of misconduct for which the individual was discharged, the misconduct is conclusively presumed to be gross misconduct if it was connected with the individual's work.

(4) [LIMITED OR NO CHARGE OF BENEFITS.] Benefits paid subsequent to an individual's separation under any of the foregoing clauses, excepting clauses (2)(c) and (2)(e), shall not be used as a factor in determining the future contribution rate of the employer from whose employment such individual separated.

Benefits paid subsequent to an individual's failure, without good cause, to accept an offer of suitable re-employment shall not be used as a factor in determining the future contribution rate of the employer whose offer of re-employment was not accepted or whose offer of re-employment was refused solely due to the distance of the available work from the individual's residence, the individual's own serious illness or the individual's other employment at the time of the offer.

(5) An individual who was employed by an employer shall not be disqualified for benefits under this subdivision for any acts or omissions occurring after separation from employment with the employer.

(6) [DISCIPLINARY SUSPENSIONS.] An individual shall be disqualified for waiting week credit and benefits for the duration of any disciplinary suspension of 30 days or less resulting from the individual's own misconduct. Disciplinary suspensions of more than 30 days shall constitute a discharge from employment.

Sec. 20. Minnesota Statutes 1986, section 268.09, subdivision 2, is amended to read:

Subd. 2. [FAILURE TO APPLY FOR OR ACCEPT SUITABLE WORK OR RE-EMPLOYMENT.] An individual shall be disqualified for waiting week credit and benefits during the week of occurrence and until ~~four~~ eight calendar weeks have elapsed following the refusal or failure and the individual has earned ~~four~~ eight times the individual's weekly benefit amount in insured work if the commissioner finds that the individual has failed, without good cause, either to apply for available, suitable work of which advised by the employment office, or the commissioner or to accept suitable work when offered, or to return to customary self-employment (if any) when so directed by the commissioner, or to accept a base period employer's offer of re-employment offering substantially the same or

better hourly wages and conditions of work as were previously provided by that employer in the base period.

(a) In determining whether or not any work is suitable for an individual, the commissioner shall consider the degree of risk involved to health, safety, and morals, physical fitness and prior training, experience, length of unemployment and prospects of securing local work in the individual's customary occupation, and the distance of the available work from the individual's residence.

(b) Notwithstanding any other provisions of sections 268.03 to 268.24, no work shall be deemed suitable, and benefits shall not be denied thereunder to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) if the position offered is vacant due directly to a strike, lockout, or other labor dispute;

(2) if the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(3) if as a condition of being employed the individual would be required to join a union or to resign from or refrain from joining any bona fide labor organization;

(4) if the individual is in training with the approval of the commissioner.

(c) Except as otherwise provided in paragraph (b), work is suitable if it meets the requirements of paragraph (a) and pays 75 percent or more of the individual's gross weekly wages.

Sec. 21. Minnesota Statutes 1986, section 268.09, is amended by adding a subdivision to read:

Subd. 2a. An individual who has qualified for benefits under the alternative credit week requirement, as provided under section 268.07, subdivision 2, and who is disqualified for benefits under subdivisions 1 and 2 of this section, other than for gross misconduct, shall be disqualified for waiting week credit and benefits. The disqualification shall continue until eight weeks have elapsed following the separation or refusal of suitable work or reemployment and until the individual has worked for a minimum of 20 hours in each of eight weeks in insured work.

Sec. 22. 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.

(1) (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. 23. 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 or alternative credit weeks from all employers in insured work by the number of base period credit weeks or alternative credit weeks. If within the time specified for the filing of wage and separation information 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. 24. 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, the wages paid each week to an employee, 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. 25. [REEMPLOYMENT BENEFIT STUDY.]

The commissioner of the department of jobs and training shall study the feasibility and public policy implication of providing partial weekly benefits to individuals that return to work prior to the time their benefit eligibility ceases. The commissioner shall report the results of the study along with any recommendations to each house of the legislature by January 1, 1988.

Sec. 26. [QUARTERLY QUALIFYING STUDY.]

The commissioner of the department of jobs and training shall make a detailed study of quarterly qualifying statutes in other states and shall present that study, along with a proposal for its implementation, to the legislature no later than January 1, 1987. The proposal shall be as revenue- and benefit-neutral as practicable with reference to the laws in effect as of January 1, 1987, as is reasonably possible. The report shall include a detailed explication of the need for adoption of this system, including pertinent citations of federal laws, and a timetable for its implementation.

Sec. 27. [WORKERS' COMPENSATION PREMIUM REDUCTION.]

The commissioner of the department of labor and industry shall report to the legislature by February 1, 1988 with proposals for reform in the workers' compensation system that will produce a 20 percent reduction in workers' compensation premium rates.

Sec. 28. [EFFECTIVE DATE.]

Sections 1, 16, 17, 18, 19, 20, 25, and 26 are effective the day following final enactment. Sections 2, 3, 5, 6, 7, 8, 9, 13, 14, 15, 21, 22, 23, and 24 are effective July 1, 1987. Sections 4, 11, and 12 are effective retroactively to January 1, 1987.

ARTICLE 4

TRANSFER OF AUTHORITY TO OFFICE OF  
ADMINISTRATIVE HEARINGS

Section 1. [TRANSFER FROM DEPARTMENT OF JOBS AND  
TRAINING.]

Subdivision 1. [PURPOSE.] It is the purpose and intent of this article to transfer all unemployment compensation hearing responsibilities and related functions except for appeal hearings before the commissioner or an authorized representative from the department of jobs and training to the office of administrative hearings.

Subd. 2. [PERSONNEL; EQUIPMENT.] All unemployment insurance referees at the department of jobs and training are transferred to the office of administrative hearings pursuant to Minnesota Statutes, section 15.039, except as otherwise provided by this article. Notwithstanding any laws to the contrary, all unemployment insurance referees employed by the department of jobs and training at the time of this transfer are eligible for appointment as unemployment judges within the office of administrative hearings, and shall be appointed as such on transfer. Notwithstanding the provisions of section 15.039, or any other provision of this article, the chief administrative law judge, in consultation with the commissioner of employee relations, shall appoint supervisory unemployment insurance judges. Referees transferred pursuant to this section fulfilling supervisory functions with the department of jobs and training at the time of transfer may be considered for appointment as supervisory unemployment insurance judges. All personnel and positions at the department of jobs and training presently providing support to the hearing related functions transferred pursuant to this article, including those involved in the scheduling of hearings, processing, and mailing of hearing notices, preparation and serving of referees' decisions or correspondence, travel coordination, accounting, and answering of telephones are transferred to the office of administrative hearings pursuant to Minnesota Statutes, section 15.039.

All equipment and supplies used solely by the transferred personnel in the performance of their duties are transferred to the office of administrative hearings.

Subd. 3. [COOPERATION.] Commencing with the passage and signing of this act, the commissioner, the commissioners of administration, finance, and employee relations, and the chief administrative law judge shall cooperate in assuring a smooth transfer of the referees and related personnel and equipment in order to carry out the purposes of this article. The commissioner shall provide office space at the department of jobs and training for the chief administrative law judge to use prior to the transfer in order to complete a review of the existing hearing system and personnel prior to the effective date of the transfer. The commissioner of administration, after consultation with the commissioner of jobs and training, the commissioner of finance, and the chief administrative law judge, shall determine the appropriate location of office space for the transferred personnel. The commissioner shall continue to provide space for the conduct of hearings in the same facilities and locations which are presently utilized for that purpose.

Subd. 4. [RULES.] The chief administrative law judge may make emergency rules for the purpose of adopting procedural rules for unemployment compensation hearings. The rules shall not conflict with any provisions of Minnesota Statutes, chapter 268, and shall comply with any applicable federal laws, rules, or regulations.

Subd. 5. [TIMELINESS.] To satisfy United States Department of Labor funding requirements the office of administrative hearings shall meet or exceed timeliness standards under federal regulation in the conduct of unemployment compensation hearings.

Sec. 2. Minnesota Statutes 1986, section 14.03, subdivision 2, is amended to read:

Subd. 2. [CONTESTED CASE PROCEDURE.] The contested case procedures of the administrative procedure act provided in sections 14.57 to 14.70 do not apply to (a) the Minnesota municipal board, (b) the commissioner of corrections, (c) the unemployment insurance program ~~and, except for those hearings held by an unemployment insurance judge of the office of administrative hearings,~~ (d) the social security disability determination program in the department of jobs and training, ~~(d)~~ (e) the director of mediation services, (e) (f) the workers' compensation division in the department of labor and industry, ~~(f)~~ (g) the workers' compensation court of appeals, ~~(g)~~ (h) the board of pardons, or ~~(h)~~ (i) the public employment relations board.

Sec. 3. Minnesota Statutes 1986, section 14.48, is amended to read:

14.48 [CREATION OF OFFICE OF ADMINISTRATIVE HEARINGS; CHIEF ADMINISTRATIVE LAW JUDGE APPOINTED; OTHER ADMINISTRATIVE LAW JUDGES APPOINTED.]

A state office of administrative hearings is created. The office shall be under the direction of a chief administrative law judge who shall be learned in the law and appointed by the governor, with the advice and consent of the senate, for a term ending on June 30 of the sixth calendar year after appointment. Senate confirmation of the chief administrative law judge shall be as provided by section 15.066. The chief administrative law judge shall appoint additional administrative law judges and compensation judges to serve in the office as necessary to fulfill the duties prescribed in sections 14.48 to 14.56. The chief administrative law judge may delegate to a subordinate employee the exercise of a specified statutory power or duty as deemed advisable, subject to the control of the chief administrative law judge. Every delegation must be by written order filed with the secretary of state. All administrative law judges, unemployment insurance judges, and compensation judges shall be in the classified service except that the chief administrative law judge shall be in the unclassified service, but may be removed only for cause. All admin-

istrative law judges shall have demonstrated knowledge of administrative procedures and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner. All workers' compensation judges shall be learned in the law, shall have demonstrated knowledge of workers' compensation laws and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner.

Sec. 4. Minnesota Statutes 1986, section 14.51, is amended to read:

#### 14.51 [PROCEDURAL RULES FOR HEARINGS.]

The chief administrative law judge shall adopt rules to govern the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings, contested case hearings, and workers' compensation hearings and unemployment compensation hearings, and to govern the conduct of voluntary mediation sessions for rulemaking and contested cases other than those within the jurisdiction of the bureau of mediation services. Temporary Emergency rulemaking authority is granted to the chief administrative law judge for the purpose of implementing Laws 1981, chapter 346, sections 2 to 6, 103 to 122, 127 to 135, and 141 the adoption of procedural rules for unemployment compensation hearings. The procedural rules for hearings shall be binding upon all agencies and shall supersede any other agency procedural rules with which they may be in conflict. The procedural rules for hearings shall include in addition to normal procedural matters provisions relating to recessing and reconvening new hearings when the proposed final rule of an agency is substantially different from that which was proposed at the public hearing. The procedural rules shall establish a procedure whereby the proposed final rule of an agency shall be reviewed by the chief administrative law judge to determine whether or not a new hearing is required because of substantial changes or failure of the agency to meet the requirements of sections 14.13 to 14.18. Upon the chief administrative law judge's own initiative or upon written request of an interested party, the chief administrative law judge may issue a subpoena for the attendance of a witness or the production of books, papers, records or other documents as are material to the matter being heard. The subpoenas shall be enforceable through the district court in the district in which the subpoena is issued.

Sec. 5. Minnesota Statutes 1986, section 14.53, is amended to read:

#### 14.53 [COSTS ASSESSED.]

In consultation with the commissioner of administration finance the chief administrative law judge shall assess agencies the cost of

services rendered to them in the conduct of hearings. All agencies shall include in their budgets provisions for such assessments.

Sec. 6. Minnesota Statutes 1986, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision shall be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective.

(a) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, attorney general, secretary of state, state auditor and state treasurer shall be determined by the governor, attorney general, secretary of state, state auditor and state treasurer, respectively.

(b) Total compensation for unclassified positions pursuant to section 43A.08, subdivision 1, clause (h), in the higher education coordinating board, and in the state board of vocational technical education shall be determined by the state university board and the state board for community colleges, the higher education coordinating board, and the state board of vocational technical education, respectively.

(c) Total compensation for classified administrative law judges and unemployment insurance judges in the office of administrative hearings shall be determined by the chief administrative law judge.

Sec. 7. Minnesota Statutes 1986, section 179A.10, subdivision 1, is amended to read:

Subdivision 1. [EXCLUSIONS.] The commissioner of employee relations shall meet and negotiate with the exclusive representative of each of the units specified in this section. The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:

(1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of employee relations in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;

(2) unclassified positions in the state university system and the community college system defined as managerial by their respective boards;

(3) positions of physician employees compensated under section 43A.17, subdivision 4;

(4) positions of all unclassified employees appointed by a constitutional officer;

(5) positions in the bureau of mediation services and the public employment relations board;

(6) positions of employees whose classification is pilot or chief pilot;

(7) administrative law judge, unemployment insurance judge, and compensation judge positions in the office of administrative hearings; and

(8) positions of all confidential employees.

The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.

Sec. 8. Minnesota Statutes 1986, section 268.06, subdivision 18, is amended to read:

Subd. 18. [NOTICE TO EMPLOYER.] The commissioner shall at least twice each year notify each employer of the benefits as determined by the department which have been charged to the employer's account subsequent to the last notice. Unless reviewed in the manner hereinafter provided, charges set forth in such notice, or as modified by a redetermination, a decision of a referee an unemployment insurance judge, or the commissioner, shall be final and shall be used in determining the contribution rates for all years in which the charges occur within the employer's experience period and shall not be subject to collateral attack by way of review of a rate determination, application for adjustment or refund, or otherwise.

Sec. 9. Minnesota Statutes 1986, section 268.06, subdivision 19, is amended to read:

Subd. 19. [NOTICE OF RATE.] The commissioner shall mail to each employer notice of the employer's rate of contributions as determined for any calendar year pursuant to this section. Such notice shall contain the contribution rate, factors used in determining the individual employer's experience rating, and such other information as the commissioner may prescribe. Unless reviewed in the manner hereinafter provided, the rate as determined or as

modified by a redetermination, a decision of a referee an unemployment insurance judge, or the commissioner shall be final except for fraud and shall be the rate upon which contributions shall be computed for the calendar year for which such rate was determined, and shall not be subject to collateral attack for any errors, clerical or otherwise, whether by way of claim for adjustment or refund, or otherwise. If the legislature changes any of the factors used to determine the contribution rate of any employer for any year subsequent to the original mailing of such notice for the year, the earlier notice shall be void. The notice based on the new factors shall be deemed to be the only notice of rate of contributions for that year and shall be subject to the same finality, redetermination and review procedures as provided above.

Sec. 10. Minnesota Statutes 1986, section 268.06, subdivision 20, is amended to read:

Subd. 20. [PROTEST, REVIEW, REDETERMINATION, APPEAL.] A review of the charges made to an employer's account as set forth in the notice of charges referred to in subdivision 18 and a review of an employer's contribution rate as set forth in the notice of the employer's rate for any calendar year as provided in subdivision 19, may be had by the employer by filing with the commissioner a written protest setting forth reasons therefor within 30 days from the date of the mailing of the notice of charges or contribution rate to the employer. The date shall appear on the notice. Upon receipt of the protest, the commissioner shall refer the matter to an official designated by the commissioner to review the charges appearing on the notice appealed from or the computations of the protesting employer's rate, as the case may be, to determine whether or not there has been any clerical error or error in computation in either case. The official shall either affirm or make a redetermination rectifying the charges or rate as the case may be, and a notice of the affirmation or redetermination shall immediately be mailed to the employer. If the employer is not satisfied with the affirmation or redetermination, the employer may appeal by filing a notice with the department within ten days after the date of mailing appearing upon the redetermination. Upon the receipt of the appeal, the commissioner shall refer the matter to a referee the office of administrative hearings for a hearing and after opportunity for a fair hearing, the referee unemployment insurance judge shall affirm, modify or set aside the original determination with its affirmation or the redetermination, as appears just and proper. The commissioner may at any time upon the commissioner's own motion correct any clerical error of the department resulting in charges against an employer's account or any error in the computation of an employer's contribution rate. The referee unemployment insurance judge may order the consolidation of two or more appeals whenever, in the referee's judge's judgment, consolidation will not be prejudicial to any interested party. At any hearing a written report of any employee of the department which has been authenticated shall be

admissible in evidence. Appeals from the decision of the referee unemployment insurance judge shall be provided by section 268.10, subdivision 5.

Sec. 11. 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 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~~ unemployment insurance judge 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~~ unemployment insurance judge decision modifies or reverses an initial determination awarding benefits, or if a commissioner's decision modifies or reverses an ~~appeal unemployment insurance judge~~ unemployment insurance judge decision awarding benefits, any benefits paid under the award of such initial determination or ~~appeal tribunal unemployment insurance judge~~ unemployment insurance judge 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 the office of administrative hearings 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 unemployment insurance judge from an initial determination.

(6) If a referee's an unemployment insurance judge's decision affirms an initial determination awarding benefits or the commissioner affirms an appeal tribunal unemployment insurance judge 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. 12. Minnesota Statutes 1986, section 268.10, subdivision 3, is amended to read:

Subd. 3. [APPEAL; HEARING.] Upon receipt of an appeal from an initial determination made under subdivision 2, the commissioner shall immediately forward the appeal and all necessary documents to the chief administrative law judge for assignment of an unemployment insurance judge to hear the case and the scheduling of a date, time, and place for the hearing. Unless an appeal is withdrawn, the date for hearing before a referee an unemployment insurance judge shall be set and notice of the hearing shall be mailed to the last known address of all interested parties at least ten days prior to the date set for the hearing. The notice shall be mailed by the office of administrative hearings. The hearing may be conducted by means of a conference telephone call except that the appellant may request that the hearing be conducted in person. The hearing shall be a trial de novo, and, upon the evidence presented, the referee unemployment insurance judge shall affirm, modify, or set aside the initial determination. Where the same or substantially similar evidence is relevant and material to the issues in appeals by more than one individual or in appeals by one individual with respect to two or more weeks of unemployment, the appeals may be consolidated into one hearing pursuant to the procedural rules adopted by the chief administrative law judge. The referee unemployment insurance judge shall exclude from any consolidated hearing the appeal of an individual who may be prejudiced because of the consolidation. A referee An unemployment insurance judge shall not hear any appeal in which the referee unemployment insurance judge has a direct interest. The parties and the commissioner shall be notified of the referee's unemployment insurance judge's decision and the reason for it. The referee's unemployment insurance judge's decision is deemed to be the final decision unless a further appeal is initiated pursuant to subdivision 5.

Sec. 13. Minnesota Statutes 1986, section 268.10, subdivision 4, is amended to read:

Subd. 4. [REFEREES TRANSCRIPTS; REVIEW OF DECISIONS.] In order to assure the prompt disposition of all claims for benefits, the commissioner shall appoint one or more impartial referees. The commissioner shall by rule adopt a procedure by which referees hear and decide disputed claims, subject to appeal to the commissioner. No person shall participate on behalf of the commissioner in any case in which that person is an interested party. The commissioner may designate alternates to serve in the absence or disqualification of a referee. The department shall cause a transcript to be prepared of all cases heard by an unemployment insurance judge from which an appeal is made to the commissioner. There shall be no charges, fees, transcript costs, or other cost imposed upon the employee in prosecuting an appeal. All decisions of referees unemployment insurance judges shall be made available to the

public in accordance with rules the commissioner may prescribe, except that names of interested parties may be deleted.

Sec. 14. Minnesota Statutes 1986, section 268.10, subdivision 5, is amended to read:

Subd. 5. [REVIEW BY COMMISSIONER.] Within 30 days after mailing or personal delivery of the notice of a referee's an unemployment insurance judge's decision to the claimant or employer at the last known address, a party may file, with the commissioner, a notice of appeal from the decision and obtain a review of it by the commissioner or an authorized representative. The commissioner within the same period of time may on the commissioner's own motion order a review of a decision. Upon review, the commissioner or authorized representative may affirm, modify, or set aside any finding of fact or decision, or both, of the referee on the basis of the evidence previously submitted in the case, or remand the matter back to the referee for the taking of additional evidence and new findings and decision based on all of the evidence before the referee. The notice of appeal must set forth the issues raised on appeal. The notice of the decision of the unemployment compensation judge must explain how an appeal may be filed. On an appeal taken under this subdivision, the commissioner or authorized representative is limited to the issues raised by the parties in the notice of the appeal from the unemployment insurance judge's decision. The commissioner or authorized representative, on the basis of evidence previously submitted, may affirm the decision of the unemployment insurance judge, may remand the case for further proceedings, or may modify or reverse the decision if the unemployment insurance judge's decision is in error of law, violates the procedures of chapter 268, is unsupported by substantial evidence in view of the record as a whole when the issue in dispute involves a question of fact, or is arbitrary or capricious. Notice of all hearings on review shall be given to all interested parties in the same manner as provided for by subdivision 3. Upon the motion of a party, the commissioner or authorized representative may personally hear or transfer to another referee unemployment insurance judge the proceedings on any claim pending before a referee an unemployment insurance judge. Any proceedings removed to the commissioner or authorized representative shall be heard upon notice in accordance with the requirements of subdivision 3. The department of jobs and training shall mail to all interested parties and the chief administrative law judge a notice of the filing of and a copy of the findings and decision of the commissioner or representative.

Sec. 15. Minnesota Statutes 1986, section 268.10, subdivision 6, is amended to read:

Subd. 6. [COMMISSIONER.] The manner in which disputed claims are presented, the reports required from the claimant and from employers, and the conduct of hearings and appeals shall be in

accordance with the rules adopted by the commissioner for determining the rights of the parties, whether or not the Rules relating to the conduct of hearings before unemployment insurance judges shall be adopted by the chief administrative law judge. The rules of the commissioner and the chief administrative law judge need not conform to common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings in connection with a disputed claim. All testimony at any hearing shall be recorded, but need not be transcribed unless the disputed claim is further appealed.

Sec. 16. Minnesota Statutes 1986, section 268.10, subdivision 9, is amended to read:

Subd. 9. [REPRESENTATION BY ATTORNEY.] In any proceeding under these sections before a referee an unemployment insurance judge or the commissioner, a party may be represented by an agent or attorney, but no individual claiming benefits shall be charged fees of any kind in a proceeding before a referee an unemployment insurance judge, the commissioner, commissioner's representatives, or by any court or any officers thereof. Any individual claiming benefits in any proceedings before the commissioner or representatives or a court may be represented by counsel or other duly authorized agent, except that said agent in any court proceedings under these sections, must be an attorney at law; but no counsel shall either charge or receive for the services more than an amount approved by the commissioner and no fees shall be collected from an individual claiming benefits by any agent unless the agent is an attorney at law.

Sec. 17. 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~~ unemployment insurance judge, 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~~ unemployment insurance judge, 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. 18. Minnesota Statutes 1986, section 268.12, subdivision 9, is amended to read:

Subd. 9. [TESTIMONIAL POWERS.] (1) In the discharge of the duties imposed by sections 268.03 to 268.24, the commissioner, ~~appeal referee~~ unemployment insurance judge, or any duly authorized representative of the commissioner, shall have power to administer oaths and affirmations, take depositions, certify to official acts, and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with a disputed claim or the administration of these sections;

(2) Witnesses, other than interested parties or officers and employees of an employing unit which is an interested party, subpoenaed

pursuant to this subdivision or sections 268.03 to 268.24, shall be allowed fees the same as witness fees in civil actions in district court, which fees need not be paid in advance of the time of giving of testimony, and such fees of witnesses so subpoenaed shall be deemed part of the expense of administering these sections;

(3) In case of contumacy by, or refusal to obey, a subpoena issued to any person, any court of this state within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which such person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the commissioner, or ~~referee~~ unemployment insurance judge, or any duly authorized representative of the commissioner, shall have jurisdiction to issue to such person an order requiring such person to appear before the commissioner, ~~the chair of an appeal tribunal, referee~~ unemployment insurance judge, or any duly authorized representative of the commissioner, there to produce evidence if so ordered or there to give testimony relative to the matter under investigation or in question; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

Sec. 19. Minnesota Statutes 1986, section 268.12, subdivision 10, is amended to read:

Subd. 10. [SELF-INCRIMINATION.] No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, and other records before the commissioner, ~~the chair of an appeal tribunal, referee~~ unemployment insurance judge, or any duly authorized representative of the commissioner, or in obedience to the subpoena of any of them in any cause or proceeding before the commissioner, ~~an appeal tribunal, referee~~ unemployment insurance judge, or any duly authorized representative of the commissioner on the grounds that the testimony or evidence, documentary or otherwise, required may tend to be incriminating or subject the person to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which the person is compelled, after having claimed a privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

Sec. 20. Minnesota Statutes 1986, section 268.12, subdivision 13, is amended to read:

Subd. 13. [DETERMINATIONS.] (1) An official, designated by the commissioner, upon the commissioner's own motion or upon application of an employing unit, shall determine if an employing unit is an employer within the meaning of this chapter or as to whether services performed for it constitute employment within the meaning

of this chapter, and shall notify the employing unit of the determination. The determination shall be final unless the employing unit, within 30 days after the mailing of notice of the determination to the employing unit's last known address, files a written appeal from it.

(2) The commissioner shall designate one or more referees to conduct hearings on appeals. Upon receipt of an appeal under clause (1), the commissioner shall refer the matter to the office of administrative hearings for a hearing. The employing unit and any claimant whose filed claim for benefits may be affected by a determination issued under clause (1) shall be interested parties to an appeal. The referee unemployment insurance judge shall fix a time and place within this state for the hearing and give interested parties written notice of it, by mail, not less than ten days prior to the time of the hearing. In the discharge of the duties imposed by this subdivision, the referee unemployment insurance judge may administer oaths and affirmations, take depositions, certify to official acts, and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with the subject matter of the hearing. The written report of any employee of the department of jobs and training, made in the regular course of the performance of the employee's duties, shall be competent evidence of the facts contained in it and shall be prima facie correct, unless refuted by other credible evidence.

(3) Upon the conclusion of the hearing, the referee unemployment insurance judge shall serve upon the interested parties by mail findings of fact and decision. The decision of the referee unemployment insurance judge, together with the findings of fact and reasons in support of them, is final unless an interested party, within 30 days after the mailing of a copy of it to the interested parties' last known addresses, files an appeal with the commissioner, and serves a copy of the appeal on the chief administrative law judge, or unless the commissioner, within 30 days after mailing of the decision, on the commissioner's own motion orders the matter certified to the commissioner for review. Appeal from and review by the commissioner of the decision of the referee unemployment insurance judge shall be in the manner provided by rule. The commissioner may without further hearing affirm, modify, or set aside the findings of fact or decision, or both, of the referee unemployment insurance judge on the basis of the evidence previously submitted in the case, or direct the taking of additional evidence. The commissioner may disregard the findings of fact of the referee unemployment insurance judge and examine the testimony taken and make any findings of fact as the evidence taken before the referee unemployment insurance judge may, in the judgment of the commissioner, require, and make any decision as the facts found by the commissioner require. The commissioner shall notify the employing unit and the chief administrative law judge of the commissioner's findings and decision by mail, mailed to the interested parties' last known addresses. The

decision of the commissioner is final unless judicial review of it is sought as provided by this subdivision. Any interested party to a proceeding before the commissioner may obtain a transcript of the testimony taken before the referee unemployment insurance judge upon payment to the commissioner of the cost of the transcript at the rate of ten cents per 100 words.

(4) The court of appeals may, by writ of certiorari to the commissioner, review all questions of law and fact presented by the record in accordance with chapter 14. The commissioner shall not be required to certify the record to the court unless the party commencing the proceedings for review pays to the commissioner the cost of certification of the record at the rate of ten cents per 100 words less any amount previously paid by the party for a transcript. The commissioner shall, upon receipt of the payment, prepare and certify to the court a true and correct typewritten copy of all matters contained in the record. The costs collected by the commissioner shall be deposited in the economic security administration fund provided for in section 268.15.

(5) A final decision of the commissioner or referee unemployment insurance judge, in the absence of appeal, is conclusive for all the purposes of sections 268.03 to 268.24 except as otherwise provided, and, together with the records therein made, shall be admissible in any subsequent judicial proceeding involving liability for contributions. A final decision of the commissioner or referee unemployment insurance judge may be introduced in any proceeding involving a claim for benefits.

(6) In the event a final decision of the commissioner or referee unemployment insurance judge determines the amount of contributions due under sections 268.03 to 268.24, then, if the amount, together with interest and penalties, is not paid within 30 days after the decision, the provisions of section 268.161 shall apply. The commissioner shall proceed thereunder, substituting a certified copy of the final decision in place of the contribution report.

Sec. 21. Minnesota Statutes 1986, section 268.18, subdivision 1, is amended to read:

Subdivision 1. [ERRONEOUS PAYMENTS.] Any claimant for benefits who, by reason of the claimant's own mistake or through the error of any individual engaged in the administration of sections 268.03 to 268.24 or because of a determination or redetermination issued pursuant to section 268.10, subdivision 2, has received any sum as benefits to which the claimant was not entitled under these sections, shall promptly return such benefits in cash to the nearest office of the Minnesota department of jobs and training. If such claimant fails to return such benefits, the department of jobs and training shall, as soon as it discovers such erroneous payment, determine the amount thereof and notify said individual to return



the same. Unless the claimant files a written appeal with the department of jobs and training within 15 days after the mailing of the notice of determination to the claimant's last known address or personal delivery of the notice, the determination shall become final. If the claimant files an appeal with the department in writing within the time aforesaid the matter shall be set for hearing before a referee of the department an unemployment insurance judge of the office of administrative hearings and heard as other benefit matters are heard in accordance with section 268.10 with the same rights of review as outlined for benefit cases in that section. The commissioner of the department of jobs and training is hereby authorized to deduct from any future benefits payable to the claimant under these sections in either the current or any subsequent benefit year an amount equivalent to the overpayment determined or the overpayment may be collected without interest by civil action in the name of the commissioner. If a claimant has been overpaid benefits under the law of another state and that state certifies to the department the facts involved and that the individual is liable under its law to repay the benefits and requests the department to recover the overpayment, the commissioner is authorized to deduct from future benefits payable to the claimant in either the current or any subsequent benefit year an amount equivalent to the amount of overpayment determined by that state. Benefits paid for weeks more than three years prior to the discovery of error are not erroneous payments.

Sec. 22. Minnesota Statutes 1986, section 268.18, subdivision 2, is amended to read:

Subd. 2. [FRAUD.] Any claimant who files a claim for or receives benefits by knowingly and willfully misrepresenting or misstating any material fact or by knowingly and willfully failing to disclose any material fact which would make the claimant ineligible for benefits under sections 268.03 to 268.24 is guilty of fraud. After the discovery of facts by the commissioner indicating fraud in claiming or obtaining benefits under sections 268.03 to 268.24, the commissioner is hereby authorized to make a determination that the claimant was ineligible for each week with reference to which benefits were claimed or obtained by fraud for the amount as was in excess of what the claimant would have been entitled to had the claimant not made the fraudulent statements or failed to disclose any material facts. The commissioner also may disqualify an individual from benefits for one to 52 weeks in which the claimant is otherwise eligible for benefits following the week in which the fraud was determined. A disqualification imposed for fraud shall not be removed by subsequent insured work or the expiration of a benefit year but shall not apply to any week more than 104 weeks after the week in which the fraud was determined. The claimant shall promptly repay in cash to the department of jobs and training any benefits fraudulently obtained. Unless the claimant files a written appeal with the department of jobs and training within 15 days after the mailing of the notice of determination to the claimant's last

known address or personal delivery of the notice, the determination shall become final. If the claimant appeals from the determination within the time above specified the matter shall be referred to a referee an unemployment insurance judge for a hearing as in other benefit cases and thereafter the procedure for review shall be the same as set forth in section 268.10. The commissioner is hereby authorized to deduct from future benefits payable to the claimant in either the current or any subsequent benefit year an amount equivalent to the amount of overpayment determined or the overpayment may be collected without interest by civil action in the name of the commissioner. If a claimant has been overpaid benefits under the law of another state and that state certifies to the department the facts involved and that the individual is liable to repay the benefits and requests the department to recover the overpayment, the commissioner is authorized to deduct from future benefits payable to the claimant in either the current or any subsequent benefit year an amount equivalent to the amount of overpayment determined by that state. A determination of fraud may be made at any time.

Sec. 23. [EFFECTIVE DATE.]

This article is effective October 1, 1987.

ARTICLE 5

TAX CREDITS

Section 1. [LEGISLATIVE FINDINGS.]

The legislature finds that the large number of unemployed workers in this state causes serious damage to the health, welfare, and personal and economic well-being of the people of this state. Further, the legislature finds the costs of funding workers' compensation and unemployment compensation are a heavy financial burden on the business community that discourages the expansion of industry and creation of jobs in this state. The legislature, therefore, finds that the public good and general welfare will be promoted and that jobs will be created by providing the tax credits in sections 2 and 3 to employers for workers' compensation and unemployment compensation costs.

Sec. 2. [290.0695] [NEW JOBS CREDIT.]

Subdivision 1. [AMOUNT OF CREDIT.] A credit against the tax due under this chapter shall be allowed to a taxpayer in an amount equal to the sum of the qualified expenditures made or accrued during the taxable year with respect to each qualified employee.

If the credit exceeds the taxpayer's tax liability, the excess credit shall not be refunded or carried forward to a succeeding taxable year or carried back to a preceding taxable year.

Subd. 2. [DEFINITIONS.] (a) "Qualified employee" means a resident individual performing services within the state for an employer (1) the performance of which constitutes employment as defined in section 268.04, subdivision 12, or (2) for whom the employer is required to provide workers' compensation insurance and to whom the employer is liable for compensation pursuant to chapter 176. An employee shall be deemed to be performing services within the state if his regular or principal place of work is located within the state. If an employee has no regular or principal place of work, the services he performs shall be deemed to be performed within the state.

The employee must have been unemployed for a period of ten consecutive weeks ending on the day the individual is hired by the employer. An individual is unemployed in any week for which he has filed a valid claim, as defined in section 268.04, subdivision 24, for unemployment compensation, and for which he is eligible to receive benefits under section 268.08, without regard to whether or not benefits have been exhausted.

(b) "Workers' compensation insurance costs" means (1) workers' compensation insurance premiums paid to an insurance carrier, (2) payments to a workers' compensation group self-insurance plan, and (3) payments of compensation or benefits made to employees by a self-insured employer.

(c) "Qualified expenditures" means expenditures paid or incurred with respect to each qualified employee, beginning the day the employee begins work for the employer, for (1) employer's contributions pursuant to section 268.06, and (2) worker's compensation insurance costs. To determine the amount of worker's compensation costs with respect to each qualified employee of a self-insured employer, the total worker's compensation insurance costs for the risk classification of the employee shall be multiplied by a fraction, the numerator of which is the wages paid or incurred to the employee during the taxable year and which were paid or incurred within the one-year period beginning the day the employee began work for the employer, and the denominator of which is wages paid during the taxable year to all employees of the taxpayer for that risk classification; provided, however, that the amount shall not exceed the highest premium rate charged for that risk classification in that industry.

### Sec. 3. [298.029] [NEW JOBS CREDIT.]

Subdivision 1. [AMOUNT OF CREDIT.] A credit against the tax due under section 298.01 shall be allowed to a taxpayer in an

amount equal to the sum of the qualified expenditures made or accrued during the calendar year with respect to each qualified employee.

If the credit exceeds the taxpayer's tax liability, the excess credit shall not be refunded or carried forward to a succeeding year or carried back to a preceding year.

Subd. 2. [DEFINITIONS.] (a) "Qualified employee" means a resident individual performing services within the state for an employer (1) the performance of which constitutes employment as defined in section 268.04, subdivision 12, or (2) for whom the employer is required to provide workers' compensation insurance and to whom the employer is liable for compensation pursuant to chapter 176. An employee shall be deemed to be performing services if his regular or principal place of work is located within the state. If an employee has no regular or principal place of work, the services he performs shall be deemed to be performed within the state.

The employee must have been unemployed for a period of ten consecutive weeks ending on the day the individual is hired by the employer. An individual is unemployed in any week during which he performs no services with respect to which wages are payable.

(b) "Workers' compensation insurance costs" means (1) workers' compensation insurance premiums paid to an insurance carrier, (2) payments to a workers' compensation group self-insurance plan, and (3) payments of compensation or benefits made to employees by a self-insured employer.

(c) "Qualified expenditures" means expenditures paid or incurred with respect to each qualified employee, beginning the day the employee begins work for the employer, for (1) employer's contributions pursuant to section 268.06, and (2) worker's compensation insurance costs. To determine the amount of worker's compensation costs with respect to each qualified employee of a self-insured employer, the total worker's compensation insurance costs for the risk classification of the employee shall be multiplied by a fraction, the numerator of which is the wages paid or incurred to the employee during the year and which were paid or incurred within the one-year period beginning the day the employee began work for the employer, and the denominator, of which is wages paid during the year to all employees of the taxpayer for that risk classification.

Sec. 4. Minnesota Statutes 1986, section 290.068, subdivision 1, is amended to read:

Subdivision 1. [CREDIT ALLOWED.] In addition to the deduction provided in section 290.09, a corporation, other than a corporation with a valid election in effect under section 290.9725, is allowed a

credit against the tax imposed by this chapter for the taxable year equal to

(a) ~~12.5~~ 25 percent of the first \$2 million of the excess (if any) of

(1) the qualified research expenses for the taxable year, over

(2) the base period research expenses; and

(b) ~~6.25~~ 12.5 percent on all of such excess expenses over \$2 million.

#### Sec. 5. [EFFECTIVE DATE.]

Section 2 is effective for qualified expenditures paid or incurred in taxable years beginning after December 31, 1986, but prior to January 1, 1989, with respect to employees who first begin work for the employer in taxable years beginning after December 31, 1986, but prior to January 1, 1989. Section 3 is effective for qualified expenditures paid or incurred in calendar years 1987 and 1988 with respect to employees who first begin work for the employer in calendar year 1987 or 1988. Section 4 is effective for taxable years beginning after December 31, 1986.

### ARTICLE 6

#### RURAL DEVELOPMENT CORPORATION ACT

##### Section 1. [116N.01] [PURPOSE.]

It is the intent of sections 1 to 10 to ensure the development of new products, processes, and services that have the potential to contribute to the state's economy, particularly in nonmetropolitan areas. In order to further these purposes, incorporation of specialized rural development corporations is authorized.

##### Sec. 2. [116N.02] [INCORPORATION; PURPOSES.]

A rural development corporation may be incorporated under chapter 302A and sections 1 to 10 for one of the following purposes:

(1) establishing and operating a venture capital investment fund;

(2) promotion of ideas, inventions, business processes, and other tangible intellectual business property developed by individuals, and to prevent exploitation of these ideas, inventions, business processes, and other tangible intellectual business property until the inventor or developer of the property elects to commercially

exploit the property, or to sell, transfer, or dispose of any interest in that property;

(3) assessment of applied high technology research or technical information deficiencies, to facilitate communication and funding activities necessary for the initiation of applied high technology research beneficial to rural economic development, and to facilitate communication and funding activities necessary to satisfy identified technical information needs within the high technology industry;

(4) assessment of deficiencies in applied agricultural products utilization research or technical information available to the agricultural products processing industry, to facilitate communication and funding activities necessary for the initiation of applied agricultural products utilization research beneficial to rural economic development, and to facilitate communication and funding activities necessary to satisfy identified technical needs within the agricultural products processing industry; or

(5) assessment of deficiencies in applied silvicultural products utilization research or technical information available to the silvicultural products processing industry, to facilitate communication and funding activities necessary for the initiation of applied silvicultural products utilization research beneficial to rural economic development, and to facilitate communication and funding activities necessary to satisfy identified technical needs within the wood products industry.

Sec. 3. [116N.03] [ORGANIZATION; ARTICLES; APPLICABLE LAW.] A rural economic development corporation shall, except as provided in sections 1 to 10, organize and operate under chapter 302A.

Sec. 4. [116N.04] [POWERS; LIMITATIONS.]

Subdivision 1. [VENTURE CAPITAL CORPORATION.] A rural development corporation incorporated for the purposes of section 2, clause (1), has all of the powers of a corporation provided in chapter 302A, subject to limitations imposed by its articles of incorporation and bylaws, except the power to:

(1) issue bonds or other instruments of indebtedness, except in the form of a mortgage or lease of real property or improvements on which to conduct its operations, or in the form of short-term credit needed to facilitate the operation of the corporation;

(2) loan money secured by mortgage on real property;

(3) obtain, except by default, a controlling interest in any corporation, partnership, limited partnership, or other form of business in which the corporation may acquire an interest;

(4) acquire, except by default, an equity interest, or a right to an equity interest, exceeding five percent of the total equity of any corporation, partnership, limited partnership, or other form of business in which the corporation has invested venture capital funds; and

(5) transfer, except by default, an equity interest or right to an equity interest in any government entity, agency, or investment fund in an aggregate amount exceeding 12.5 percent of the total equity of the corporation.

Subd. 2. [IDEA WAREHOUSE CORPORATION.] A rural development corporation incorporated for the purposes of section 2, clause (2), has all of the powers of a corporation provided in chapter 302A, subject to limitations imposed by its articles of incorporation and bylaws, except the power to:

(1) issue bonds or other instruments of indebtedness, except in the form of a mortgage or lease of real property or improvements on which to conduct its operations, or in the form of short-term credit needed to facilitate the operation of the corporation;

(2) loan money or hold property interests in the form of mortgages;

(3) obtain, except by gift or default, an equity interest in any corporation, partnership, limited partnership, or other form of business that is a client of the corporation;

(4) obtain, except as provided in section 5, subdivision 2, an interest in intellectual business property owned or developed by a client of the corporation; and

(5) transfer, except by default, an equity interest or right to an equity interest, in any government entity, agency, or investment fund in an aggregate amount exceeding 25 percent of the total equity of the corporation.

Subd. 3. [HIGH TECHNOLOGY RESEARCH CORPORATION.] A rural development corporation incorporated for the purposes of section 2, clause (3), has all of the powers provided in chapter 302A, subject to limitations imposed by its articles of incorporation and bylaws, except the power to:

(1) issue bonds or other instruments of indebtedness, except in the form of a mortgage or lease of real property or improvements on

which to conduct its operations, or in the form of short-term credit needed to facilitate the operation of the corporation;

(2) loan money or hold property interests in the form of mortgages;

(3) obtain, except by gift or default, an equity interest in any corporation, partnership, limited partnership, or other form of business; and

(4) transfer, except by default, an equity interest or right to an equity interest, in any government entity, agency, or investment fund in an aggregate amount exceeding 15 percent of the total equity of the corporation.

Subd. 4. [AGRICULTURAL PRODUCTS RESEARCH CORPORATION.] A rural development corporation incorporated for the purposes of section 2, clause (4), has all of the powers of a corporation provided in chapter 302A, subject to limitations imposed by its articles of incorporation and bylaws, except the power to:

(1) issue bonds or other instruments of indebtedness, except in the form of a mortgage or lease of real property or improvements on which to conduct its operations, or in the form of short-term credit needed to facilitate the operation of the corporation;

(2) loan money or hold property interests in the form of mortgages;

(3) obtain, except by default, a controlling interest in a corporation, partnership, limited partnership, or other form of business in which the corporation has acquired an interest; and

(4) transfer, except by default, an equity interest or right to an equity interest, in any government entity, agency, or investment fund in an aggregate amount exceeding 15 percent of the total equity of the corporation.

Subd. 5. [FOREST PRODUCTS RESEARCH CORPORATION.] A rural development corporation incorporated for the purposes of section 2, clause (5), has all of the powers of a corporation provided in chapter 302A, subject to limitations imposed by its articles of incorporation and bylaws, except the power to:

(1) issue bonds or other instruments of indebtedness, except in the form of a mortgage or lease of real property or improvements on which to conduct its operations, or in the form of short-term credit needed to facilitate the operation of the corporation;

(2) loan money or hold property interests in the form of mortgages;



(3) obtain, except by default, a controlling interest in a corporation, partnership, limited partnership, or other form of business in which the corporation has acquired an interest; and

(4) transfer, except by default, an equity interest or right to an equity interest, in a government entity, agency, or investment fund in an aggregate amount exceeding 15 percent of the total equity of the corporation.

Sec. 5. [116N.05] [POWERS; SPECIFIC AUTHORITY.]

Subdivision 1. [VENTURE CAPITAL CORPORATION.] In addition to the powers provided in chapter 302A, a rural development corporation incorporated for the purposes of section 2, clause (1), may:

(1) maintain a fund within the state treasury to be used exclusively for venture capital investment purposes;

(2) accept contributions from any private source in the form of money, real estate or improvements, services, equipment, or other real or personal property;

(3) accept contributions from any government source in the form of real estate or improvements, services, equipment, block grant funds, money, or other real or personal property;

(4) purchase equity interests in the form of stock issued by new or expanding businesses subject to a standard of care common to the venture capital industry; and

(5) loan money to new or expanding businesses for venture capital investment purposes if the money loaned is secured by a right to the royalties or rents of, or an equity interest in, the business for which the money is used.

Subd. 2. [IDEA WAREHOUSE CORPORATION.] In addition to the powers provided in chapter 302A, a rural development corporation incorporated for the purposes of section 2, clause (2), may:

(1) maintain a fund to be used exclusively to finance the creation and operation of an "idea warehouse";

(2) accept contributions from any private source in the form of money, real estate or improvements, services, equipment, or other real or personal property;

(3) accept contributions from any government source in the form of real estate or improvements, services, equipment, money, or other real or personal property;

(4) act as an agent for the protection of all forms of unpatented or uncopyrighted inventions, business processes, and other intellectual property on behalf of the owner or developer of the invention, processes, or intellectual property;

(5) serve as bailee for all forms of inventions, processes, and intellectual property; a corporation formed for the purposes of idea warehousing may act on behalf of the bailor to defend the bailed property against conversion, theft, copyright violations, patent infringement, or other wrongful encroachment on the rights of the bailor in relation to the bailed property; and

(6) apply for and accept state rural development matching grants as provided for in section 6.

Subd. 3. [HIGH TECHNOLOGY RESEARCH CORPORATION.] In addition to the powers provided in chapter 302A, a rural development corporation incorporated for the purposes of section 2, clause (3), may:

(1) maintain a fund to be used exclusively to finance applied high technology research projects of the corporation;

(2) accept contributions from any private source in the form of money, real estate or improvements, services, equipment, or other real or personal property;

(3) accept contributions from any government source in the form of real estate or improvements, services, equipment, money, or other real or personal property;

(4) apply for and accept state rural development matching grants as provided for in section 6; and

(5) accept contributions from any private or public post-secondary educational institution in the form of real estate or improvements, services, or equipment.

Subd. 4. [AGRICULTURAL PRODUCTS RESEARCH CORPORATION.] In addition to the powers provided in chapter 302A, a rural development corporation incorporated for the purposes of section 2, clause (4), may:

(1) maintain a fund to be used exclusively to finance applied agricultural products research projects of the corporation;

(2) accept contributions from any private source in the form of money, real estate or improvements, services, equipment, or other real or personal property;

(3) accept contributions from any government source whether in the form of real estate or improvements, services, equipment, money, or other real or personal property;

(4) apply for and accept state rural development matching grants as provided for in section 6; and

(5) accept contributions from any private or public post-secondary educational institution in the form of real estate or improvements, services, or equipment.

Subd. 5. [FOREST PRODUCTS RESEARCH CORPORATION.] In addition to the powers provided in chapter 302A, a rural development corporation incorporated for the purposes of section 2, clause (3), may:

(1) maintain a fund to be used exclusively to finance applied forest products research projects of the corporation;

(2) accept contributions from any private source in the form of money, real estate or improvements, services, equipment, or other real or personal property;

(3) accept contributions from any government source whether in the form of real estate or improvements, services, equipment, money, or other real or personal property;

(4) apply for and accept state rural development matching grants as provided for in section 6; and

(5) accept contributions from any private or public post-secondary educational institution in the form of real estate or improvements, services, or equipment.

Sec. 6. [116N.06] [MATCHING GRANTS TO RURAL DEVELOPMENT CORPORATIONS.]

Subdivision 1. [AUTHORIZATION; LIMITATIONS.] The commissioner of energy and economic development may make matching grants to rural development corporations to be used for the purposes for which the corporation was formed. A corporation formed under sections 1 to 10 that meets the eligibility requirements established in this section may apply to the commissioner for matching funds. Within 60 days following receipt of an application, the commissioner shall either grant an amount appropriate for the needs of the applicant, or provide a reason for denying the application. The commissioner shall deny an application if:

(1) the commissioner determines that the requirements of this section will not be satisfied throughout the fiscal year in which the grant is to be made;

(2) the commissioner lacks the authority to award the grant;

(3) grant money is not available, or is not sufficient for the needs of the applicant; or

(4) evidence relating to the management experience or personal background of officers or directors or the applicant suggests financial unreliability of the corporation.

The commissioner may award any number of grants to a corporation within a single fiscal year, but may award grants to only two corporations formed for each of the purposes provided in section 2, clauses (2) to (5) during a fiscal year.

Subd. 2. [VENTURE CAPITAL CORPORATIONS.] Rural development corporations incorporated for the purposes of section 2, clause (1) are not eligible for matching grants.

Subd. 3. [IDEA WAREHOUSE CORPORATIONS.] Matching grants to rural development corporations incorporated for the purposes of section 2, clause (2) may not exceed the amount contributed or committed to the corporation from all other sources.

Subd. 4. [HIGH TECHNOLOGY RESEARCH CORPORATIONS.] Matching grants to a rural development corporation incorporated for the purposes of section 2, clause (3) may not exceed 50 percent of the amount contributed or committed to the corporation from all other sources.

Subd. 5. [AGRICULTURAL PRODUCTS RESEARCH CORPORATIONS.] Matching grants to rural development corporations incorporated for the purposes of section 2, clause (4) may not exceed 50 percent of the amount contributed or committed to the corporation from all other sources.

Subd. 6. [FOREST PRODUCTS RESEARCH CORPORATIONS.] Matching grants to rural development corporations incorporated for the purposes of section 2, clause (5) may not exceed 50 percent of the amount contributed or committed to the corporation from all other sources.

#### Sec. 7. [116N.07] [ELIGIBILITY.]

Subdivision 1. [VENTURE CAPITAL CORPORATION.] (a) A rural development corporation incorporated for the purposes of section 2, clause (1) may apply to the commissioner for matching

grants to be used for the purpose of the corporation. The commissioner may award grants to the corporation if:

(1) an authorized representative of the corporation agrees to permit unannounced audits or other inspection of books and records relating to the use of the grants at any time and manner considered appropriate by the state auditor;

(2) directors and officers of the corporation agree to submit conflict of interest statements in the manner required of public officials under section 10A.07. The statements shall be filed only during the receipt of state grant funds;

(3) an authorized representative agrees to file articles of incorporation and bylaws of the corporation with the secretary of state; or

(4) an authorized representative agrees to supply information required by the commissioner to annually report to the legislature on the rural development grant program.

(b) In addition to the requirements of paragraph (a), the directors or officers must possess, or agree to retain persons possessing, extensive experience in venture capital management.

Subd. 2. [IDEA WAREHOUSE CORPORATION.] (a) A rural development corporation incorporated for the purposes of section 2, clause (2) may apply to the commissioner for matching grants for the purpose of the corporation. The commissioner may award grants to the corporation if:

(1) an authorized representative of the corporation agrees to permit unannounced audits or other inspection of books and records relating to the use of the grants at any time and manner considered appropriate by the state auditor;

(2) directors and officers of the corporation agree to submit conflict of interest statements in the manner required of public officials under section 10A.07. The statements shall be filed only during the receipt of state grant funds;

(3) an authorized representative of the corporation agrees to file articles of incorporation and bylaws of the corporation with the secretary of state; or

(4) an authorized representative agrees to supply information required by the commissioner to annually report to the legislature on the rural development grant program.

(b) In addition to the requirements of paragraph (a), the directors or officers must possess, or agree to retain persons possessing,

extensive experience or education relating to patent procedures and to procedures relating to copyright protection and licensing of intellectual business property.

**Subd. 3. [HIGH TECHNOLOGY RESEARCH CORPORATION.]**

(a) A rural development corporation incorporated for the purposes of section 2, clause (3) may apply to the commissioner for matching grants for the purpose of the corporation. The commissioner may award grants to the corporation if:

(1) an authorized representative of the corporation agrees to permit unannounced audits or other inspection of books and records relating to the use of the grants at any time and manner considered appropriate by the state auditor;

(2) directors and officers of the corporation agree to submit conflict of interest statements in the manner required of public officials under section 10A.07. The statements shall be filed only during the receipt of state grant funds;

(3) an authorized representative of the corporation agrees to file articles of incorporation and bylaws of the corporation with the secretary of state; or

(4) an authorized representative of the corporation agrees to supply information needed by the commissioner to annually report to the legislature on the rural development grant program.

(b) In addition to the requirements of paragraph (a), the directors or officers must possess, or agree to retain persons possessing, extensive experience in the administration of applied research and experience or education in the manufacture and marketing of technologically sophisticated products.

**Subd. 4. [AGRICULTURAL PRODUCTS RESEARCH CORPORATION.]** (a) A rural development corporation incorporated for the purposes of section 2, clause (4) may apply to the commissioner for matching grants for the purpose of the corporation. The commissioner may award grants to the corporation if:

(1) an authorized representative of the corporation agrees to permit unannounced audits or other inspection of books and records relating to the use of the grants at any time and manner considered appropriate by the state auditor;

(2) directors and officers of the corporation agree to submit conflict of interest statements in the manner required of public officials under section 10A.07. The statements shall be filed only during the receipt of state grant funds;

(3) an authorized representative of the corporation agrees to file articles of incorporation and bylaws of the corporation with the secretary of state; or

(4) an authorized representative of the corporation agrees to supply information needed by the commissioner to annually report to the legislature on the rural development grant program.

(b) In addition to the requirements of paragraph (a), the directors or officers must possess, or agree to retain persons possessing, extensive experience in the administration of applied research and experience or education in the processing and marketing of agricultural products.

Subd. 5. [FOREST PRODUCTS RESEARCH CORPORATION.]

(a) A rural development corporation incorporated for the purposes of section 2, clause (5) may apply to the commissioner for matching grants for the purpose of the corporation. The commissioner may award grants to the corporation if:

(1) an authorized representative of the corporation agrees to permit unannounced audits or other inspection of books and records relating to the use of the grants at any time and manner considered appropriate by the state auditor;

(2) directors and officers of the corporation agree to submit conflict of interest statements in the manner required of public officials under section 10A.07. The statements shall be filed only during the receipt of state grant funds;

(3) an authorized representative of the corporation agrees to file articles of incorporation and bylaws of the corporation with the secretary of state; or

(4) an authorized representative of the corporation agrees to supply information needed by the commissioner to annually report to the legislature on the rural development grant program.

(b) In addition to the requirements of paragraph (a), the directors or officers must possess, or agree to retain persons possessing, extensive experience in the administration of applied research and experience or education in the processing and marketing of forest products.

Sec. 8. [116N.08] [STATUS OF DIRECTORS AND EMPLOYEES.]

Directors, officers, and employees of rural development corporations are not state employees. Directors and officers of rural development corporations are public officials for the purposes of sections 10A.07 and 471.87.

## Sec. 9. [116N.09] [AUDIT REQUIRED.]

The board of directors of a rural development corporation shall annually audit the corporation's books, records, and operations. The audit shall be performed by an independent financial auditor. Each annual audit shall be submitted to the state auditor and the legislative auditor. Data contained in audit reports submitted to the state auditor and the legislative auditor are private data with regard to data on individuals under section 13.02, subdivision 12, or nonpublic data with regard to data not on individuals under section 13.02, subdivision 9. The state auditor shall initiate an audit of a rural development corporation that fails to submit to an annual audit.

## Sec. 10. [116N.10] [REPORTS TO THE LEGISLATURE.]

Subdivision 1. [LEGISLATIVE AUDITOR.] The legislative auditor shall annually report to the legislature on the financial condition and volume of activity conducted by corporations incorporated under sections 1 to 10. To the extent permissible under chapter 13, the report shall summarize data contained in annual audit reports submitted to the legislative auditor by each corporation.

Subd. 2. [COMMISSIONER OF ENERGY AND ECONOMIC DEVELOPMENT.] The commissioner of energy and economic development shall annually report to the legislature on the purpose and volume of rural development grants awarded to rural development corporations.

## Sec. 11. [APPROPRIATIONS.]

\$5,000,000 is appropriated from the general fund to the commissioner of energy and economic development for awards to rural development corporations in the form of matching grants to be available until June 30, 1989."

Amend the title accordingly

We regret that the Speaker does not wish the minority to offer any concrete alternative to his legislative program. We regret that he would abuse the process simply to insulate majority members from a vote on those alternatives.

We also regret that this action will impair the ability of any minority to be heard within the legislative body from this day forward. It represents a rejection of the two-party system, and of the principles of free speech.



It must be viewed as the single most destructive ruling ever made and upheld by this body.

We protest and dissent.

Signed:

Bill Schreiber  
Paul Thiede  
Craig Shaver  
Jim Heap  
Howard Miller  
Steve Sviggum  
Gil Gutknecht  
Dale Clausnitzer  
Steve Dille  
Donald J. Valento  
Chris Tjornhom  
Bernie Omann  
Gene Hugoson  
Connie Morrison  
Dennis J. Poppenhagen  
Don Richter  
Art Seaberg  
Doug Swenson  
Bob Haukoos  
Mary Forsythe  
David B. Gruenes  
John Himle  
Kathleen A. Blatz  
Marcus Marsh  
Gerald Knickerbocker

Elton Redalen  
John Burger  
Tony Onnen  
Carlson, D.  
K. J. McDonald  
Eileen Tompkins  
Dean Hartle  
Dennis Ozment  
John Rose  
Sylvester Uphus  
Brad Stanius  
Harriet McPherson  
Virgil Johnson  
Gary Schafer  
Bert J. McKasy  
Allen Quist  
Sally Olsen  
Don Frerichs  
Tony Bennett  
Ben Boo  
Bob Waltman  
Terry Dempsey  
Sidney Pauly  
Marcel Frederick

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 11:00 a.m., Thursday, May 14, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Thursday, May 14, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

