

STATE OF MINNESOTA

SEVENTY-FIFTH SESSION—1988

SEVENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 29, 1988

The House of Representatives convened at 1:00 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Pastor Oliver G. White, Camphor Memorial United Methodist Church and President of the St. Paul Black Ministerial Alliance, St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

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

REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 2095, 2520, 1746, 1812, 2130, 2685, 1251, 2127, 2138, 2344, 2459, 2561, 2590 and 1493 and S. F. Nos. 1582, 1573, 1610, 2491, 2525, 1540, 2071, 2185, 203, 2021, 2003, 1940, 2286, 2122, 1727, 2165, 1834, 1885, 2402, 1827, 2275, 2390, 1819, 752, 1788 and 1388 have been placed in the members' files.

S. F. No. 2525 and H. F. No. 2176, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Jaros moved that S. F. No. 2525 be substituted for H. F. No. 2176 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2165 and H. F. No. 2527, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Ozment moved that the rules be so far suspended that S. F. No. 2165 be substituted for H. F. No. 2527 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 203 and H. F. No. 125, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Skoglund moved that the rules be so far suspended that S. F. No. 203 be substituted for H. F. No. 125 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1582 and H. F. No. 1896, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Jennings moved that the rules be so far suspended that S. F. No.

1582 be substituted for H. F. No. 1896 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1885 and H. F. No. 1979, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Solberg moved that the rules be so far suspended that S. F. No. 1885 be substituted for H. F. No. 1979 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1540 and H. F. No. 1643, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Marsh moved that the rules be so far suspended that S. F. No. 1540 be substituted for H. F. No. 1643 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1940 and H. F. No. 2024, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Jaros moved that the rules be so far suspended that S. F. No. 1940 be substituted for H. F. No. 2024 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1610 and H. F. No. 1736, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Lasley moved that the rules be so far suspended that S. F. No. 1610 be substituted for H. F. No. 1736 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1727 and H. F. No. 2011, which had been referred to the

Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clark moved that the rules be so far suspended that S. F. No. 1727 be substituted for H. F. No. 2011 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1834 and H. F. No. 1938, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Haukoos moved that the rules be so far suspended that S. F. No. 1834 be substituted for H. F. No. 1938 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2071 and H. F. No. 1848, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Jefferson moved that the rules be so far suspended that S. F. No. 2071 be substituted for H. F. No. 1848 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1573 and H. F. No. 1830, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Reding moved that the rules be so far suspended that S. F. No. 1573 be substituted for H. F. No. 1830 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2185 and H. F. No. 1705, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Simoneau moved that the rules be so far suspended that S. F. No. 2185 be substituted for H. F. No. 1705 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1819 and H. F. No. 1872, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Jefferson moved that the rules be so far suspended that S. F. No. 1819 be substituted for H. F. No. 1872 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2491 and H. F. No. 2514, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that S. F. No. 2491 be substituted for H. F. No. 2514 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2402 and H. F. No. 2594, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that S. F. No. 2402 be substituted for H. F. No. 2594 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2122 and H. F. No. 2235, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Nelson, D., moved that the rules be so far suspended that S. F. No. 2122 be substituted for H. F. No. 2235 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1788 and H. F. No. 2095, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that S. F. No. 1788 be substituted for H. F. No. 2095 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2275 and H. F. No. 1251, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Pappas moved that the rules be so far suspended that S. F. No. 2275 be substituted for H. F. No. 1251 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

March 25, 1988

The Honorable Robert Vanasek
Speaker of the House of Representatives
The State of Minnesota

Dear Sir:

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

H. F. No. 1740, relating to criminal sexual conduct; clarifying the definition of "consent."

H. F. No. 1766, relating to local government; making explicit the power of towns to take certain action at a special meeting.

H. F. No. 1816, relating to traffic regulations; requiring motor vehicle lessors to provide child passenger restraints on request.

H. F. No. 2056, relating to state lands; requiring corrective deed to be issued to Basilica of St. Mary of Minneapolis for state lands authorized to be conveyed to Basilica of St. Mary's, Inc.

Sincerely,

RUDY PERPICH
Governor

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

March 25, 1988

The Honorable Robert Vanasek
Speaker of the House of Representatives

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1988 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1988</i>	<i>Date Filed 1988</i>
	1740	413	March 25	March 25
	1766	414	March 25	March 25
	1816	415	March 25	March 25
	2056	416	March 25	March 25
896		417	March 25	March 25
1772		418	March 25	March 25

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

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

H. F. No. 1607, A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; making related changes in the ethics in government act; imposing penalties; amending Minnesota Statutes 1986, sections 10A.01, subdivisions 7, 10, 10b, 15, and by adding subdivisions; 10A.25, subdivision 10, and by adding subdivisions; 10A.255; 10A.27, by adding a subdivision; 10A.275; 10A.28; 10A.30, subdivision 2; 10A.31, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, and by adding subdivisions; 10A.33; 10A.335; and 290.06, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1986, sections 10A.02, subdivision 11a; 10A.25, subdivision 7; 10A.27, subdivision 5; and 10A.32.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 10A.01, is amended by adding a subdivision to read:

Subd. 5a. [CONGRESSIONAL CANDIDATE.] "Congressional candidate" means an individual who seeks nomination or election to the United States senate or house of representatives and who is a "candidate" as that term is defined under United States Code, title 2, section 431, paragraph (2), as amended through December 31, 1986.

Sec. 2. Minnesota Statutes 1986, section 10A.01, subdivision 7, is amended to read:

Subd. 7. [CONTRIBUTION.] "Contribution" means:

(1) with respect to a candidate, a transfer of funds or a donation in kind.

Contribution and includes any loan or advance of credit to a political committee, political fund, or principal campaign committee, which loan or advance of credit is (a) (1) forgiven, or (b) (2) paid by an entity an individual or any association other than the political committee, political fund, or principal campaign committee to which the loan or advance of credit is made. If an advance of credit or a loan is forgiven or paid as provided in this subdivision paragraph, it is a contribution in the year in which the loan or advance of credit is

made. A contribution made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate. A contribution does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, ballot question, political committee or political fund, or the publishing or broadcasting of news items or editorial comments by the news media; and

(2) with respect to a congressional candidate, a "contribution" as that term is defined under United States Code, title 2, section 431, paragraph (8), as amended through December 31, 1986.

Sec. 3. Minnesota Statutes 1986, section 10A.01, subdivision 10, is amended to read:

Subd. 10. [CAMPAIGN EXPENDITURE; EXPENDITURE.]
"Campaign expenditure" or "expenditure" means:

(1) with respect to a candidate, a purchase or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question. An expenditure is considered to be made in the year in which the goods or services for which it was made are used or consumed. An expenditure made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate. Except as provided in clause (a), item (i) of this clause, an expenditure includes the dollar value of a donation in kind. An expenditure does not include:

(a) (i) noncampaign disbursements as defined in subdivision 10c;

(b) (ii) transfers as defined in subdivision 7a;

(c) (iii) services provided without compensation by an individual volunteering personal time on behalf of a candidate, ballot question, political committee, or political fund; or

(d) (iv) the publishing or broadcasting of news items or editorial comments by the news media; and

(2) with respect to a congressional candidate, an "expenditure" as that term is defined under United States Code, title 2, section 431, paragraph (9), as amended through December 31, 1986.

Sec. 4. Minnesota Statutes 1986, section 10A.01, subdivision 10b, is amended to read:

Subd. 10b. [INDEPENDENT EXPENDITURE.] "Independent expenditure" means:

(1) with respect to a candidate, an expenditure expressly advocating the election or defeat of a clearly identified candidate, which expenditure is made without the express or implied consent, authorization, or cooperation of, and not in concert with or at the request or suggestion of, any candidate or any candidate's principal campaign committee or agent. An independent expenditure is not a contribution to that candidate; and

(2) with respect to a congressional candidate, an "independent expenditure" as that term is defined under United State Code, title 2, section 431, paragraph (17), as amended through December 31, 1986.

Sec. 5. Minnesota Statutes 1986, section 10A.01, subdivision 15, is amended to read:

Subd. 15. [POLITICAL COMMITTEE.] "Political committee" means:

(1) with respect to a candidate, any association as defined in subdivision 3 whose major purpose is to influence the nomination or election of a candidate or to promote or defeat a ballot question; and

(2) with respect to a congressional candidate, a "political committee" as that term is defined under United State Code, title 2, section 431, paragraph (4), as amended through December 31, 1986.

"Political committee" includes a major political party as defined in subdivision 12, a minor political party as defined in subdivision 13, and any a principal campaign committee formed pursuant to section 10A.19 of a candidate or congressional candidate, and an authorized committee of a congressional candidate.

Sec. 6. Minnesota Statutes 1986, section 10A.01, is amended by adding a subdivision to read:

Subd. 15a. [PRINCIPAL CAMPAIGN COMMITTEE.] "Principal campaign committee" means:

(1) with respect to a candidate, a political committee designated and caused to be formed by that candidate under section 10A.19; and

(2) with respect to a congressional candidate, a political committee designated and authorized by that congressional candidate under United States Code, title 2, section 432, subsection (e)(1), as amended through December 31, 1986.

Sec. 7. Minnesota Statutes 1986, section 10A.01, is amended by adding a subdivision to read:

Subd. 15b. [AUTHORIZED COMMITTEE.] "Authorized committee" means the principal campaign committee or any other political committee designated and authorized by a congressional candidate under United States Code, title 2, section 432, subsection (e)(1), as amended through December 31, 1986, to receive contributions or make expenditures on behalf of that congressional candidate.

Sec. 8. [10A.105] [LIMITATION ON APPLICABILITY.]

The provisions of sections 10A.11 to 10A.24 relating to the organization, registration, and administration of and reporting and disclosure by political committees, including principal campaign committees, and political funds are not applicable to congressional candidates and authorized committees of congressional candidates. The organization, registration, and administration of and reporting and disclosure by authorized committees of congressional candidates is governed by the relevant provisions of United States Code, title 2, chapter 14, as amended through December 31, 1986.

Sec. 9. [10A.245] [CAMPAIGN REPORTS; CONGRESSIONAL CANDIDATES.]

A congressional candidate who agrees to be bound by the expenditure limits set forth under section 10A.25, as adjusted by section 10A.255, as a condition of receiving a public subsidy for the candidate's campaign shall file with the board copies of all reports that the candidate or the candidate's principal campaign committee treasurer acting for the candidate is required to file under United States Code, title 2, chapter 14, as amended through December 31, 1986. The reports must be filed with the board at the times required under United States Code, title 2, section 434, as amended through December 31, 1986.

Sec. 10. Minnesota Statutes 1986, section 10A.25, is amended by adding a subdivision to read:

Subd. 2a. [CONGRESSIONAL CANDIDATES.] In a year in which an election is held for an office sought by a congressional candidate, no expenditures may be made by the authorized committees of that congressional candidate that result in an aggregate amount in excess of the following:

(1) for United States senator, \$4,000,000; and

(2) for representative in congress, \$400,000.

Sec. 11. Minnesota Statutes 1986, section 10A.25, is amended by adding a subdivision to read:

Subd. 5a. [CONGRESSIONAL CANDIDATES IN CONTESTED PRIMARY RACES.] Notwithstanding the limits imposed by subdivision 2a, the winning congressional candidate in a contested race in a primary who receives less than twice as many votes as any one of the candidate's opponents in that primary may make aggregate expenditures equal to 120 percent of the applicable amount in subdivision 2a, as adjusted by section 10A.255.

Sec. 12. Minnesota Statutes 1986, section 10A.25, is amended by adding a subdivision to read:

Subd. 5b. [CONGRESSIONAL CANDIDATES ACCEPTING PUBLIC SUBSIDY FACING OPPONENT NOT ACCEPTING PUBLIC SUBSIDY.] (a) Notwithstanding the limits imposed by subdivision 2a, if a congressional candidate who has signed an agreement under section 33 to be bound by the expenditure limits imposed under that subdivision is running in a general election against an opponent who has chosen not to accept a public subsidy and whose party's congressional candidate for the same office in the last general election received more than ten percent of the vote, the congressional candidate who has signed an agreement may make aggregate expenditures equal to 125 percent of the applicable amount set forth in subdivision 2a, as adjusted by section 10A.255; except that, if this subdivision applies and the congressional candidate who has signed an agreement was a winning congressional candidate in a contested primary as provided under subdivision 5a, the congressional candidate may make aggregate expenditures equal to 125 percent of the applicable amount as determined under subdivision 5a.

(b) With respect to congressional candidates for representative in congress, and for the purposes of determining the ten percent requirement under paragraph (a), if the "last general election" was the first election after a congressional reapportionment, the congressional candidate voting data for these offices shall be applied to the areas encompassing the newly drawn congressional districts.

Sec. 13. Minnesota Statutes 1986, section 10A.25, is amended by adding a subdivision to read:

Subd. 6a. [POST-ELECTION YEAR EXPENDITURES BY CONGRESSIONAL CANDIDATES.] In any year following an election year for the office held or sought, the aggregate amount of expenditures on behalf of a congressional candidate for or holder of that office must not exceed 20 percent of the expenditure limit set forth in subdivision 2a, as adjusted by section 10A.255.

Sec. 14. Minnesota Statutes 1986, section 10A.25, subdivision 10, is amended to read:

Subd. 10. [APPLICABILITY OF EXPENDITURE LIMITS.] The expenditure limits imposed by this section apply only to candidates and congressional candidates who agree to be bound by the limits as a condition of receiving a public subsidy for their campaigns in the form of:

(a) an allocation of money from the state elections campaign fund;
or

(b) Credits against the tax due of individuals who contribute to that candidate.

Sec. 15. Minnesota Statutes 1987 Supplement, section 10A.255, is amended to read:

10A.255 [ADJUSTMENT BY CONSUMER PRICE INDEX.]

Subdivision 1. [METHOD OF CALCULATION.] The dollar amounts provided in section 10A.25, ~~subdivision~~ subdivisions 2 and 2a, must be adjusted for general election years as provided in this section. By June 1 of the general election year, the executive director of the board shall determine the percentage increase in the consumer price index from December of the year preceding the last general election year to December of the year preceding the year in which the determination is made. The dollar amounts used for the preceding last general election year must be multiplied by that percentage. The product of the calculation must be added to each dollar amount to produce the dollar limitations to be in effect for the next general election. The product must be rounded up to the next highest whole dollar. The index used must be the revised consumer price index for all urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United States Department of Labor with 1967 1982 as a base year.

Subd. 2. [TRANSITIONAL PERIOD.] (a) The dollar amounts provided in section 10A.25, subdivision 2, must be adjusted for 1988 in the manner provided in subdivision 1, except that the percentage increase in the consumer price index must be determined from April of 1986 to December of 1987 and the adjustment must be calculated by the executive director by June 1, 1988.

(b) Except for the office of state representative in the legislature, the dollar amounts provided in section 10A.25, subdivision 2, must be adjusted for 1990 in the manner provided in subdivision 1, except that the percentage increase in the consumer price index must be determined from April of 1986 to December of 1989 and the adjustment must be calculated by the executive director by June 1, 1990.

(c) The dollar amounts provided in section 10A.25, subdivision 2a,

must be adjusted for the 1990 races for representative in congress and the races for United States senate, and subsequent general elections for those offices in the manner provided in subdivision 1, except that the last general election year shall be considered to be 1986 and the dollar amounts used for the last general election year for the offices of United States senator and representative in congress shall be \$4,000,000 and \$400,000 respectively.

Subd. 3. [PUBLICATION OF EXPENDITURE LIMIT.] On or before June 15 of each year, the board shall publish in the state register the expenditure for each office for that calendar year, as provided in section 10A.25, as adjusted by this section.

Sec. 16. Minnesota Statutes 1986, section 10A.27, is amended by adding a subdivision to read:

Subd. 9. [CONTRIBUTION AND LOAN LIMITATIONS APPLICABLE TO A CONGRESSIONAL CANDIDATE.] Contributions by and to a congressional candidate and loans to a congressional candidate are governed by the relevant provisions of United States Code, title 2, chapter 14, as amended through December 31, 1986.

Sec. 17. Minnesota Statutes 1986, section 10A.275, is amended to read:

10A.275 [MULTICANDIDATE POLITICAL PARTY EXPENDITURES.]

Subdivision 1. [APPLICABILITY TO CANDIDATES.] Notwithstanding any other provisions of this chapter, the following expenditures by a state political party or a substate unit of a state political party as described in section 10A.27, subdivision 4, shall not be considered contributions to or expenditures on behalf of any candidate for the purposes of section 10A.25 or 10A.27, and shall not be allocated to any candidates pursuant to section 10A.22, subdivision 5:

(a) expenditures on behalf of candidates of that party generally without referring to any of them specifically in any advertisement published, posted or broadcast;

(b) expenditures for the preparation, display, mailing or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot;

(c) expenditures for any telephone conversation including the names of three or more individuals whose names are to appear on the ballot; or

(d) expenditures for any political party fundraising effort on behalf of three or more candidates.

Subd. 2. [APPLICABILITY TO CONGRESSIONAL CANDIDATES.] Expenditures of the type listed in clauses (a) to (d) in subdivision 1 are governed by the relevant provisions of United States Code, title 2, section 431, paragraph (9), as amended through December 31, 1986.

Sec. 18. Minnesota Statutes 1986, section 10A.28, is amended to read:

10A.28 [PENALTY FOR EXCEEDING EXPENDITURE AND CONTRIBUTION LIMITS.]

Subdivision 1. [CANDIDATE EXCEEDING EXPENDITURE LIMITS.] A candidate subject to the expenditure limits of in section 10A.25 who permits the candidate's principal campaign committee to make expenditures or permits approved expenditures to be made on the candidate's behalf in excess of the limits imposed by section 10A.25 ~~shall be~~, as adjusted by section 10A.255, is subject to a civil fine up to four times the amount which the expenditures exceeded the limit.

Subd. 1a. [CONGRESSIONAL CANDIDATES EXCEEDING EXPENDITURE LIMITS.] A congressional candidate subject to the expenditure limits in section 10A.25 who permits the candidate's authorized committees to make aggregate expenditures to be made on the candidate's behalf in excess of the limits imposed by section 10A.25, as adjusted by section 10A.255, is subject to a civil fine up to four times the amount the expenditures exceed the limit.

Subd. 2. [CONTRIBUTION LIMITS EXCEEDED WITH RESPECT TO CANDIDATES.] A candidate who permits the candidate's principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27 ~~shall be~~ is subject to a civil fine of up to four times the amount by which the contribution exceeded the limits.

Subd. 2a. [CONTRIBUTION LIMITS EXCEEDED WITH RESPECT TO CONGRESSIONAL CANDIDATES.] A congressional candidate who permits the candidate's authorized committees to accept contributions in excess of the limits imposed under United States Code, title 2, chapter 14, as amended through December 31, 1986, is subject to the penalties imposed by United States Code, title 2, section 437g, as amended through December 31, 1986.

Subd. 3. [CONCILIATION AGREEMENTS.] If the board finds that there is reason to believe that excess expenditures have been made or excess contributions accepted contrary to the provisions of

subdivision 1, 1a, or 2 the board shall make every effort for a period of not less than 14 days after its finding to correct the matter by informal methods of conference and conciliation and to enter a conciliation agreement with the person involved. A conciliation agreement made pursuant to this subdivision shall be a matter of public record. Unless violated, a conciliation agreement shall be a bar to any civil proceeding under subdivision 4.

Subd. 4. [CIVIL ACTION.] If the board is unable after a reasonable time to correct by informal methods any matter which constitutes probable cause to believe that excess expenditures have been made or excess contributions accepted contrary to subdivision 1, 1a, or 2, the board shall make a public finding of probable cause in the matter. After making a public finding, the board shall bring an action, or transmit the finding to a county attorney who shall bring an action, ~~in the district court of Ramsey county or, in the case of a legislative candidate, the district court of a county within the legislative district,~~ to impose a civil fine as prescribed by the board pursuant to subdivision 1, 1a, or 2. An action filed against a congressional candidate for United States senator or against a candidate for state constitutional office must be brought in the district court of Ramsey county. An action filed against a candidate for state legislative office must be brought in the district court of a county within the candidate's legislative district. An action filed against a congressional candidate for representative in congress must be brought in the district court of a county within the congressional candidate's congressional district. All money recovered pursuant to this section shall be deposited in the general fund of the state.

Sec. 19. Minnesota Statutes 1986, section 10A.30, subdivision 2, is amended to read:

Subd. 2. [SEPARATE ACCOUNTS.] Within the state elections campaign fund account there shall be maintained a separate political party account for the candidates and congressional candidates of each political party and a general account.

Sec. 20. Minnesota Statutes 1987 Supplement, section 10A.31, subdivision 2, is amended to read:

Subd. 2. The taxpayer may designate that the amount designated be paid into the party account of a political party or into the general account. If the taxpayer does so, the amount must be segregated within that account for allocation and distribution as follows:

(1) one-half for allocation to candidate offices according to the allocations in subdivision 5, paragraph (a), and for distribution to candidates according to the formula, if applicable, in subdivision 5a and as provided under subdivision 6; and

(2) one-half for allocation to congressional candidate offices according to the allocations in subdivision 5, paragraph (b), and for distribution to congressional candidates according to the formula, if applicable, developed under subdivision 5b and as provided under subdivision 6.

Sec. 21. Minnesota Statutes 1987 Supplement, section 10A.31, subdivision 3, is amended to read:

Subd. 3. The commissioner of the department of revenue shall provide on the first page of the income tax form and the renter and homeowner property tax refund return a space for the individual to indicate a wish to allocate \$5 (\$10 if filing a joint return) from the general fund of the state to finance the election campaigns of state candidates and congressional candidates. The form shall also contain language prepared by the commissioner which permits the individual to direct the state to allocate the \$5 (or \$10 if filing a joint return) to: (i) one of the major political parties; (ii) any minor political party as defined in section 10A.01, subdivision 13, which qualifies under the provisions of subdivision 3a; or (iii) all qualifying candidates as provided by subdivision 7. The renter and homeowner property tax refund return shall include instructions that the individual filing the return may designate \$5 on the return only if the individual has not designated \$5 on the income tax return.

Sec. 22. Minnesota Statutes 1986, section 10A.31, subdivision 5, is amended to read:

Subd. 5. [ALLOCATION OF ACCOUNTS.] (a) Candidates. In each calendar year the moneys money in each party account and the general account that has been segregated under subdivision 2 for allocation to candidate offices shall be allocated to candidates as follows:

(1) 21 percent for the offices of governor and lieutenant governor together;

(2) 3.6 percent for the office of attorney general;

(3) 1.8 percent each for the offices of secretary of state, state auditor and state treasurer;

(4) In each calendar year during the period in which state senators serve a four-year term, 23 $\frac{1}{3}$ percent for the office of state senator and 46 $\frac{2}{3}$ percent for the office of state representative;

(5) In each calendar year during the period in which state senators serve a two-year term, 35 percent each for the offices of state senator and state representative;

(6) To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, moneys from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive money from the candidate's party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula:

For each county within the candidate's district the candidate's share of the dollars allocated in that county to the candidate's party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in the candidate's district for all candidates of that candidate's party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of that candidate's party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in the candidate's party account allocated in that county and set aside for the candidates for the office for which the candidate is running.

The sum of all the county shares calculated in the formula above is the candidate's share of the candidate's party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, amounts in the party's account shall be allocated based on (a) the number of people voting in the last general election in that part of the county in the candidate's district, divided by (b) the number of the people voting in that county in the last general election, multiplied by (c) the amount in the candidate's party account allocated in that county and set aside for the candidates for the office for which the candidate is running.

In a year in which the first election after a legislative reapportionment is held, "the candidate's district" means the newly drawn district, and voting data from the last general election will be applied to the area encompassing the newly drawn district notwithstanding that the area was in a different district in the last general election.

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) and (b). The average vote shall be added to the sums in clauses (a) and (b) before the calculation is made for all districts in the county.

Money from a party account not distributed to candidates for state senator and representative in any election year shall be returned to the general fund of the state. Money from a party account not distributed to candidates for other offices in an election year shall be returned to the party account for reallocation to candidates as provided in clauses (1) to (6) of this subdivision in the following year. Moneys from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.

(b) Congressional candidates. In each calendar year the money in each party account and the general account that has been segregated under subdivision 2 for allocation to congressional candidate offices must be allocated as follows:

(1) $16\frac{2}{3}$ percent for the office of United States senator for which an election will be held in 1990 and every six years afterward;

(2) $16\frac{2}{3}$ percent for the office of United States senator for which an election will be held in 1994 and every six years afterward;

(3) $67\frac{2}{3}$ percent for the offices of representative in congress.

Sec. 23. Minnesota Statutes 1986, section 10A.31, is amended by adding a subdivision to read:

Subd. 5a. [FORMULA FOR DISTRIBUTION TO LEGISLATIVE CANDIDATES.] (a) To assure that money will be returned to the counties from which it was collected, and to assure that the distribution of money rationally relates to the support for particular parties or for particular candidates within legislative districts, money from the party accounts for legislative candidates must be distributed under this subdivision.

A candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election must receive money from the candidate's party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula.

For each county within the candidate's district the candidate's share of the dollars allocated in that county to the candidate's party account and set aside for that office must be:

(1) the sum of the votes cast in the last general election in that part of the county in the candidate's district for all candidates of the candidate's party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(2) the sum of the votes cast in that county in the last general election for all candidates of the candidate's party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(3) the amount in the candidate's party account allocated in that county and set aside for the candidates for the office the candidate is seeking.

The sum of all the county shares calculated in the formula in this paragraph is the candidate's share of the candidate's party account.

(b) With respect to the formula in paragraph (a), the terms "last general election" and the "candidate's district" have the following meanings:

(1) In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

(2) For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, "last general election" means the last general election in which the name of a candidate of that party appeared on the ballot in each voting precinct in the state.

(3) In a year in which the first election after a legislative reapportionment is held, "the candidate's district" means the newly drawn district, and voting data from the last general election will be applied to the area encompassing the newly drawn district even though the area was in a different district in the last general election.

(c) If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party must be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in paragraph (a), clauses (1) and (2). The average vote must be added to the sums in paragraph (a), clauses (1) and (2) before the calculation is made for all districts in the county.

Sec. 24. Minnesota Statutes 1986, section 10A.31, is amended by adding a subdivision to read:

Subd. 5b. [FORMULA FOR DISTRIBUTION TO CONGRESSIONAL CANDIDATES FOR REPRESENTATIVE IN CONGRESS.] The commissioner of revenue shall develop a formula for distribution of money from the state elections campaign fund to congressional candidates for the office of representative in congress to assure that money will be returned to the counties from which it was collected, and to assure that the distribution of the money rationally relates to the support for particular parties or for particular congressional candidates within congressional districts. Money from the party accounts distributed to congressional candidates from the state elections campaign fund must be distributed according to the formula developed.

Sec. 25. Minnesota Statutes 1986, section 10A.31, is amended by adding a subdivision to read:

Subd. 5c. [UNDISTRIBUTED MONEY.] Money in a party account not distributed in any election year to candidates for state senator and representative and congressional candidates for the office of representative in congress must be returned to the general fund of the state. Money in a party account not distributed in any election year to candidates for other office or congressional candidates for the office of United States senator must be kept in the party account but must be reallocated in the following year to all of the candidate offices and congressional candidate offices as provided under subdivision 5. Money in the general account refused in any election year by a candidate or congressional candidate must be distributed in that year to all other qualifying candidates and congressional candidates as provided under subdivision 7.

Sec. 26. Minnesota Statutes 1986, section 10A.31, subdivision 6, is amended to read:

Subd. 6. [DISTRIBUTION OF FUNDS AFTER PRIMARY ELECTION.] Within two weeks after certification by the state canvassing board of the results of the primary, the state treasurer shall distribute the available funds in each party account, as certified by the commissioner of revenue on September 15, to the candidates and

congressional candidates of that party who have signed the an agreement, as provided in section 10A.32, subdivision 3 33, and whose names are to appear on the ballot in the general election, according to the allocations and formulas set forth in subdivision subdivisions 5, 5a, and 5b.

Sec. 27. Minnesota Statutes 1986, section 10A.31, subdivision 7, is amended to read:

Subd. 7. [DISTRIBUTION OF FUNDS AFTER GENERAL ELECTION.] Within two weeks after certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds in the general account, as certified by the commissioner of revenue on November 15 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide state constitutional office and to all congressional candidates for the office of United States senator who have signed agreements under section 33 and received at least five percent of the votes cast in the general election for that office, and to all candidates for state legislative office and for the office of representative in congress who have signed agreements under section 33 and received at least ten percent of the votes cast in the general election for the specific office for which they were candidates or congressional candidates. The board shall not use the information contained in the report of the principal campaign committee of any candidate due ten days before the general election for the purpose of reducing the amount due that candidate from the general account.

Sec. 28. Minnesota Statutes 1986, section 10A.31, subdivision 8, is amended to read:

Subd. 8. [CERTIFICATION OF AMOUNTS AFTER PRIMARY.] Within one week after certification by the state canvassing board of the results of the primary, the board shall certify to the state treasurer the name of each candidate and congressional candidate who has signed the an agreement, as provided in section 10A.32, subdivision 3 33, and the amount the candidate is to receive from the available funds in the candidate's party account.

Sec. 29. Minnesota Statutes 1986, section 10A.31, subdivision 9, is amended to read:

Subd. 9. [CERTIFICATION OF AMOUNTS AFTER GENERAL ELECTION.] Within one week after certification by the state canvassing board of the results of the general election, the board shall certify to the state treasurer the name of each candidate and congressional candidate who is qualified to receive funds from the general account, together with the amount the candidate is to receive from the available funds in the general account.

Sec. 30. Minnesota Statutes 1986, section 10A.31, subdivision 10, is amended to read:

Subd. 10. [CERTIFICATION OF AMOUNTS ACCUMULATED SINCE PREVIOUS CERTIFICATION.] In the event that on the date of either certification by the commissioner of revenue as provided in subdivisions 6 and 7, less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board on December 7 the amount accumulated in each account since the previous certification. Within one week thereafter, the board shall certify to the state treasurer the amount to be distributed to each candidate and congressional candidate according to the allocations as provided and formulas set forth in subdivision subdivisions 5, 5a, and 5b. As soon as practicable thereafter, the state treasurer shall distribute the amounts to the candidates and congressional candidates. Any money accumulated after the final certification shall be maintained in the respective accounts for distribution in the next general election year.

Sec. 31. Minnesota Statutes 1986, section 10A.31, subdivision 11, is amended to read:

Subd. 11. [WRITE-IN CANDIDATES.] For the purposes of this section, a write-in candidate or congressional candidate is a candidate or congressional candidate only upon complying with the provisions of section 10A.32, subdivision 3 33.

Sec. 32. [10A.321] [ESTIMATES OF MINIMUM AMOUNTS TO BE RECEIVED.]

Subdivision 1. [CALCULATION AND CERTIFICATION OF ESTIMATES.] The commissioner of revenue shall calculate and certify to the board before the first day of July in an election year an estimate of (1) the total amount in the general account of the state elections campaign fund, and (2) the amount of money each candidate and congressional candidate who qualifies, as provided in section 10A.31, subdivisions 6 and 7, may receive from the candidate's party account in the state elections campaign fund. This estimate must be based upon the allocations and formulas in section 10A.31, subdivisions 5, 5a, and 5b, any necessary vote totals provided by the secretary of state to apply the formulas in section 10A.31, subdivisions 5 and 5b, and the amount of money expected to be available after 100 percent of the tax returns have been processed.

Subd. 2. [PUBLICATION, CERTIFICATION, AND NOTIFICATION PROCEDURES.] Before the first day of filing for office, the board shall publish and forward to all filing officers the estimates calculated and certified under subdivision 1. Within seven days after the last day for filing for office, the secretary of state shall certify to the board the name, address, office sought, and party

affiliation of each candidate and congressional candidate who has filed with that office an affidavit of candidacy or petition to appear on the ballot. The auditor of each county shall certify to the board the same information for each candidate and congressional candidate who has filed with that county an affidavit of candidacy or petition to appear on the ballot. Within seven days afterward, the board shall estimate the minimum amount to be received by each candidate and congressional candidate who qualifies, as provided in section 10A.31, subdivisions 6 and 7, and notify on or before August 15 all candidates and congressional candidates of the applicable amount. The board shall include with the notice a form for the agreement provided in section 33.

Sec. 33. [10A.322] [SIGNED AGREEMENT AS CONDITION OF RECEIVING PUBLIC SUBSIDY IN FORM OF ALLOCATION FROM CAMPAIGN FUND.]

Subdivision 1. [SIGNED AGREEMENT BY CANDIDATE.] As a condition of receiving money from the state elections campaign fund, a candidate shall sign a written agreement with the board in which the candidate agrees that the aggregate of (i) expenditures made by the principal campaign committee of the candidate and (ii) approved expenditures made on behalf of the candidate will not exceed the expenditure limits in section 10A.25, as adjusted by section 10A.255.

Subd. 2. [SIGNED AGREEMENT BY CONGRESSIONAL CANDIDATES.] As a condition of receiving money from the state elections campaign fund, a congressional candidate shall sign a written agreement with the board in which the candidate agrees that the aggregate of expenditures made by the authorized committees of the congressional candidate may not exceed the expenditure limits in section 10A.25, as adjusted by section 10A.255.

Subd. 3. [SUBMISSION OF AGREEMENT.] Before the first day of filing for office, the board shall forward agreement forms to all filing officers. The candidate or congressional candidate may sign an agreement and submit it to the filing officer on the day of filing an affidavit of candidacy or petition to appear on the ballot, in which case the filing officer shall without delay forward signed agreements to the board. Alternatively, the candidate or congressional candidate may submit the agreement directly to the board no later than September 1. An agreement may not be rescinded after September 1.

Subd. 4. [HOW LONG AGREEMENT IS EFFECTIVE.] (a) Candidates. The agreement, insofar as it relates to the expenditure limits in section 10A.25, as adjusted by section 10A.255, remains effective until the dissolution of the principal campaign committee of the candidate or the opening of filing for the next succeeding

election to the office held or sought at the time of agreement, whichever occurs first.

(b) Congressional candidates. The agreement, insofar as it relates to the expenditure limits in section 10A.25, as adjusted by section 10A.255, remains effective until the termination of the authorized committees of the congressional candidate, as provided under United States Code, title 2, section 433(d), as amended through December 31, 1986, or the opening of filing for the next succeeding election to the office held or sought at the time of agreement, whichever occurs first.

Sec. 34. [10A.323] [RETURN OF PUBLIC SUBSIDY.]

Subdivision 1. [WHEN RETURN REQUIRED; CANDIDATES.]

(a) A candidate shall return all or a portion of the public subsidy received from the state elections campaign fund under the following circumstances:

(1) To the extent that the amount of public subsidy received by the candidate exceeds the expenditure limits for the office held or sought, as provided in section 10A.25 and as adjusted by section 10A.255, the treasurer of the candidate's principal campaign committee shall return the excess to the board; and

(2) To the extent that the amount of public subsidy received exceeds the aggregate of (i) actual expenditures made by the principal campaign committee of the candidate and (ii) approved expenditures made on behalf of the candidate, the treasurer of the candidate's principal campaign committee shall return an amount equal to the difference to the board.

Subd. 2. [WHEN RETURN REQUIRED; CONGRESSIONAL CANDIDATES.] (a) A congressional candidate shall return all or a portion of the public subsidy received from the state elections campaign fund under the following circumstances:

(1) to the extent that the amount of public subsidy received by the congressional candidate exceeds the expenditure limits for the office held or sought, as provided in section 10A.25 and as adjusted by section 10A.255, the treasurer of the congressional candidate's principal campaign committee shall return the excess to the board; and

(2) to the extent that the amount of public subsidy received exceeds the aggregate of actual expenditures made by the authorized committees of the congressional candidate, the treasurer of the congressional candidate's principal campaign committee shall return an amount equal to the difference to the board.

Subd. 3. [HOW RETURN DETERMINED.] Whether or not a candidate or congressional candidate is required to return all or a portion of the public subsidy received from the state elections campaign fund, as provided under subdivisions 1 and 2, must be determined from the report required to be filed with the board by that candidate or congressional candidate on or before January 31 of the year following an election. Any amount required to be returned must be submitted in the form of a check or money order and must accompany the report filed with the board. The board shall forward the check or money order to the state treasurer for deposit into the general fund. In no case may the amount returned exceed the amount of public subsidy received by the candidate or congressional candidate from the state elections campaign fund.

Sec. 35. [10A.324] [POLITICAL PARTY NOT HAVING CERTAIN CANDIDATES OR CONGRESSIONAL CANDIDATES.]

If a political party for whose candidates or congressional candidates funds have been accumulated in the state elections campaign fund does not have a candidate at a general election for the office of state senator or state representative or a congressional candidate for the office of representative in congress, the party account money allocated for that office must be returned to the general fund of the state. If that party does not have a candidate at a general election for any state constitutional office or a congressional candidate for the office of United States senator, the party account money allocated for that office must be transferred to the general account of the state elections campaign fund for reallocation to all of the candidate offices and congressional candidate offices as provided in section 10A.31, subdivision 5, and for distribution in that election year to candidates and congressional candidates as provided under section 10A.31, subdivision 7.

Sec. 36. Minnesota Statutes 1986, section 10A.33, is amended to read:

10A.33 [APPLICATION.]

The provisions of sections 10A.30 to 10A.32 shall and sections 32 to 35 apply only in general elections and primaries preceding general elections and shall not apply to special elections or special primaries.

Sec. 37. Minnesota Statutes 1986, section 10A.335, is amended to read:

10A.335 [LEGISLATIVE MONITORING OF TAX CHECK-OFF.]

For the purpose of determining whether the distribution formula formulas provided in section 10A.31, subdivision 5 subdivisions 5a

and 5b, (a) assures assure that money will be returned to the counties from which they were collected, and (b) continues continue to have a rational relation to the support for particular parties or particular candidates within legislative districts or congressional candidates within congressional districts, it is the intention of this section that future legislatures monitor, using statistical data provided by the department of revenue, income tax returns and renter and homeowner property tax refund returns on which \$2 \$5, or in the case of a joint return, \$4 \$10, is designated for a political party.

Sec. 38. [ALLOCATION OF 1986 TAX CHECK-OFF MONEY FOR THE OFFICE OF UNITED STATES SENATOR.]

Notwithstanding Minnesota Statutes, section 10A.31, subdivision 5, paragraph (b), the money in each party account and the general account of the state elections campaign fund representing taxpayer designations for the tax years 1986 and 1987 must be allocated as follows: 67 $\frac{2}{3}$ percent to the offices of representative in congress; 33 $\frac{1}{3}$ percent to the office of United States senator for which an election will be held in 1990.

Sec. 39. [REPEALER.]

Minnesota Statutes 1986, sections 10A.27, subdivision 5; and 10A.32, as amended by Laws 1987, chapter 214, section 8; are repealed.

Sec. 40. [EFFECTIVE DATE.]

This act is effective on January 1, 1989."

Delete the title and insert:

"A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; making related changes in the ethics in government act; imposing penalties; amending Minnesota Statutes 1986, sections 10A.01, subdivisions 7, 10, 10b, 15, and by adding subdivisions; 10A.25, subdivision 10, and by adding subdivisions; 10A.27, by adding a subdivision; 10A.275; 10A.28; 10A.30, subdivision 2; 10A.31, subdivisions 5, 6, 7, 8, 9, 10, 11, and by adding subdivisions; 10A.33; and 10A.335; Minnesota Statutes 1987 Supplement, sections 10A.255; 10A.31, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1986, sections 10A.27, subdivision 5; and 10A.32, as amended."

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

The report was adopted.

Voss from the Committee on Taxes to which was referred:

H. F. No. 2297, A bill for an act relating to agriculture; extending certain benefits under the family farm security act; amending Minnesota Statutes 1986, section 41.57, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 41.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 2297 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 2525, 2165, 203, 1582, 1885, 1540, 1940, 1610, 1727, 1834, 2071, 1573, 2185, 1819, 2491, 2402, 2122, 1788 and 2275 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Stanisus introduced:

H. F. No. 2793, A bill for an act relating to intoxicating liquor; items which may be sold in exclusive off-sale liquor stores; amending Minnesota Statutes 1986, section 340A.101, subdivision 10.

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

HOUSE ADVISORIES

The following House Advisory was introduced:

Milbert introduced:

H. A. No. 76, A proposal to study lot vacancies and rent rates in mobile home parks in the seven county metro area.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 2018, A bill for an act relating to agriculture; clarifying and imposing penalties for violations related to diseased animals under the jurisdiction of the board of animal health; authorizing inspection upon notice; authorizing enforcement of violations; authorizing civil judicial enforcement actions; authorizing administrative remedies for violations; imposing civil and criminal penalties; amending Minnesota Statutes 1986, sections 35.245, subdivision 5; 35.80; 35.82, subdivision 2; and 35.830; Minnesota Statutes 1987 Supplement, section 35.68; proposing coding for new law in Minnesota Statutes, chapter 35; repealing Minnesota Statutes 1986, sections 35.069; 35.15, subdivision 2; 35.70; 35.71, subdivision 8; and 35.72, subdivision 6.

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. 2190, A bill for an act relating to local government; permitting certain cities and towns to contribute to a hospital.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Winter moved that the House concur in the Senate amendments to

H. F. No. 2190 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2190, A bill for an act relating to local government; permitting certain cities and towns to contribute to certain hospitals.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 2155, A bill for an act relating to natural resources; revising provisions relating to the Heartland Trail; establishing the

Paul Bunyan Trail; amending Minnesota Statutes 1986, section 85.015, subdivision 12, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kinkel moved that the House concur in the Senate amendments to H. F. No. 2155 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2155, A bill for an act relating to natural resources; revising provisions relating to the Heartland Trail; proposing the authorization of a new state trail; amending Minnesota Statutes 1986, section 85.015, subdivision 12, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Krueger	Onnen	Segal
Anderson, R.	Frederick	Larsen	Orenstein	Shaver
Battaglia	Greenfield	Lasley	Osthoff	Simoneau
Bauerly	Gruenes	Lieder	Ozment	Skoglund
Beard	Gutknecht	Long	Pappas	Solberg
Begich	Hartle	Marsh	Pauly	Sparby
Bennett	Haukoos	McDonald	Pelowski	Stanis
Bertram	Heap	McEachern	Peterson	Steensma
Bishop	Hugoson	McKasy	Poppenhagen	Sviggum
Blatz	Jacobs	McLaughlin	Price	Swenson
Boo	Jaros	McPherson	Quinn	Thiede
Brown	Jefferson	Milbert	Quist	Tjornhom
Burger	Jennings	Miller	Redalen	Tompkins
Carlson, D.	Jensen	Minne	Reding	Trimble
Carlson, L.	Johnson, A.	Morrison	Rest	Tunheim
Carruthers	Johnson, R.	Murphy	Rice	Uphus
Clark	Johnson, V.	Nelson, C.	Richter	Valento
Clausnitzer	Kahn	Nelson, D.	Riveness	Vellenga
Cooper	Kalis	Nelson, K.	Rodosovich	Wagenius
Dauner	Kelly	Neuenschwander	Rose	Waltman
Dawkins	Kelso	O'Connor	Rukavina	Welle
DeBlick	Kinkel	Ogren	Sarna	Wenzel
Dempsey	Kludt	Olsen, S.	Schafer	Winter
DeRaad	Knickerbocker	Olson, E.	Scheid	Spk. Vanasek
Dille	Knuth	Olson, K.	Schreiber	
Dorn	Kostohryz	Omama	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. 2272, A bill for an act relating to natural resources; making changes in certain laws relating to forestry; amending Minnesota Statutes 1986, sections 88.19; 89.01, subdivision 5, and by adding a subdivision; 89.17; and 89.19.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Solberg moved that the House concur in the Senate amendments to H. F. No. 2272 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2272, A bill for an act relating to natural resources; making changes in certain laws relating to forestry; amending Minnesota Statutes 1986, sections 88.19; 89.01, subdivision 5; 89.17; 89.19; and 90.041, 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, R.	Greenfield	Larsen	Orenstein	Segal
Battaglia	Gruenes	Lasley	Osthoff	Shaver
Bauerly	Gutknecht	Lieder	Otis	Skoglund
Beard	Hartle	Long	Ozment	Solberg
Begich	Haukoos	Marsh	Pappas	Sparby
Bennett	Heap	McDonald	Pauly	Stanius
Bertram	Himle	McEachern	Pelowski	Steensma
Blatz	Hugoson	McKasy	Peterson	Sviggum
Boo	Jacobs	McLaughlin	Poppenhagen	Swenson
Brown	Jaros	McPherson	Price	Thiede
Burger	Jefferson	Milbert	Quinn	Tjornhom
Carlson, D.	Jennings	Miller	Quist	Tompkins
Carlson, L.	Jensen	Minne	Redalen	Trimble
Carruthers	Johnson, A.	Morrison	Reding	Tunheim
Clark	Johnson, R.	Munger	Rest	Uphus
Clausnitzer	Johnson, V.	Murphy	Rice	Valento
Cooper	Kahn	Nelson, C.	Richter	Vellenga
Dauner	Kalis	Nelson, D.	Riveness	Voss
Dawkins	Kelly	Nelson, K.	Rodosovich	Wagenius
DeBlieck	Kelso	O'Connor	Rose	Waltman
Dempsey	Kinkel	Ogren	Rukavina	Welle
DeRaad	Kludt	Olsen, S.	Sarna	Wenzel
Dille	Knickerbocker	Olson, E.	Schaffer	Winter
Dorn	Knuth	Olson, K.	Scheid	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Vanasek
Frederick	Krueger	Onnen	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. 1589, A bill for an act relating to real property; providing a restriction on the duration of conditions affecting certain real property; providing an exemption for the city of North Oaks; amending Minnesota Statutes 1986, section 500.20, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Olsen, S., moved that the House concur in the Senate amendments to H. F. No. 1589 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1589, A bill for an act relating to real property; providing a restriction on the duration of conditions affecting certain real property; providing an exemption for the city of North Oaks; amending Minnesota Statutes 1986, section 500.20, 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.	DeBlieck	Johnson, A.	McKasy	Osthoff
Anderson, R.	Dempsey	Johnson, R.	McLaughlin	Otis
Battaglia	DeRaad	Johnson, V.	McPherson	Ozment
Bauerly	Dille	Kahn	Milbert	Pappas
Beard	Dorn	Kalis	Miller	Pauly
Begich	Forsythe	Kelly	Minne	Pelowski
Bennett	Frederick	Kelso	Morrison	Peterson
Bertram	Greenfield	Kinkel	Munger	Poppenhagen
Blatz	Gruenes	Kludd	Murphy	Price
Boo	Gutknecht	Knickerbocker	Nelson, C.	Quinn
Brown	Hartle	Knuth	Nelson, D.	Quist
Burger	Haukoos	Kostohryz	Nelson, K.	Redalen
Carlson, D.	Heap	Krueger	Neuenschwander	Reding
Carlson, L.	Himle	Larsen	Ogren	Rest
Carruthers	Hugoson	Lasley	Olsen, S.	Rice
Clark	Jacobs	Lieder	Olson, E.	Richter
Clausnitzer	Jaros	Long	Olson, K.	Riveness
Cooper	Jefferson	Marsh	Omann	Rodosovich
Dauner	Jennings	McDonald	Onnen	Rose
Dawkins	Jensen	McEachern	Orenstein	Rukavina

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

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. 2132, A bill for an act relating to human services; authorizing a representative payee for general assistance to drug dependent persons; amending Minnesota Statutes 1986, section 256D.09, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clark moved that the House concur in the Senate amendments to H. F. No. 2132 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2132, A bill for an act relating to human services; authorizing a representative payee for general assistance to drug dependent persons; amending Minnesota Statutes 1986, section 256D.09, 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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

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. 2109, A bill for an act relating to state lands; authorizing private sale of tax-forfeited land in St. Louis county.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Begich moved that the House concur in the Senate amendments to H. F. No. 2109 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2109, A bill for an act relating to state lands; authorizing private sale of tax-forfeited 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bennett	Carlson, D.	Dauner	Dorn
Anderson, R.	Bertram	Carlson, L.	Dawkins	Forsythe
Battaglia	Blatz	Carruthers	DeBlieck	Frederick
Bauerly	Boo	Clark	Dempsey	Frerichs
Beard	Brown	Clausnitzer	DeRaad	Greenfield
Begich	Burger	Cooper	Dille	Gruenes

Gutknecht	Knuth	Neuenschwander	Reding	Steensma
Hartle	Kostohryz	Ogren	Rest	Sviggun
Haukoos	Krueger	Olsen, S.	Rice	Swenson
Heap	Larsen	Olson, E.	Richter	Thiede
Himle	Lasley	Olson, K.	Riveness	Tjornhom
Hugoson	Lieder	Omann	Rodosovich	Tompkins
Jacobs	Long	Onnen	Rose	Trimble
Jaros	Marsh	Orenstein	Rukavina	Tunheim
Jefferson	McDonald	Osthoff	Sarna	Uphus
Jennings	McEachern	Otis	Schafer	Valento
Johnson, A.	McPherson	Ozment	Scheid	Vellenga
Johnson, R.	Milbert	Pappas	Schreiber	Voss
Johnson, V.	Miller	Pauly	Seaberg	Wagenius
Kahn	Minne	Pelowski	Segal	Waltman
Kalis	Morrison	Peterson	Shaver	Welle
Kelly	Munger	Poppenhagen	Simoneau	Wenzel
Kelso	Murphy	Price	Skoglund	Winter
Kinkel	Nelson, C.	Quinn	Solberg	Wynia
Kludt	Nelson, D.	Quist	Sparby	Spk. Vanasek
Knickerbocker	Nelson, K.	Redalen	Stanius	

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. 2046, A bill for an act relating to state lands; directing sale and conveyance of certain state-owned lands to the city of Owatonna.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hartle moved that the House concur in the Senate amendments to H. F. No. 2046 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2046, A bill for an act relating to state lands; directing sale and conveyance of certain state-owned lands to the city of Owatonna.

The bill was read for the 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.	Frederick	Larsen	Orenstein	Shaver
Anderson, R.	Frerichs	Lasley	Osthoff	Simoneau
Battaglia	Greenfield	Lieder	Otis	Skoglund
Bauerly	Gruenes	Long	Ozment	Solberg
Beard	Gutknecht	Marsh	Pappas	Sparby
Begich	Hartle	McDonald	Pauly	Stanisus
Bennett	Haukoos	McEachern	Pelowski	Steensma
Bertram	Heap	McKasy	Peterson	Svigum
Bishop	Hugoson	McLaughlin	Poppenhagen	Swenson
Blatz	Jacobs	McPherson	Price	Thiede
Boo	Jaros	Milbert	Quinn	Tjornhom
Brown	Jefferson	Miller	Quist	Tompkins
Burger	Jennings	Minne	Redalen	Trimble
Carlson, D.	Jensen	Morrison	Reding	Tunheim
Carlson, L.	Johnson, A.	Munger	Rest	Uphus
Carruthers	Johnson, R.	Murphy	Rice	Valento
Clark	Johnson, V.	Nelson, C.	Richter	Vellenga
Clausnitzer	Kahn	Nelson, D.	Riveness	Voss
Cooper	Kalis	Nelson, K.	Rodosovich	Wagenius
Dauner	Kelly	Neuenschwander	Rose	Waltman
Dawkins	Kelso	O'Connor	Rukavina	Welle
DeBlicck	Kinkel	Ogren	Sarna	Wenzel
Dempsey	Kludt	Olsen, S.	Schafer	Winter
DeRaad	Knickerbocker	Olson, E.	Scheid	Wynia
Dille	Knuth	Olson, K.	Schreiber	Spk. Vanasek
Dorn	Kostohryz	Omann	Seaberg	
Forsythe	Krueger	Onnen	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. 1877, A bill for an act relating to labor; regulating the labor-management committee grant program; amending Minnesota Statutes 1986, sections 179.81, subdivisions 2 and 4; 179.82; 179.83, subdivision 1; 179.84, subdivision 1; and 179.85; repealing Minnesota Statutes 1986, sections 179.83, subdivision 2; and 179.84, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Simoneau moved that the House concur in the Senate amendments to H. F. No. 1877 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1877, A bill for an act relating to labor; regulating the labor-management committee grant program; amending Minnesota Statutes 1986, sections 179.81, subdivisions 2 and 4; 179.82; 179.83, subdivision 1; 179.84, subdivision 1; and 179.85; repealing Minne-

sota Statutes 1986, sections 179.83, subdivision 2; and 179.84, 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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Krueger	Onnen	Segal
Anderson, R.	Frerichs	Larsen	Orenstein	Shaver
Battaglia	Greenfield	Lasley	Osthoff	Simoneau
Bauerly	Gruenes	Lieder	Otis	Skoglund
Beard	Gutknecht	Long	Ozment	Solberg
Begich	Hartle	Marsh	Pappas	Sparby
Bennett	Haukoos	McDonald	Pauly	Stanius
Bertram	Heap	McEachern	Pelowski	Steensma
Bishop	Himle	McKasy	Peterson	Sviggun
Blatz	Hugoson	McLaughlin	Poppenhagen	Swenson
Boo	Jacobs	McPherson	Price	Thiede
Brown	Jaros	Milbert	Quinn	Tjornhom
Burger	Jefferson	Miller	Quist	Tompkins
Carlson, D.	Jennings	Minne	Redalen	Trimble
Carlson, L.	Jensen	Morrison	Reding	Tunheim
Carruthers	Johnson, A.	Munger	Rest	Uphus
Clark	Johnson, R.	Murphy	Rice	Valento
Clausnitzer	Johnson, V.	Nelson, C.	Richter	Vellenga
Cooper	Kahn	Nelson, D.	Riveness	Voss
Dauner	Kalis	Nelson, K.	Rodosovich	Wagenius
Dawkins	Kelly	Neuenschwander	Rose	Waltman
DeBleeck	Kelso	O'Connor	Rukavina	Welle
Dempsey	Kinkel	Ogren	Sarna	Wenzel
DeRaad	Kludt	Olsen, S.	Schafer	Winter
Dille	Knickerbocker	Olson, E.	Scheid	Wynia
Dorn	Knuth	Olson, K.	Schreiber	Spk. Vanasek
Forsythe	Kostohryz	Omann	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. 2000, A bill for an act relating to civil actions; requiring the judgment creditor to file satisfaction of judgment documents; amending Minnesota Statutes 1986, section 548.15.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Shaver moved that the House concur in the Senate amendments to

H. F. No. 2000 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2000, A bill for an act relating to civil actions; requiring the judgment creditor to file satisfaction of judgment documents; requiring the prevailing party in a civil action to pay the cost of filing a satisfaction of judgment; amending Minnesota Statutes 1986, sections 480.001, subdivision 1; 548.15; and 549.02.

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.	Frederick	Krueger	Onnen	Segal
Anderson, R.	Frerichs	Larsen	Orenstein	Shaver
Battaglia	Greenfield	Lasley	Osthoff	Skoglund
Bauerly	Gruenes	Lieder	Otis	Solberg
Beard	Gutknecht	Long	Ozment	Sparby
Begich	Hartle	Marsh	Pappas	Stanius
Bennett	Haukoos	McDonald	Pauly	Steensma
Bertram	Heap	McEachern	Pelowski	Sviggum
Bishop	Himle	McKasy	Peterson	Swenson
Blatz	Hugoson	McLaughlin	Poppenhagen	Thiede
Boo	Jacobs	McPherson	Price	Tjornhom
Brown	Jaros	Milbert	Quinn	Tompkins
Burger	Jefferson	Miller	Quist	Trimble
Carlson, D.	Jennings	Minne	Redalen	Tunheim
Carlson, L.	Jensen	Morrison	Reding	Uphus
Carruthers	Johnson, A.	Munger	Rest	Valento
Clark	Johnson, R.	Murphy	Rice	Vellenga
Clausnitzer	Johnson, V.	Nelson, C.	Richter	Voss
Cooper	Kahn	Nelson, D.	Riveness	Wagenius
Dauner	Kalis	Nelson, K.	Rodosovich	Waltman
Dawkins	Kelly	Neuenschwander	Rose	Welle
DeBlieck	Kelso	O'Connor	Rukavina	Wenzel
Dempsey	Kinkel	Ogren	Sarna	Winter
DeRaad	Kludt	Olsen, S.	Schafer	Wymia
Dille	Knickerbocker	Olson, E.	Scheid	Spk. Vanasek
Dorn	Knuth	Olson, K.	Schreiber	
Forsythe	Kostohryz	Omann	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. 1534, A bill for an act relating to education; changing licensing requirements for registered barbers and registered appren-

tice barbers; amending Minnesota Statutes 1986, sections 154.05; 154.07; 154.09; and 154.18.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Welle moved that the House concur in the Senate amendments to H. F. No. 1534 and that the bill be repassed as amended by the Senate. The motion prevailed.

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

The bill was read for the 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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Krueger	Onnen	Segal
Anderson, R.	Frerichs	Larsen	Orenstein	Shaver
Battaglia	Greenfield	Lasley	Osthoff	Simoneau
Bauerly	Gruenes	Lieder	Otis	Skoglund
Beard	Gutknecht	Long	Ozment	Solberg
Begich	Hartle	Marsh	Pappas	Sparby
Bennett	Haukoos	McDonald	Pauly	Stanius
Bertram	Heap	McEachern	Pelowski	Steensma
Bishop	Himle	McKasy	Peterson	Sviggum
Blatz	Hugoson	McLaughlin	Poppenhagen	Swenson
Boo	Jacobs	McPherson	Price	Thiede
Brown	Jaros	Milbert	Quinn	Tjornhom
Burger	Jefferson	Miller	Quist	Tompkins
Carlson, D.	Jennings	Minne	Redalen	Trimble
Carlson, L.	Jensen	Morrison	Reding	Tunheim
Carruthers	Johnson, A.	Munger	Rest	Uphus
Clark	Johnson, R.	Murphy	Rice	Valento
Clausnitzer	Johnson, V.	Nelson, C.	Richter	Vellenga
Cooper	Kahn	Nelson, D.	Riveness	Voss
Dauner	Kalis	Nelson, K.	Rodosovich	Wagenius
Dawkins	Kelly	Neuenschwander	Rose	Waltman
DeBlicck	Kelso	O'Connor	Rukavina	Welle
Dempsey	Kinkel	Ogren	Sarna	Wenzel
DeRaad	Kludd	Olsen, S.	Schafer	Winter
Dille	Knickerbocker	Olson, E.	Scheid	Wynia
Dorn	Knuth	Olson, K.	Schreiber	Spk. Vanasek
Forsythe	Kostohryz	Omann	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. 2637, A bill for an act relating to the city of Farmington; permitting the sale of certain tax-forfeited land.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Tompkins moved that the House concur in the Senate amendments to H. F. No. 2637 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2637, A bill for an act relating to the city of Farmington; permitting the sale of certain tax-forfeited land.

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.	Frederick	Krueger	Orenstein	Shaver
Anderson, R.	Frerichs	Larsen	Osthoff	Simoneau
Battaglia	Greenfield	Lasley	Otis	Skoglund
Bauerly	Gruenes	Lieder	Ozment	Solberg
Beard	Gutknecht	Long	Pappas	Sparby
Begich	Hartle	Marsh	Pauly	Stanis
Bennett	Haukoos	McDonald	Pelowski	Steensma
Bertram	Heap	McKasy	Peterson	Sviggum
Bishop	Himle	McLaughlin	Poppenhagen	Swenson
Blatz	Hugoson	McPherson	Price	Thiede
Boo	Jacobs	Milbert	Quinn	Tjornhom
Brown	Jaros	Miller	Quist	Tompkins
Burger	Jefferson	Minne	Redalen	Trimble
Carlson, D.	Jennings	Morrison	Reding	Tunheim
Carlson, L.	Jensen	Munger	Rest	Uphus
Carruthers	Johnson, A.	Murphy	Rice	Valento
Clark	Johnson, R.	Nelson, C.	Richter	Vellenga
Clausnitzer	Johnson, V.	Nelson, D.	Riveness	Voss
Cooper	Kahn	Nelson, K.	Rodosovich	Wagenius
Dauner	Kalis	Neuenschwander	Rose	Waltman
Dawkins	Kelly	O'Connor	Rukavina	Welle
DeBlieck	Kelso	Ogren	Sarna	Wenzel
Dempsey	Kinkel	Olsen, S.	Schafer	Winter
DeRaad	Kludt	Olson, E.	Scheid	Wynia
Dille	Knickerbocker	Olson, K.	Schreiber	Spk. Vanasek
Dorn	Knuth	Omann	Seaberg	
Forsythe	Kostohryz	Onnen	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. 2025, A bill for an act relating to state lands; authorizing private sale of tax-forfeited land in St. Louis county.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Begich moved that the House concur in the Senate amendments to H. F. No. 2025 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2025, A bill for an act relating to state lands; authorizing private sale of tax-forfeited 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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Steensma
Swiggum
Swenson
Thiede

Tjornhom
Tompkins
Trimble
Tunheim

Uphus
Valento
Vellenga
Voss

Wagenius
Waltman
Welle
Wenzel

Winter
Wynia
Spk. Vanasek

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. 1980, A bill for an act relating to highways; designating I-90 as AMVETS memorial highway; adding, deleting, and substituting routes on the trunk highway system; amending Minnesota Statutes 1986, section 161.14, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Kalis moved that the House refuse to concur in the Senate amendments to H. F. No. 1980, 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. 1795, A bill for an act relating to human services; creating a task force to study building code standards for family and group family day care homes; changing building code requirements concerning certain child care facilities; amending Minnesota Statutes 1987 Supplement, sections 16B.61, subdivision 3; and 245A.09, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Ogren moved that the House refuse to concur in the Senate amendments to H. F. No. 1795, 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.

CONSENT CALENDAR

S. F. No. 974, A resolution memorializing the President, Congress, and the Federal Aviation Administration to accelerate the modernization of commercial aircraft fleets operating in and to the United States by requiring the use of quieter, Stage 3 aircraft.

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

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 2090, A bill for an act relating to state lands; authorizing a certain conveyance by the commissioner of natural resources to the city of Big Fork.

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

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 2376, A resolution memorializing the Congress of the United States to reinstate diesel fuel tax exemptions for farmers and other off-road users.

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

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

S. F. No. 1632 was reported to the House.

Bennett moved to amend S. F. No. 1632, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [LEGISLATIVE FINDINGS.]

The legislature finds that the lands and waters of Ramsey county are great natural resources; that as a result of erosion of lands and sediment deposition in waters of the region, waters are being polluted and despoiled to a degree that fish, aquatic life, recreation, and other uses of lands and waters are being adversely affected; that the rapid shift in land use from agricultural to nonagricultural uses has accelerated the processes of soil erosion and sedimentation. Implementation of the metropolitan surface water planning act in Ramsey county requires a coordinated effort in that county, and the state of Minnesota may benefit from a pilot program within that county. The legislature further finds it is necessary to establish and implement through the soil and water conservation district in cooperation with water management organizations, cities, towns, and other public and private entities in that county, a county-wide coordinated erosion and sediment control pilot program to conserve and to protect the land, water, and other natural resources of Ramsey county.

Sec. 2. [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 4.

Subd. 2. [CONSERVATION SPECIFICATIONS.] “Conservation specifications” means management procedures, techniques, and methods to control soil erosion and sedimentation.

Subd. 3. [DISTRICT.] “District” means the soil and water conservation district operating under Minnesota Statutes, chapter 40.

Subd. 4. [LAND DISTURBANCE ACTIVITY.] “Land disturbance

activity" means land change that may result in soil erosion from water or wind and the movement of sediments into or upon waters or lands of Ramsey county, including clearing, grading, excavating, transporting, and filling of land. Land disturbance activity does not mean:

(1) minor land disturbance activities such as home gardens and individual home landscaping, repairs, and maintenance work;

(2) construction, installation, maintenance of electric and telephone utility lines or individual service connection to the utility lines;

(3) septic tank lines or drainage fields unless included in an overall plan for a land disturbance activity relating to construction of a building to be served by the septic tank system;

(4) tilling, planting, or harvesting of agricultural, horticultural, or silvicultural crops;

(5) preparation for single-family residences separately built, unless in conjunction with multiple construction in subdivision development;

(6) disturbance of land areas of less than 10,000 square feet for commercial or noncommercial uses, except that the governing body of the statutory or home rule charter city, town, or organization may reduce this exception to a smaller area of disturbed land or qualify the conditions under which this exception applies;

(7) installation of fence, sign, telephone, and electric poles and other kinds of posts or poles; and

(8) emergency work to protect life, limb, or property and emergency repairs.

Subd. 5. [ORGANIZATION.] "Organization" means a watershed management organization as defined in section 473.876 that has more than 25 percent of its area within Ramsey county.

Sec. 3. [DISTRICT EROSION AND SEDIMENT CONTROL PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The district shall develop a pilot program that contains a model ordinance and conservation specifications for the effective control of soil erosion and sediment deposition. To assist in the development of the pilot program, the district shall seek the advice of appropriate state and federal agencies, local units of government, and representatives of interests such as residential development and nonresidential development.

Subd. 2. [PROGRAM CONTENTS.] The district pilot program shall contain:

(1) relevant physical and developmental information concerning the region, including data relating to land use, soils, hydrology, geology, size of land area being disturbed, proximate water bodies and their characteristics, transportation, and public facilities and services;

(2) a model ordinance;

(3) principles for protecting existing vegetation, adequate revegetation schedules, and run-off control measures; and

(4) conservation specifications and alternative methods for the control of erosion and sediment resulting from land disturbance activities.

Subd. 3. [PROGRAM ADOPTION; IMPLEMENTATION.] The district shall adopt and implement the program by January 1, 1989. The district may revise its pilot program as necessary. The district shall give due notice and conduct at least one public hearing on the proposed pilot program before adoption or revision.

Subd. 4. [INSPECTION OF PROGRAM.] The program shall be made available for public inspection at the office of the district.

Sec. 4. [ORGANIZATION SOIL EROSION AND SEDIMENT CONTROL PROGRAMS.]

Subdivision 1. [ADOPTION.] Each organization must, within one year after the adoption of the district program under section 3, develop and adopt an organization soil erosion and sediment control program, as part of its watershed plan under Minnesota Statutes, section 473.878. The organization program must be consistent with the district program and must be submitted to the district for approval or disapproval. Upon written request of an organization, the district shall assist in the preparation of the organization program. The organization may choose to implement the program throughout its area of jurisdiction or only within the territory of the district.

Subd. 2. [FAILURE TO ADOPT AN ORGANIZATION PROGRAM.] After adoption of the district program under section 3, the board of water and soil resources may not approve a watershed plan until the organization has included an organization program in accordance with this section. A watershed plan approved by the board before the adoption of the district program must be amended and submitted to the board of water and soil resources for approval within one year after the adoption of the district program. If the

amendment is not submitted, plan approval must be withdrawn until the amendment is submitted.

Subd. 3. [HEARING REQUIREMENT.] Organizations that choose to adopt conservation specifications or an ordinance that are more stringent than the district program must conduct a public hearing after due notice.

Sec. 5. [COMPLIANCE.]

Plans, rules, and ordinances adopted under sections 1 to 4 must be consistent with any applicable rules promulgated by the board of water and soil resources.

Sec. 6. [EFFECTIVE DATE.]

This act is effective upon approval by the Ramsey county board and the soil and water conservation district as provided in Minnesota Statutes, section 645.021."

The motion prevailed and the amendment was adopted.

S. F. No. 1632, A bill for an act relating to Ramsey County; authorizing a coordinated erosion and sediment control pilot program.

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

Rukavina	Shaver	Sviggum	Tunheim	Waltman
Schafer	Simoneau	Swenson	Uphus	Welle
Scheid	Skoglund	Thiede	Valento	Wenzel
Schreiber	Solberg	Tjornhom	Vellenga	Winter
Seaberg	Stanius	Tompkins	Voss	Wynia
Segal	Steensma	Trimble	Wagenius	Spk. Vanasek

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

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Wynia, from the Committee on Rules and Legislative Administration, pursuant to House Rule No. 1.9, designated the following bill as a Special Order to be acted upon immediately preceding Special Orders pending for today, Tuesday, March 29, 1988:

S. F. No. 1970.

SPECIAL ORDERS

S. F. No. 1970, A bill for an act relating to human services; exempting Indian health service facilities from rate establishment; requiring rate establishment for out-of-state hospitals; amending Minnesota Statutes 1987 Supplement, section 256.969, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Rodosovich	Seaberg	Steensma	Tunheim	Wenzel
Rose	Shaver	Sviggum	Uphus	Winter
Rukavina	Simoneau	Swenson	Valento	Wynia
Sarna	Skoglund	Thiede	Voss	Spk. Vanasek
Schafer	Solberg	Tjornhom	Wagenius	
Scheid	Sparby	Tompkins	Waltman	
Schreiber	Stanius	Trimble	Welle	

The bill was passed and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Voss requested immediate consideration of H. F. No. 2590.

H. F. No. 2590 was reported to the House.

CALL OF THE HOUSE

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

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

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

Rice; Wenzel; Olsen, S.; Bauerly; Rose; Uphus; Munger; Tjornhom; Waltman; Battaglia; Redalen; Dempsey; Milbert; Cooper; Jennings; Rukavina; Sarna; McEachern; Miller; Jaros; Sparby; Johnson, A.; Valento; Jensen; Scheid; Solberg; Tompkins; DeBlieck; Quinn; Jef-

ferson; Johnson, R.; Carruthers; Marsh; Johnson, V.; Lieder; Omann; Kinkel; McPherson; Bertram; McDonald; Larsen; Beard; Anderson, R.; Begich; Clausnitzer; Schafer; Minne; O'Connor; McKasy; Bennett; Price; Heap; Knickerbocker; Swenson; Carlson, L.; Blatz; Pelowski; Ozment; Gutknecht; Pauly; Carlson, D.; Hartle; Winter; Stanius; Boo; Orenstein; Neuenschwander; Trimble; Segal and Knuth moved to amend H. F. No. 2590, the first engrossment, as follows:

Page 6, line 1, delete "of elderly and disabled individuals"

Page 11, line 34, after "DISABLED" insert "; OR PENSION INCOME"

Page 12, after line 12, insert:

"(e) "Pension income" means to the extent included in the taxpayer's federal adjusted gross income the amount received by the taxpayer:

(1) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination of those benefits; or

(2) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 408, or 409 of the Internal Revenue Code."

Page 12, line 13, delete "(e)" and insert "(f)"

Page 12, line 15, after "[SUBTRACTION.]" insert "An individual is allowed a subtraction from federal taxable income equal to the greater of (1) the elderly and disabled subtraction allowed under subdivision 3 or (2) the pension exclusion allowed under subdivision 4.

Subd. 3. [ELDERLY AND DISABLED SUBTRACTION.]

Page 12, line 16, after the comma, delete the remainder of the line

Page 12, line 17, delete "in computing the tax imposed by this chapter" and insert "the elderly and disabled subtraction is"

Page 12, line 19, after the period, insert "In the case of an individual who is not a qualified individual, the elderly and disabled subtraction is zero."

Page 13, after line 4, insert:

"Subd. 4. [PENSION EXCLUSION.] (a) The pension exclusion amount equals the lesser of (1) the recipient's pension income or (2) the maximum amount computed according to paragraphs (b) to (e).

(b) Taxpayers who are married and filing jointly may exclude pension income up to \$11,000, reduced by (1) the amount of joint federal adjusted gross income that exceeds \$25,500 but not below \$5,500; and by (2) the amount in paragraph (e).

(c) Taxpayers who are married and filing separately may exclude pension income up to \$5,500, reduced by (1) the amount of the taxpayer's federal adjusted gross income that exceeds \$12,750 but not below \$2,750; and by (2) the amount in paragraph (e).

(d) Single taxpayers may exclude pension income up to \$8,000, reduced by (1) the amount of the taxpayer's federal adjusted gross income that exceeds \$22,000 but not below \$5,500; and by (2) the amount in paragraph (e).

(e) The amounts obtained in paragraphs (b) to (d) must be reduced by the sum of:

(1) the portion of the taxpayer's social security benefits excluded from gross income under section 86 of the Internal Revenue Code;

(2) the portion of railroad retirement benefits excluded from gross income under section 86 of the Internal Revenue Code;

(3) other income exempt from taxation under the Internal Revenue Code or this chapter; and

(4) earned income in excess of \$8,000."

Page 13, line 5, delete "3" and insert "5"

Page 13, line 8, after "under" insert "subdivision 3 of"

A roll call was requested and properly seconded.

Vellenga moved to amend the Rice et al amendment to H. F. No. 2590, the first engrossment, as follows:

Page 2, line 15, after the period insert "The provisions of this subdivision apply only to a recipient who is disabled as defined in section 290A.03 or who has attained the age of 55 before the close of the taxable year."

A roll call was requested and properly seconded.

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

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

There were 67 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Long	Poppenhagen	Swenson
Anderson, R.	Frerichs	McDonald	Quist	Tompkins
Bauerly	Gutknecht	McPherson	Redalen	Tunheim
Bennett	Haukoos	Morrison	Rest	Uphus
Bishop	Himle	Nelson, C.	Richter	Valento
Boo	Jacobs	Nelson, D.	Riveness	Vellenga
Carlson, D.	Jensen	Ogren	Rose	Voss
Clausnitzer	Johnson, V.	Olson, K.	Schafer	Wagenius
Cooper	Kahn	Onnen	Scheid	Waltman
Dawkins	Kelly	Orenstein	Schreiber	Wynia
Dempsey	Kelso	Otis	Seaberg	Spk. Vanasek
DeRaad	Kludt	Pappas	Segal	
Dille	Krueger	Pauly	Shaver	
Forsythe	Lasley	Peterson	Stanius	

Those who voted in the negative were:

Battaglia	Greenfield	Kostohryz	Neuenschwander	Rukavina
Beard	Gruenes	Larsen	O'Connor	Sarna
Begich	Hartle	Lieder	Olsen, S.	Simoneau
Bertram	Heap	Marsh	Olson, E.	Skoglund
Blatz	Hugoson	McEachern	Omann	Solberg
Brown	Jefferson	McKasy	Osthoff	Sparby
Burger	Jennings	McLaughlin	Ozment	Steensma
Carlson, L.	Johnson, A.	Milbert	Pelowski	Sviggum
Carruthers	Johnson, R.	Miller	Price	Thiede
Clark	Kalis	Minne	Quinn	Tjornhom
Dauner	Kinkel	Munger	Reding	Trimble
DeBlieck	Knickerbocker	Murphy	Rice	Welle
Dorn	Knuth	Nelson, K.	Rodosovich	Wenzel
				Winter

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

The question recurred on the Rice et al amendment, as amended, and the roll was called.

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

There were 126 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Frerichs	Himle	Voss
Haukoos	Schreiber	Spk. Vanasek

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

Anderson, G., moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 176, line 1, delete "breakage and"

Pages 176 and 177, delete section 6

Page 190, delete section 28

Page 190, line 15, delete "9, and 28" and insert "8"

Page 190, line 16, delete "10 to 13 and 15 to 27" and insert "9 to 12 and 14 to 16"

Page 190, line 17, delete "14" and insert "13"

Renumber the sections in article 10 in sequence

Amend the title as follows:

Page 1, line 16, delete "2,"

Page 2, line 43, delete "240.15, subdivision 5;"

A roll call was requested and properly seconded.

The question was taken on the Anderson, G., amendment and the roll was called.

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

There were 105 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dille	Knuth	Omann	Seaberg
Anderson, R.	Dorn	Krueger	Onnen	Segal
Battaglia	Forsythe	Larsen	Orenstein	Simoneau
Bauerly	Frederick	Lasley	Otis	Skoglund
Begich	Greenfield	Lieder	Ozment	Solberg
Bennett	Gruenes	Long	Pappas	Sparby
Bertram	Gutknecht	Marsh	Pelowski	Stanis
Bishop	Hartle	McEachern	Peterson	Steensma
Blatz	Haukoos	McKasy	Poppenhagen	Swenson
Boo	Hugoson	McLaughlin	Price	Thiede
Brown	Jefferson	Milbert	Quist	Tjornhom
Carlson, D.	Jennings	Miller	Rest	Trimble
Carlson, L.	Johnson, A.	Minne	Rice	Tunheim
Carruthers	Johnson, R.	Munger	Richter	Uphus
Clark	Johnson, V.	Murphy	Riveness	Vellenga
Cooper	Kahn	Nelson, C.	Rodosovich	Voss
Dauner	Kalis	Nelson, D.	Rose	Wagenius
Dawkins	Kelly	Nelson, K.	Rukavina	Welle
DeBleck	Kelso	Neuenschwander	Sarna	Winter
Dempsey	Kinkel	Olson, E.	Schafer	Wynia
DeRaad	Kludt	Olson, K.	Schreiber	Spk. Vanasek

Those who voted in the negative were:

Beard	Himle	McDonald	Olsen, S.	Scheid
Burger	Jacobs	McPherson	Pauly	Shaver
Clausnitzer	Jensen	Morrison	Quinn	Svigum
Frerichs	Knickerbocker	O'Connor	Redalen	Tompkins
Heap	Kostohryz	Ogren	Reding	Waltman
				Wenzel

The motion prevailed and the amendment was adopted.

The Speaker called Long to the Chair.

Frerichs moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 81, after line 22, insert:

"Sec. 3. Minnesota Statutes 1986, section 290A.03, subdivision 11, is amended to read:

Subd. 11. [RENT CONSTITUTING PROPERTY TAXES.] "Rent constituting property taxes" means the amount of gross rent actually paid in cash, or its equivalent, which is attributable (a) to the property tax paid on the unit or (b) to the amount paid in lieu of property taxes, in any calendar year by a claimant for the right of occupancy of the claimant's Minnesota homestead in the calendar year, and which rent constitutes the basis, in the succeeding calendar year of a claim for relief under this chapter by the claimant. The amount of rent attributable to property taxes paid or payments in lieu made on the unit shall be determined by multiplying the net tax on the property where the unit is located by a fraction, the numerator of which is the gross rent paid by the claimant for the calendar year for the unit and the denominator of which is the gross rent paid for the calendar year for the property in which the unit is located plus the gross rent that would be payable for any units that were vacant during the calendar year. In no case may the rent constituting property taxes exceed 50 percent of the gross rent paid by the claimant during that calendar year. In the case of a claimant who resides in a unit for which (1) a rent subsidy is paid to, or for, the claimant based on the income of the claimant or the claimant's family, or (2) a subsidy is paid to a public housing authority that owns or operates the claimant's rental unit, pursuant to United States Code, title 42, section 1437c, 20 percent of gross rent actually paid in cash or its equivalent shall be the claimant's "rent constituting property taxes paid." For purposes of this subdivision, "rent subsidy" does not include any housing assistance received under aid to families with dependent children, general assistance, Minnesota supplemental assistance, supplemental security income, or similar income maintenance programs."

Page 86, line 27, delete "5, and 8" and insert "6, and 9"

Page 86, line 29, delete "6" and insert "7"

Renumber the sections in article 4 in sequence

Amend the title as follows:

Page 1, line 27, delete "subdivision 7" and insert "subdivisions 7 and 11"

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

Frerichs moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Pages 57 to 59, delete section 24

Page 69, line 2, before "23" insert "and" and delete ", and 24,"

Renumber the sections in article 2 in sequence

Correct internal references in article 2

Page 247, after line 5, insert:

"ARTICLE 15

FOREIGN SOURCE INCOME

Section 1. Minnesota Statutes 1987 Supplement, section 290.01, subdivision 5, is amended to read:

Subd. 5. [DOMESTIC AND FOREIGN CORPORATIONS.] The term "domestic" when applied to a corporation means a corporation created or organized in Minnesota or under its laws; and the term "foreign" when thus applied means a corporation other than a domestic corporation the United States, or under the laws of the United States or of any state, the District of Columbia, the commonwealth of Puerto Rico, any possession of the United States or any political subdivision of any of the foregoing, and any DISC as defined in section 922(a) of the Internal Revenue Code of 1954, as amended through December 31, 1985, or a FSC as defined in section 922 of the Internal Revenue Code of 1986, as amended through December 31, 1987.

Sec. 2. Minnesota Statutes 1986, section 290.01, is amended by adding a subdivision to read:

Subd. 5a. [FOREIGN CORPORATION.] The term "foreign" when applied to a corporation means a corporation other than a domestic corporation.

Sec. 3. Minnesota Statutes 1986, section 290.01, is amended by adding a subdivision to read:

Subd. 6b. [FOREIGN OPERATING CORPORATION.] The term "foreign operating corporation" when applied to a corporation means a domestic corporation that:

(1) is part of a unitary business at least one member of which is taxable in this state and that has less than 20 percent of its average property and payrolls, as determined under section 290.191, assigned to locations inside the United States, the District of Columbia, and possessions of the United States; or

(2) is part of a unitary business at least one member of which is taxable in this state and that has a valid election under section 936 of the Internal Revenue Code of 1986, as amended through December 31, 1987.

Sec. 4. Minnesota Statutes 1987 Supplement, section 290.17, subdivision 4, is amended to read:

Subd. 4. [UNITARY BUSINESS PRINCIPLE.] (a) If a trade or business conducted wholly within this state or partly within and partly without this state is part of a unitary business, the entire income of the unitary business is subject to apportionment pursuant to section 290.191. Notwithstanding subdivision 2, paragraph (c), none of the income of a unitary business is considered to be derived from any particular source and none may be allocated to a particular place except as provided by the applicable apportionment formula. The provisions of this subdivision do not apply to farm income subject to subdivision 5, paragraph (a), business income subject to subdivision 5, paragraph (b) or (c), income of an insurance company determined under section 290.35, or income of an investment company determined under section 290.36.

(b) The term "unitary business" means business activities or operations which are of mutual benefit, dependent upon, or contributory to one another, individually or as a group. The term may be applied within a single legal entity or between multiple entities and without regard to whether each entity is a corporation, a partnership or a trust.

(c) Unity is presumed whenever there is unity of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction, but the absence of these centralized activities will not necessarily evidence a nonunitary business.

(d) Where a business operation conducted in Minnesota is owned by a business entity that carries on business activity outside the state different in kind from that conducted within this state, and the other business is conducted entirely outside the state, it is presumed that the two business operations are unitary in nature, interrelated, connected, and interdependent unless it can be shown to the contrary.

(e) Unity of ownership is not deemed to exist when a corporation is involved unless that corporation is a member of a group of two or more business entities and more than 50 percent of the voting stock of each member of the group is directly or indirectly owned by a common owner or by common owners, either corporate or noncorporate, or by one or more of the member corporations of the group.

(f) ~~For purposes of determining the~~ If a unitary business is

required to file a combined report, its net income of a unitary business and the factors to be used in the apportionment of net income pursuant to section 290.191 or 290.20, there must be included only shall be limited to the income and apportionment factors of domestic corporations or other domestic entities created or organized in the United States or under the laws of the United States or of any state, the District of Columbia, the commonwealth of Puerto Rico, any possession of the United States, or any political subdivision of any the foregoing and of any FSC as defined in section 922 of the Internal Revenue Code of 1986, as amended through December 31, 1986, that are determined to be part of the unitary business pursuant to this subdivision, notwithstanding that other domestic or foreign corporations or other entities organized in foreign countries might be included in the unitary business. None of the net income and apportionment factors of a foreign operating corporation shall be included on the combined report, except that the net income of a foreign operating corporation shall be deemed to be paid as a dividend on the last day of its taxable year to each shareholder thereof (in proportion to its share of ownership) with which such corporation is engaged in a unitary business. Such deemed dividend shall be reduced by the deduction under section 290.21, subdivision 4. In determining the amount of net income deemed to be a dividend:

(1) any taxes paid or accrued to a foreign country, the commonwealth of Puerto Rico, or a United States possession or political subdivision of any of the foregoing shall be a deduction;

(2) the deduction for dividends received under section 290.21, subdivision 4, shall not be allowed with respect to dividends received from any other domestic or foreign corporation or foreign operating corporation which is part of the unitary business; and

(3) the deduction for payments received from foreign corporations under section 290.211 shall not be allowed.

If a foreign operating corporation incurs a net loss, neither income nor deduction from that corporation shall be included in determining the net income of the unitary business.

(g) Each corporation or other entity that is part of a unitary business must file combined reports as the commissioner determines. On the reports, all intercompany transactions between entities included pursuant to paragraph (f) must be eliminated and the entire net income of the unitary business determined in accordance with this subdivision is apportioned among the entities by using each entity's Minnesota factors for apportionment purposes in the numerators of the apportionment formula and the total factors for apportionment purposes of all entities included pursuant to paragraph (f) in the denominators of the apportionment formula.

Sec. 5. Minnesota Statutes 1987 Supplement, section 290.191, subdivision 5, is amended to read:

Subd. 5. [DETERMINATION OF SALES FACTOR.] (a) For purposes of this section, the following rules apply in determining the sales factor.

(b) The sales factor includes all sales, gross earnings, and receipts received in the ordinary course of the business, except that the following types of income are not included in the sales factor:

(1) interest;

(2) dividends;

(3) sales of capital assets as defined in section 1221 of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(4) sales of property used in the trade or business as defined in section 1231(b)(1) of the Internal Revenue Code of 1986, as amended through December 31, 1987, except sales of leased property of a type which is regularly sold as well as leased; and

(5) sales of debt instruments as defined in section 1275(a)(1) of the Internal Revenue Code of 1986, as amended through December 31, 1987, or sales of stock.

(c) Sales of tangible personal property are made within this state if the property is received by a purchaser at a point within this state, and the taxpayer is taxable in this state, regardless of the f.o.b. point, other conditions of the sale, or the ultimate destination of the property.

(e) (d) Tangible personal property delivered to a common or contract carrier or foreign vessel for delivery to a purchaser in another state or nation is a sale in that state or nation, regardless of f.o.b. point or other conditions of the sale.

(d) (e) Notwithstanding paragraphs (b) (c) and (e) (d), when intoxicating liquor, wine, fermented malt beverages, cigarettes, or tobacco products are sold to a purchaser who is licensed by a state or political subdivision to resell this property only within the state of ultimate destination, the sale is made in that state.

(e) (f) Sales made by or through a corporation that is qualified as a domestic international sales corporation under section 992 of the Internal Revenue Code are not considered to have been made within this state.

(f) Sales, other than sales of tangible personal property, are made in this state if the property is used, or the benefits of the services are consumed, in this state. If the property is used or the benefits of the services are consumed in more than one state, the sales must be apportioned pro rata according to the portion of use or consumption of benefits in this state.

(g) Sales, rents, royalties, and other income in connection with real property is attributed to the state in which the property is located.

(h) Receipts from the lease or rental of tangible personal property (including finance leases and true leases) must be attributed to this state if the property is located in this state and to other states if the property is not located in this state. Moving property including, but not limited to, motor vehicles, rolling stock, aircraft, vessels, or mobile equipment is located in this state if:

(1) the operation of the property is entirely within this state; or

(2) the operation of the property is in two or more states and the principal base of operations from which the property is sent out is in this state.

(i) Royalties and other income received for the use of or for the privilege of using intangible property including patents, know-how, formulas, designs, processes, patterns, copyrights, trade names, service names, franchises, licenses, contracts, customer lists, or similar items must be attributable to the state in which the property is used by the purchaser. If the property is used in more than one state, the royalties or other income must be apportioned to this state pro rata according to the portion of use in this state. If the portion of use in this state cannot be determined, the royalties or other income must be excluded from both the numerator and the denominator. Intangible property is used in this state if the purchaser uses the intangible property or the rights therein in the regular course of its business operations in this state regardless of the location of the purchaser's customers.

(j) Sales of intangible property are made within the state in which the property is used by the purchaser. If the property is used in more than one state, the sales must be apportioned to this state pro rata according to the portion of use in this state. If the portion of use in this state cannot be determined, the sale must be excluded from both the numerator and the denominator of the sales factor. Intangible property is used in this state if the purchaser uses the intangible property in the regular course of its business operations in this state.

(k) Receipts from the performance of services are in this state if the benefits of the services are consumed by the purchaser in this

state. If the benefits of the services are consumed in more than one state, the receipts from the performance of the service must be apportioned to this state pro rata according to the proportion of benefits consumed in this state to benefits consumed outside this state. If the ratio of benefits consumed within this state to benefits consumed outside this state cannot be determined, receipts from the performance of services must be eliminated from the numerator and denominator of the sales factor.

Sec. 6. Minnesota Statutes 1987 Supplement, section 290.21, subdivision 4, is amended to read:

Subd. 4. (a) Eighty percent of dividends received by a corporation in which the recipient owns 20 percent or more of the stock of such corporation (by vote and value) not including stock described in section 1504(a)(4) of the Internal Revenue Code of 1986, as amended through December 31, 1987, during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 20 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of the other corporation and the dividends were paid from income arising out of business done in this state by the corporation paying the dividends. If the dividends were declared from income arising out of business done within and without this state, then a proportion of the remainder shall be allowed as a deduction. The proportion must be that which the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation. The amounts must be determined by the returns under this chapter of the corporation paying the dividends for the taxable year preceding their distribution. The burden is on the taxpayer to show that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state.

(b) If the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of the other corporation, from income arising out of business done in this state by the corporation paying the dividends. If the dividends were declared from income arising out of business done within and without this state, then a proportion of the dividends shall be allowed as a deduction. The proportion must be that which the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state

bears to the entire net income of the corporation. The amounts must be determined by the returns under this chapter of the corporation paying the dividends for the taxable year preceding their distribution. The burden is on the taxpayer to show that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.

(c) Seventy percent of dividends received by a corporation in which the recipient owns less than 20 percent of the stock of such corporation (by vote and value) not including stock described in section 1504(a)(4) of the Internal Revenue Code as amended through December 31, 1987, during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of income and gain therefrom.

(d) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

The dividend deduction provided in this subdivision does not apply to a dividend from a corporation which, for the taxable year of the corporation in which the distribution is made or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 of the Internal Revenue Code of 1986, as amended through December 31, 1986.

The dividend deduction provided in this subdivision applies to the amount of regulated investment company dividends only to the extent determined under section 854(b) of the Internal Revenue Code of 1986, as amended through December 31, 1986.

The dividend deduction provided in this subdivision shall not be allowed with respect to any dividend for which a deduction is not allowed under the provisions of section 246(c) of the Internal Revenue Code of 1986, as amended through December 31, 1986.

~~(d)~~ (e) If dividends received by a corporation that does not have nexus with Minnesota under the provisions of Public Law Number 86-272 are included as income on the return of an affiliated corporation permitted or required to file a combined report under section 290.34, subdivision 2, then for purposes of this subdivision the determination as to whether the trade or business of the corporation consists principally of the holding of stocks and the collection of income and gains therefrom shall be made with reference to the trade or business of the affiliated corporation having a nexus with Minnesota.

(e) (f) The deduction provided by this subdivision does not apply if the dividends are paid by a FSC as defined in section 922 of the Internal Revenue Code of 1986, as amended through December 31, 1986 1987, or qualify as foreign payments under section 290.211.

Sec. 7. [290.211] [DEDUCTION FOR FOREIGN-SOURCE ROYALTIES.]

(a) An amount equal to 80 percent of the payments accrued or received from a foreign corporation shall be allowed to corporations as a deduction from taxable net income. Payments accrued or received from a foreign corporation which qualify for the deduction shall not be included in the taxpayer's apportionment factors under section 290.191.

(b) The deduction provided by this section is allowed only if the payments were received from a corporation that is part of the taxpayer's unitary business.

(c) The deduction provided in this subdivision is allowed only with respect to payments that are included in a corporation's Minnesota taxable net income for the taxable year.

(d) In the case of payments accrued or received from a foreign corporation for the use of or for the privilege of using outside the United States, intangible property as defined in section 936(h)(3)(B) of the Internal Revenue Code of 1986, as amended through December 31, 1987, only such income which is commensurate with the income attributable to the license of intangible property within the meaning of sections 367(d) and 482 of the Internal Revenue Code of 1986, as amended through December 31, 1987, is allowable as a deduction.

(e) If one or more of the members of the unitary group that are included on the combined report received payments as defined in paragraph (a), the deduction under this section for each member of the unitary business required to file a return under this chapter is the product of: (1) 100 percent of the payments, as defined in paragraph (a), received by the members of the group; (2) 80 percent; and (3) the percentage of business income of the unitary business apportionable to this state for the deducting corporation for the taxable year under this chapter.

Sec. 8. [REPEALER.]

Minnesota Statutes 1987 Supplement, section 290.21, subdivision 8, is repealed.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 and 2 are effective for taxable years beginning after December 31, 1987. Sections 3 to 6 are effective for taxable years beginning after June 30, 1988. Sections 7 and 8 are effective for taxable years beginning after June 30, 1989."

Page 247, line 6, delete "15" and insert "16"

Amend the title accordingly

A roll call was requested and properly seconded.

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

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

There were 56 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Kludd	Onnen	Schreiber
Bennett	Frederick	Knickerbocker	Ozment	Seaberg
Bishop	Frerichs	Marsh	Pauly	Shaver
Blatz	Gruenes	McDonald	Pelowski	Stanisus
Boo	Gutknecht	McKasy	Poppenhagen	Sviggum
Burger	Hartle	McPherson	Price	Swenson
Carlson, D.	Haukoos	Miller	Quist	Thiede
Clausnitzer	Heap	Morrison	Redalen	Tjornhom
Dempsey	Himle	Nelson, C.	Richter	Tompkins
DeRaad	Hugoson	Olsen, S.	Rose	Uphus
Dille	Johnson, V.	Omann	Schafer	Valento
				Waltman

Those who voted in the negative were:

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

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

Otis moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 74, after line 3, insert:

"Sec. 5. Minnesota Statutes 1986, section 290.92, subdivision 2a, is amended to read:

Subd. 2a. [COLLECTION AT SOURCE.] (1) [DEDUCTIONS.] Every employer making payment of wages shall deduct and withhold upon such wages a tax as provided in this section.

(2) [WITHHOLDING ON PAYROLL PERIOD.] The employer shall withhold the tax on the basis of each payroll period or as otherwise provided in this section.

(3) [WITHHOLDING TABLES.] Unless the amount of tax to be withheld is determined as provided in subdivision 3, the amount of tax to be withheld for each individual shall be based upon tables to be prepared and distributed by the commissioner. The tables shall be computed for the several permissible withholding periods and shall take account of exemptions allowed under this section; and the amounts computed for withholding shall be such that the amount withheld for any individual during the individual's taxable year shall approximate in the aggregate as closely as possible the tax which is levied and imposed under this chapter for that taxable year, upon the individual's salary, wages, or compensation for personal services of any kind for the employer.

If the legislature enacts changes in the tax rates, standard deduction or personal exemption amount, or if the brackets and exemptions are substantially adjusted for changes in the price level under section 290.06, subdivision 2d, the commissioner shall prepare and distribute new withholding tables. The new tables must be effective by (1) the first period of the calendar year to which the changes apply, or (2) as soon as is feasible after the changes in the law were enacted, whichever is later. If the changes in the tables are not distributed by the first period to which the changes in law apply, the commissioner shall notify and consult with the chairs of the tax committees of the house of representatives and the senate regarding the delay.

(4) [MISCELLANEOUS PAYROLL PERIOD.] If wages are paid with respect to a period which is not a payroll period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days, including Sundays and holidays, equal to the number of days in the period with respect to which such wages are paid.

(5) [MISCELLANEOUS PAYROLL PERIOD.] (a) In any case in

which wages are paid by an employer without regard to any payroll period or other period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days equal to the number of days, including Sundays and holidays, which have elapsed since the date of the last payment of such wages by such employer during the calendar year, or the date of commencement of employment with such employer during such year, or January 1 of such year, whichever is the later.

(b) In any case in which the period, or the time described in clause (a), in respect of any wages is less than one week, the commissioner, under rules prescribed by the commissioner, may authorize an employer to determine the amount to be deducted and withheld under the tables applicable in the case of a weekly payroll period, in which case the aggregate of the wages paid to the employee during the calendar week shall be considered the weekly wages.

(6) [WAGES COMPUTED TO NEAREST DOLLAR.] If the wages exceed the highest bracket, in determining the amount to be deducted and withheld under this subdivision, the wages may, at the election of the employer, be computed to the nearest dollar.

(7) [RULES ON WITHHOLDING.] The commissioner may, by rule, authorize employers:

(a) to estimate the wages which will be paid to any employee in any quarter of the calendar year;

(b) to determine the amount to be deducted and withheld upon each payment of wages to such employee during such quarter as if the appropriate average of the wages so estimated constituted the actual wages paid; and

(c) to deduct and withhold upon any payment of wages to such employee during such quarter such amount as may be necessary to adjust the amount actually deducted and withheld upon wages of such employee during such quarter to the amount required to be deducted and withheld during such quarter without regard to this paragraph (7).

(8) [ADDITIONAL WITHHOLDING.] The commissioner is authorized to provide by rule for increases or decreases in the amount of withholding otherwise required under this section in cases where the employee requests the changes. Such additional withholding shall for all purposes be considered tax required to be deducted and withheld under this section.

(9) [TIPS.] In the case of tips which constitute wages, this subdivision shall be applicable only to such tips as are included in a written statement furnished to the employer pursuant to section

6053 of the Internal Revenue Code of 1986, as amended through December 31, 1986, and only to the extent that the tax can be deducted and withheld by the employer, at or after the time such statement is so furnished and before the close of the calendar year in which such statement is furnished, from such wages of the employee (excluding tips, but including funds turned over by the employee to the employer for the purpose of such deduction and withholding) as are under the control of the employer; and an employer who is furnished by an employee a written statement of tips (received in a calendar month) pursuant to section 6053 of the Internal Revenue Code of 1986 as amended through December 31, 1986, to which subdivision 1 is applicable may deduct and withhold the tax with respect to such tips from any wages of the employee (excluding tips) under the employer's control, even though at the time such statement is furnished the total amount of the tips included in statements furnished to the employer as having been received by the employee in such calendar month in the course of employment by such employer is less than \$20. Such tax shall not at any time be deducted and withheld in an amount which exceeds the aggregate of such wages and funds as are under the control of the employer minus any tax required by other provisions of state or federal law to be collected from such wages and funds.

(10) [VEHICLE FRINGE BENEFITS.] An employer shall not deduct and withhold any tax under this section with respect to any vehicle fringe benefit provided to an employee if the employer has so elected for federal purposes and the requirement of and the definition contained in section 3402(s) of the Internal Revenue Code of 1986, as amended through December 31, 1986, are complied with."

Renumber the sections in sequence

Page 78, line 36, after the period, insert "Section 5 is effective the day following final enactment."

Page 78, line 36, delete "11" and insert "12"

Page 79, line 3, delete "11" and insert "12"

Amend the title as follows:

Page 1, line 25, delete "subdivision" and insert "subdivisions 2a and"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Welle moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 89, line 4, delete "and"

Page 89, line 5, delete "apartment"

Page 89, line 8, delete "and that portion of class 4 constituting apartment"

Page 89, line 9, delete "property"

Page 89, line 10, delete "and apartment"

Page 90, delete lines 2 to 14

Page 90, line 15, delete "Subd. 5." and insert "Subd. 4."

Page 93, line 36, delete "\$80,000" and insert "\$72,000"

Page 104, line 10, delete "\$80,000" and insert "\$72,000"

Page 104, line 24, delete "53" and insert "52"

Page 104, line 25, delete "\$80,000" and insert "\$72,000"

Page 104, line 25, after the period, insert "The commissioner shall require the county assessors to furnish the data necessary to make the base determinations."

(b) For cities and towns, for taxes payable in 1989, the commissioner shall multiply the amount determined in paragraph (a) by a fraction, the numerator of which is the city or town's certified levy for taxes payable in 1988 plus the amount of local government aid it received in 1988 under chapter 477A, minus the amount of equalization aid the city or town is certified to receive under chapter 477A for taxes payable in 1989. The denominator of the fraction is the city or town's certified levy for taxes payable in 1988."

Page 104, line 26, delete "(b)" and insert "(c)"

Page 104, line 27, delete "(a)" and insert "(b)"

Page 105, line 5, delete "(c)" and insert "(d)"

Page 105, line 7, delete "(b)" and insert "(c)"

Page 105, line 24, delete "\$631,000,000" and insert "\$561,300,000"

Page 106, line 18, delete "53" and insert "52"

Page 112, line 7, delete "and apartment"

Page 112, line 20, delete "and"

Page 112, line 21, delete "apartment"

Page 124, line 26, strike "previous year"

Page 124, line 27, before the comma, insert "for the year two years prior to the aid distribution"

Page 124, line 32, strike "two" and insert "three"

Page 124, after line 35, insert:

"Sec. 33. Minnesota Statutes 1986, section 477A.011, subdivision 13, is amended to read:

Subd. 13. [FISCAL MUNICIPAL NEED FACTOR.] For any calendar year 1989 and subsequent years aid distribution distributions, a city's fiscal municipality's need factor means the three year arithmetic average of the sum of its municipal levy including its fiscal disparities distribution amount, and its local government aid distribution amount, for taxes payable and distribution amounts receivable in the three years immediately preceding the aid distribution year.

The fiscal need factor of any city that issued general obligation bonds in 1982 to pay for the construction or reconstruction of water wells which replaced a municipal water supply found to be an environmental health hazard by the state department of health shall be increased by one-fourth of the amount of the bonds issued.

For any city which received more than \$70 per capita in attached machinery aids in 1983 pursuant to Minnesota Statutes 1982, section 273.138, the local government aid amounts for 1984 and 1985 used in the calculation of the fiscal need factor shall be reduced by the amount of attached machinery aids received in 1983 municipality's levy for the three years beginning with the year four years prior to the aid distribution year. In no case shall a municipality's need factor exceed \$300 per household."

Page 124, line 36, delete "33" and insert "34"

Page 125, after line 13, insert:

"Sec. 35. Minnesota Statutes 1986, section 477A.011, is amended by adding a subdivision to read:

Subd. 19. [EQUALIZED MILL RATE.] For any calendar year, a municipality's or county's equalized mill rate means its mill rate for taxes payable in that year multiplied by its aggregate sales ratio for the previous year as prepared by the department of revenue under section 124.2131."

Page 125, line 14, delete "34" and insert "36"

Page 125, line 18, delete "total of (a) the"

Page 125, line 18, strike "aid amount"

Page 125, delete line 19

Page 125, line 20, delete "clause and (b) the"

Page 125, line 27, delete "under (b)"

Page 125, line 29, delete "clause (b),"

Page 125, line 32, delete "clause (b),"

Page 125, after line 35, insert:

"Sec. 37. Minnesota Statutes 1987 Supplement, section 477A.013, is amended to read:

477A.013 [MUNICIPAL GOVERNMENT DISTRIBUTIONS TAX BASE EQUALIZATION AID.]

Subdivision 1. [TOWNS AID AMOUNT.] In calendar year 1988 and calendar years thereafter, each town which had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town shall receive a distribution equal to the greater of: (a) 60 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03; or (b) the amount certified in 1987 pursuant to sections 477A.011 to 477A.03 Effective for 1989 and each year thereafter, each municipality is eligible to receive a municipal tax base equalization aid determined under this section.

For each municipality, a local share mill rate shall be determined equal to the mill rate that yields an amount equal to the municipal need factor per household when applied to the guaranteed tax base per household.

Each municipality's aid amount shall be determined by applying the local share mill rate to the municipality's adjusted assessed value, and subtracting that amount from the municipal need factor. The resulting amount shall be the municipality's equalization aid

amount, except that if the amount is less than zero the municipality will receive no aid.

The commissioner of revenue shall determine the "guaranteed tax base per household" so that the aid amounts to all municipalities equal the limitation amount appropriated for this purpose in this section.

Subd. 2. [CITIES AID LIMITATION.] In calendar year 1988 and calendar years thereafter, each city shall receive a local government aid distribution equal to the amount that the city was certified to receive for calendar year 1987 under this subdivision. The total amount available for distribution to municipalities under subdivision 1 is \$90,000,000 for calendar year 1989.

Subd. 3. [GENERAL LOCAL GOVERNMENT AID.] In addition to the aid determined under subdivisions 1 and 2, each municipality shall receive a distribution equal to the amount it was eligible to receive in 1988 under section 477A.011 to 477A.013."

Page 125, line 36, delete "35" and insert "38"

Page 126, line 4, after the period, insert "For purposes of determining the aid distribution under section 37, the 1986 adjusted assessed values shall be recomputed and the 1987 adjusted assessed values shall be computed using the assessment classification ratios for property taxes payable in 1989, under Laws 1987, chapter 268, article 6."

Page 126, line 5, delete "36" and insert "39"

Page 126, line 13, delete "37" and insert "40"

Page 126, line 19, delete "38" and insert "41"

Page 126, line 26, delete "39" and insert "42"

Page 126, line 33, delete "40" and insert "43"

Amend the title as follows:

Page 1, line 46, delete "subdivision 11" and insert "subdivisions 11 and 13"

Page 1, line 46, delete "a subdivision" and insert "subdivisions"

Page 2, line 38, after "subdivision 1," insert "477A.013;"

A roll call was requested and properly seconded.

The question was taken on the Welle amendment and the roll was called. There were 67 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dorn	Kinkel	Onnen	Steensma
Anderson, R.	Frederick	Kludt	Pappas	Sviggum
Bauerly	Frerichs	Krueger	Pelowski	Thiede
Bertram	Gruenes	Lasley	Peterson	Trimble
Bishop	Gutknecht	Lieder	Poppenhagen	Tunheim
Boo	Hartle	Marsh	Quist	Uphus
Brown	Haukoos	McEachern	Redalen	Vellenga
Carlson, D.	Hugoson	Miller	Reding	Waltman
Cooper	Jaros	Nelson, C.	Rice	Welle
Dauner	Jennings	Neuenschwander	Richter	Wenzel
DeBlieck	Johnson, R.	Ogren	Rodosovich	Winter
Dempsey	Johnson, V.	Olson, E.	Schafer	
DeRaad	Kalis	Olson, K.	Solberg	
Dille	Kelly	Omamn	Sparby	

Those who voted in the negative were:

Battaglia	Himle	McLaughlin	Ozment	Simoneau
Beard	Jacobs	McPherson	Pauly	Skoglund
Begich	Jefferson	Milbert	Price	Stanisus
Bennett	Jensen	Minne	Quinn	Swenson
Blatz	Johnson, A.	Morrison	Rest	Tjornhom
Burger	Kahn	Munger	Riveness	Tompkins
Carlson, L.	Kelso	Murphy	Rose	Valento
Carruthers	Knickerbocker	Nelson, D.	Rukavina	Voss
Clark	Knuth	Nelson, K.	Sarna	Wagenius
Clausnitzer	Kostohryz	O'Connor	Scheid	Wynia
Dawkins	Larsen	Olsen, S.	Schreiber	Spk. Vanasek
Forsythe	Long	Orenstein	Seaberg	
Greenfield	McDonald	Osthoff	Segal	
Heap	McKasy	Otis	Shaver	

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

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

Frerichs moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 204, after line 6, insert:

"Sec. 12. Minnesota Statutes 1986, section 297A.25, subdivision 28, is amended to read:

Subd. 28. [WASTE PROCESSING EQUIPMENT.] The gross receipts from the sale of equipment and building materials used or installed for processing solid or hazardous waste at a resource

recovery facility, as defined in section 115A.03, subdivision 28, are exempt."

Page 210, line 33, after the period insert "Section 12 is effective retroactive to July 1, 1984."

Renumber sections in article 11 in sequence

Correct internal references in article 11

Amend the title as follows:

Page 1, line 34, after "27," insert "28,"

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

Quist moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 259, after line 23, insert:

"Sec. 18. [CONSTITUTIONAL AMENDMENT PROPOSED.]

The following amendment to the Minnesota Constitution, article X, is proposed to the people. If the amendment is adopted, the new section will read as follows:

Sec. 9. The following definitions apply to this section.

(1) "Net state tax revenues" means state tax revenues as decreased by the amount of state tax revenues abated or refunded.

(2) "State tax revenues" means the revenues of the state from every tax, surtax, receipt, penalty, and other monetary exaction, and interest on those things, excluding federal reimbursements, proceeds from bond issue, earnings on investments, tuitions, fees, service charges, and other departmental revenues.

The governor and the legislature shall endeavor for each fiscal year to establish and approve a budget for the state and set rates of taxation for the citizens of the state so that any percentage increase in net state tax revenues does not exceed the anticipated percentage increase in total Minnesota wages and salaries.

Sec. 19. [SUBMISSION TO VOTERS.]

The amendment proposed in section 18 must be submitted to the people at the 1988 general election. The question submitted must be:

"Shall the Minnesota Constitution be amended to limit the growth of state tax revenues?"

Yes
No"

Page 259, line 35, delete "19" and insert "21"

Renumber the sections in article 15 in sequence

Amend the title as follows:

Page 1, line 10, after "County;" insert "proposing an amendment to the Minnesota Constitution, article X, by adding a section;"

A roll call was requested and properly seconded.

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

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

There were 50 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Bennett	Frederick	Knickerbocker	Ozment	Seaberg
Bishop	Frerichs	Marsh	Pauly	Shaver
Blatz	Gruenes	McDonald	Pelowski	Stanius
Boo	Gutknecht	McKasy	Poppenhagen	Sviggum
Burger	Hartle	McPherson	Quist	Swenson
Clausnitzer	Haukoos	Miller	Redalen	Thiede
Dempsey	Heap	Morrison	Richter	Tjornhom
DeRaad	Himle	Olsen, S.	Rose	Tompkins
Dille	Hugoson	Omman	Schafer	Valento
Forsythe	Johnson, V.	Onnen	Schreiber	Waltman

Those who voted in the negative were:

Anderson, G.	Dorn	Knuth	Nelson, K.	Riveness
Anderson, R.	Greenfield	Kostohryz	Neuenschwander	Rodosovich
Battaglia	Jacobs	Krueger	O'Connor	Rukavina
Bauerly	Jaros	Larsen	Ogren	Sarna
Beard	Jefferson	Lasley	Olson, E.	Scheid
Begich	Jennings	Lieder	Olson, K.	Segal
Bertram	Jensen	Long	Orenstein	Simoneau
Brown	Johnson, A.	McEachern	Osthoff	Skoglund
Carlson, L.	Johnson, R.	McLaughlin	Otis	Solberg
Carruthers	Kahn	Milbert	Peterson	Sparby
Clark	Kalis	Minne	Price	Steensma
Cooper	Kelly	Munger	Quinn	Trimble
Dauner	Kelso	Murphy	Reding	Tunheim
Dawkins	Kinkel	Nelson, C.	Rest	Vellenga
DeBlick	Kludt	Nelson, D.	Rice	Voss

Wagenius
Welle

Wenzel
Winter

Wynia
Spk. Vanasek

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

Knickerbocker, Blatz and Tompkins moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 93, line 36, delete "\$80,000" and insert "\$100,000"

Page 104, lines 10 and 25, delete "\$80,000" and insert "\$100,000"

A roll call was requested and properly seconded.

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

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

There were 35 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dempsey	Haukoos	Olsen, S.	Seaberg
Bennett	DeRaad	Heap	Orenstein	Shaver
Blatz	Dille	Himle	Pauly	Stanisus
Boo	Forsythe	Knickerbocker	Poppenhagen	Swenson
Burger	Frederick	McDonald	Rose	Tjornhom
Carruthers	Frerichs	McKasy	Scheid	Tompkins
Clausnitzer	Gutknecht	McPherson	Schreiber	Valento

Those who voted in the negative were:

Anderson, G.	Hartle	Larsen	Olson, K.	Sarna
Battaglia	Hugoson	Lasley	Omann	Segal
Bauerly	Jacobs	Lieder	Onnen	Simoneau
Beard	Jaros	Marsh	Osthoff	Skoglund
Begich	Jefferson	McEachern	Otis	Solberg
Bertram	Jennings	McLaughlin	Ozment	Sparby
Bishop	Jensen	Milbert	Pappas	Steensma
Brown	Johnson, A.	Miller	Pelowski	Sviggum
Carlson, D.	Johnson, R.	Minne	Peterson	Thiede
Carlson, L.	Kahn	Munger	Price	Trimble
Clark	Kalis	Murphy	Quinn	Tunheim
Cooper	Kelly	Nelson, C.	Quist	Vellenga
Dauner	Kelso	Nelson, D.	Redalen	Voss
Dawkins	Kinkel	Nelson, K.	Reding	Wagenius
DeBlick	Kludd	Neuenschwander	Rest	Welle
Dorn	Knuth	O'Connor	Riveness	Wenzel
Greenfield	Kostohryz	Ogren	Rodosovich	Winter
Gruenes	Krueger	Olson, E.	Rukavina	Spk. Vanasek

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

McKasy moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 43, after line 32, insert:

"Sec. 13. Minnesota Statutes 1987 Supplement, section 290.092, subdivision 1, is amended to read:

Subdivision 1. [IMPOSITION OF TAX.] For taxable years beginning after December 31, 1986, and before January 1, ~~1990~~ 1989, in addition to the taxes computed under this chapter without regard to this section, the franchise tax imposed on corporations includes a tax equal to the excess, if any, of:

(1) .001 multiplied by the alternative minimum tax base, over

(2) the amount of tax computed under this chapter without regard to this section."

Page 47, lines 13 and 14, strike "1989" and insert "1988"

Renumber the sections in article 2 in sequence

Correct internal references

Amend the title as follows:

Page 2, line 18, after "subdivisions" insert "1,"

A roll call was requested and properly seconded.

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

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

There were 64 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	DeBlieck	Haukoos	Marsh	Onnen
Bauerly	Dempsey	Heap	McDonald	Ozment
Bennett	DeRaad	Himle	McKasy	Pauly
Bertram	Dille	Hugoson	McPherson	Pelowski
Bishop	Forsythe	Jennings	Milbert	Poppenhagen
Blatz	Frederick	Johnson, R.	Miller	Quist
Boo	Frerichs	Johnson, V.	Morrison	Redalen
Burger	Gruenes	Kelso	Olsen, S.	Richter
Carlson, D.	Gutknecht	Kludt	Olson, K.	Rose
Clausnitzer	Hartle	Knickerbocker	Omann	Schafer

Schreiber
Seaberg
Shaver

Skoglund
Stanisus
Sviggum

Swenson
Thiede
Tjornhom

Tompkins
Valento
Waltman

Welle
Wenzel

Those who voted in the negative were:

Anderson, G.
Battaglia
Beard
Begich
Brown
Carlson, L.
Carruthers
Clark
Cooper
Dauner
Dawkins
Dorn
Greenfield

Jacobs
Jefferson
Jensen
Johnson, A.
Kahn
Kalis
Kelly
Kinkel
Knuth
Kostohryz
Krueger
Larsen
Lasley

Lieder
Long
McEachern
McLaughlin
Minne
Munger
Murphy
Nelson, C.
Nelson, K.
Neuenschwander
O'Connor
Ogren
Olson, E.

Orenstein
Osthoff
Otis
Pappas
Peterson
Price
Reding
Rest
Rice
Riveness
Rodosovich
Rukavina
Sarna

Scheid
Segal
Simoneau
Solberg
Sparby
Steensma
Trimble
Tunheim
Vellenga
Voss
Wagenius
Winter
Spk. Vanasek

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

McKasy and Blatz moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 11, after line 32, insert:

"Sec. 8. Minnesota Statutes 1987 Supplement, section 290.067, subdivision 2, is amended to read:

Subd. 2. [LIMITATIONS.] The credit for expenses incurred for the care of each dependent shall not exceed \$720 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$1,440 in a taxable year. The maximum total credit shall be reduced according to the amount of the income of the claimant and a spouse, if any, as follows:

income up to \$12,200, \$720 maximum for one dependent, \$1,440 for all dependents;

income over \$12,200, the maximum credit for one dependent shall be reduced by ~~\$12~~ \$6 for every \$200 of additional income, ~~\$24~~ \$12 for all dependents;

for income of \$24,001 and over, no credit shall be received.

The commissioner shall construct and make available to taxpayers tables showing the amount of the credit at various levels of income and expenses. The tables shall follow the schedule contained in this subdivision, except that the commissioner may graduate the transitions between expenses and income brackets."

Page 28, delete line 28, and insert "4, 5, 7 to 11, 13, 14, 15, 19, and 20 are effective for"

Page 28, line 33, delete "11" and insert "12"

Page 28, line 35, delete "15" and insert "16"

Renumber the sections in article 1 in sequence

Amend the title as follows:

Page 2, line 17, after "21;" insert "290.067, subdivision 2,"

A roll call was requested and properly seconded.

The question was taken on the McKasy and Blatz amendment and the roll was called.

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

There were 60 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dille	Jennings	Olson, K.	Schafer
Bennett	Dorn	Johnson, V.	Omann	Schreiber
Bishop	Forsythe	Kludt	Onnen	Seaberg
Blatz	Frederick	Knickerbocker	Orenstein	Shaver
Boo	Frerichs	Lasley	Ozment	Stanius
Burger	Gruenes	Marsh	Pauly	Swiggum
Carlson, D.	Gutknecht	McDonald	Pelowski	Swenson
Clausnitzér	Hartle	McKasy	Poppenhagen	Thiede
Cooper	Haukoos	McPherson	Quist	Tjornhom
Dauner	Heap	Miller	Redalen	Tompkins
Dempsey	Himle	Morrison	Richter	Valento
DeRaad	Hugoson	Olsen, S.	Rose	Waltman

Those who voted in the negative were:

Anderson, G.	Jaros	Larsen	Olson, E.	Simoneau
Battaglia	Jefferson	Lieder	Otis	Skoglund
Bauerly	Jensen	Long	Pappas	Solberg
Beard	Johnson, A.	McEachern	Peterson	Steensma
Begich	Johnson, R.	Minne	Price	Trimble
Bertram	Kahn	Munger	Reding	Tunheim
Brown	Kalis	Murphy	Rest	Voss
Carlson, L.	Kelly	Nelson, C.	Rice	Wagenius
Carruthers	Kelso	Nelson, D.	Riveness	Welle
Dawkins	Kinkel	Nelson, K.	Rodosovich	Wenzel
DeBlieck	Knuth	Neuenschwander	Rukavina	Winter
Greenfield	Kostohryz	O'Connor	Sarna	Spk. Vanasek
Jacobs	Krueger	Ogren	Segal	

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

Greenfield moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 172 to page 179, delete section 1 to section 9 of Article 10 from the bill

A roll call was requested and properly seconded.

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

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

There were 37 yeas and 93 nays as follows:

Those who voted in the affirmative were:

Bauerly	Gutknecht	Munger	Rodosovich	Tunheim
Begich	Jefferson	Nelson, D.	Rose	Voss
Bertram	Johnson, R.	Omann	Skoglund	Wagenius
Carlson, D.	Kahn	Otis	Sparby	Winter
Carruthers	Kalis	Pappas	Stanis	Wynia
Clark	Long	Poppenhagen	Steensma	
Greenfield	Marsh	Rice	Tjornhom	
Gruenes	McLaughlin	Riveness	Trimble	

Those who voted in the negative were:

Anderson, G.	Forsythe	Knuth	Ogren	Scheid
Anderson, R.	Frederick	Kostohryz	Olsen, S.	Schreiber
Battaglia	Frerichs	Krueger	Olson, E.	Seaberg
Beard	Hartle	Larsen	Onnen	Segal
Bennett	Haukoos	Lasley	Orenstein	Shaver
Blatz	Heap	Lieder	Osthoff	Simoneau
Boo	Himle	McDonald	Ozment	Solberg
Brown	Hugoson	McEachern	Pauly	Sviggum
Burger	Jacobs	McKasy	Pelowski	Swenson
Carlson, L.	Jaros	McPherson	Peterson	Thiede
Clausnitzer	Jennings	Milbert	Price	Tompkins
Cooper	Jensen	Miller	Quinn	Valento
Dauner	Johnson, A.	Minne	Quist	Vellenga
Dawkins	Johnson, V.	Morrison	Redalen	Waltman
DeBlicke	Kelly	Murphy	Reding	Welle
Dempsey	Kelso	Nelson, C.	Rest	Wenzel
DeRaad	Kinkel	Nelson, K.	Rukavina	Spk. Vanasek
Dille	Kludt	Neuenschwander	Sarna	
Dorn	Knickerbocker	O'Connor	Schafer	

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

Anderson, R., moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 3, line 15, strike "one-half" and insert "two-thirds"

A roll call was requested and properly seconded.

The question was taken on the Anderson, R., amendment and the roll was called.

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

There were 38 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dille	Hugoson	Morrison	Seaberg
Bishop	Forsythe	Johnson, V.	Omann	Shaver
Boo	Frederick	Knickerbocker	Onnen	Swiggum
Burger	Frerichs	Marsh	Poppenhagen	Swenson
Carlson, D.	Gruenes	McDonald	Quist	Thiede
Clausnitzer	Gutknecht	McKasy	Redalen	Waltman
Dempsey	Hartle	McPherson	Richter	
DeRaad	Heap	Miller	Schafer	

Those who voted in the negative were:

Anderson, G.	Haukoos	Larsen	Osthoff	Skoglund
Battaglia	Himle	Lasley	Otis	Solberg
Bauerly	Jacobs	Lieder	Ozment	Sparby
Beard	Jefferson	Long	Pappas	Steensma
Begich	Jennings	McEachern	Pelowski	Trimble
Bertram	Jensen	McLaughlin	Peterson	Tunheim
Blatz	Johnson, A.	Milbert	Price	Vellenga
Brown	Johnson, R.	Minne	Quinn	Voss
Carlson, L.	Kahn	Murphy	Reding	Wagenius
Carruthers	Kalis	Nelson, C.	Rest	Welle
Clark	Kelly	Nelson, D.	Rice	Wenzel
Cooper	Kelso	O'Connor	Riveness	Winter
Dauner	Kinkel	Ogren	Rodosovich	Wynia
Dawkins	Khudt	Olsen, S.	Sarna	Spk. Vanasek
DeBlicck	Knuth	Olson, E.	Scheid	
Dorn	Kostohryz	Olson, K.	Segal	
Greenfield	Krueger	Orenstein	Simoneau	

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

Schreiber moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 96, line 34, strike "and"

Page 97, line 1, before the period insert "and

(5) day care facilities used to operate child care programs. For purposes of this clause, day care facilities means facilities, other than residences, that provide day or night care for children including the structures and land used in the operation of the child care

programs. The term includes facilities operating programs for children that are known as nursery schools, day nurseries, child care centers, play groups, day care centers for school children, after-school programs, infant-day care centers, cooperative day care centers, and head start programs. The facility must be licensed if licensure is required by the department of human services. This clause does not subject to property taxes any facility that is exempt under section 272.02 or other law."

A roll call was requested and properly seconded.

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

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

There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed and the amendment was adopted.

Rice and Jacobs moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 1, line 5 of the Vellenga amendment to the Rice amendment,

delete "55" and insert "50"

A roll call was requested and properly seconded.

The question was taken on the Rice and Jacobs amendment and the roll was called.

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

There were 108 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Marsh	Ozment	Shaver
Battaglia	Haukoos	McEachern	Pauly	Simoneau
Bauerly	Heap	McKasy	Pelowski	Skoglund
Beard	Hugoson	McLaughlin	Peterson	Solberg
Begich	Jacobs	McPherson	Poppenhagen	Sparby
Bertram	Jaros	Milbert	Price	Stanis
Blatz	Jefferson	Miller	Quinn	Steensma
Boo	Jennings	Morrison	Quist	Swiggum
Carlson, L.	Jensen	Munger	Redalen	Swenson
Carruthers	Johnson, A.	Murphy	Reding	Tjornhom
Clark	Johnson, R.	Nelson, C.	Rest	Trimble
Clausnitzer	Johnson, V.	Nelson, K.	Rice	Tunheim
Cooper	Kalis	Neuenschwander	Richter	Valento
Dawkins	Kelso	O'Connor	Riveness	Vellenga
DeBlieck	Kinkel	Ogren	Rodosovich	Wagenius
Dempsey	Kludt	Olsen, S.	Rukavina	Waltman
DeRaad	Knickerbocker	Olson, E.	Sarna	Welle
Dorn	Knuth	Olson, K.	Schafer	Wenzel
Forsythe	Kostohryz	Omann	Scheid	Winter
Greenfield	Krueger	Orenstein	Schreiber	Spk. Vanasek
Gruenes	Larsen	Osthoff	Seaberg	
Gutknecht	Lieder	Otis	Segal	

Those who voted in the negative were:

Burger	Frederick	McDonald	Rose	Wynia
Carlson, D.	Himle	Minne	Thiede	
Dauner	Kahn	Onnen	Tompkins	
Dille	Long	Pappas	Voss	

The motion prevailed and the amendment was adopted.

Pauly moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 201, delete lines 14 to 22 and insert:

"Subd. 3. [MEDICINES; MEDICAL DEVICES.] The gross receipts from the sale of prescribed drugs, ~~prescribed~~ and medicine and ~~insulin~~, intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings

and products consumed by humans for the preservation of health are exempt, together with including prescription glasses, and therapeutic, and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients in them."

A roll call was requested and properly seconded.

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

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

There were 66 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dille	Johnson, R.	Olson, K.	Schafer
Beard	Dorn	Johnson, V.	Omann	Schreiber
Bennett	Forsythe	Kinkel	Onnen	Seaberg
Bishop	Frederick	Knickerbocker	Ozment	Shaver
Blatz	Frerichs	Marsh	Pauly	Stanius
Boo	Gruenes	McDonald	Pelowski	Steensma
Burger	Gutknecht	McKasy	Poppenhagen	Swiggum
Carlson, D.	Hartle	McPherson	Price	Swenson
Clausnitzer	Haukoos	Miller	Quist	Thiede
Dauner	Heap	Morrison	Redalen	Tjornhom
DeBlick	Himle	Nelson, C.	Richter	Tompkins
Dempsey	Hugoson	Neuenschwander	Rodosovich	Valento
DeRaad	Jennings	Olsen, S.	Rose	Waltman
				Winter

Those who voted in the negative were:

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

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

Tjornhom, Clausnitzer, Omann, Uphus, Stanius, McDonald, Marsh and Carlson, D., moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 11, after line 32, insert:

"Sec. 8: Minnesota Statutes 1986, section 290.06, is amended by adding a subdivision to read:

Subd. 23. [MILITARY PAY CREDIT.] A taxpayer may take a credit against the tax due under this chapter for compensation for personal services in the reserve components of the United States military and naval forces and the Minnesota national guard. The amount of the credit is equal to the sum of:

(1) eight percent of compensation not exceeding \$3,000; and

(2) eight percent of additional compensation not exceeding \$2,000 for personal services wholly performed outside the state of Minnesota."

Page 28, delete line 28, and insert "4, 5, 7 to 11, 13, 14, 15, 19, and 20 are effective for"

Page 28, line 33, delete "11" and insert "12"

Page 28, line 35, delete "15" and insert "16"

Renumber the sections in article 1 in sequence

Amend the title as follows:

Page 1, line 23, delete "a subdivision" and insert "subdivisions"

A roll call was requested and properly seconded.

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

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

There were 117 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, R.
Battaglia
Bauerly
Beard
Begich
Bennett
Bertram
Bishop
Blatz

Boo
Brown
Burger
Carlson, D.
Carlson, L.
Carruthers
Clausnitzer
Cooper
Dauner

DeBlieck
Dempsey
DeRaad
Dille
Dorn
Forsythe
Frederick
Frerichs
Gruenes

Gutknecht
Hartle
Haukoos
Heap
Himle
Hugoson
Jacobs
Jennings
Jensen

Johnson, A.
Johnson, R.
Johnson, V.
Kalis
Kelly
Kelso
Kinkel
Kludd
Knickerbocker

Knuth	Munger	Otis	Rodosovich	Swenson
Kostohryz	Murphy	Ozment	Rose	Thiede
Krueger	Nelson, C.	Pappas	Sarna	Tjornhom
Larsen	Nelson, D.	Pauly	Schafer	Tompkins
Lasley	Nelson, K.	Pelowski	Scheid	Trimble
Lieder	Neuenschwander	Peterson	Schreiber	Tunheim
Marsh	O'Connor	Poppenhagen	Seaberg	Valento
McDonald	Ogren	Price	Segal	Wagenius
McEachern	Olsen, S.	Quinn	Shaver	Waltman
McKasy	Olson, E.	Quist	Skoglund	Welle
McPherson	Olson, K.	Redalen	Solberg	Wenzel
Milbert	Omann	Reding	Sparby	Winter
Miller	Onnen	Rest	Stanis	
Minne	Orenstein	Richter	Steenasma	
Morrison	Osthoff	Riveness	Sviggum	

Those who voted in the negative were:

Anderson, G.	Kahn	Rukavina	Voss
Clark	Long	Simoneau	Wynia
Greenfield	McLaughlin	Vellenga	Spk. Vanasek

The motion prevailed and the amendment was adopted.

Valento moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 247, after line 2, insert:

"Sec. 3. [REPEALER.]

Laws 1987, chapter 268, article 18, section 5, is repealed."

Page 247, line 3, delete "3" and insert "4"

Page 247, line 4, delete "Section 2 is" and insert "Sections 2 and 3 are"

Amend the title as follows:

Page 2, line 58, delete "and" and before the period insert "; and article 18, section 5"

A roll call was requested and properly seconded.

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

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

There were 62 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dille	Johnson, V.	Orenstein	Sparby
Bauerly	Dorn	Kludt	Ozment	Stanisus
Bennett	Forsythe	Knickerbocker	Pauly	Sviggum
Bertram	Frederick	Marsh	Pelowski	Swenson
Bishop	Frerichs	McDonald	Poppenhagen	Thiede
Blatz	Gruenes	McKasy	Quist	Tjornhom
Boo	Gutknecht	McPherson	Redalen	Tompkins
Burger	Hartle	Miller	Richter	Valento
Carlson, D.	Haukoos	Morrison	Rose	Wagenius
Clausnitzer	Heap	Olsen, S.	Schafer	Waltman
Dauner	Himle	Olson, K.	Schreiber	
Dempsey	Hugoson	Omann	Seaberg	
DeRaad	Jennings	Onnen	Shaver	

Those who voted in the negative were:

Anderson, G.	Jefferson	Lieder	Olson, E.	Scheid
Battaglia	Jensen	Long	Osthoff	Segal
Beard	Johnson, A.	McEachern	Otis	Simoneau
Begich	Johnson, R.	McLaughlin	Pappas	Solberg
Brown	Kahn	Milbert	Peterson	Steensma
Carlson, L.	Kalis	Minne	Price	Trimble
Carruthers	Kelly	Munger	Quinn	Tunheim
Clark	Kelso	Murphy	Reding	Vellenga
Cooper	Kinkel	Nelson, C.	Rest	Voss
Dawkins	Knuth	Nelson, D.	Rice	Welle
DeBleck	Kostohryz	Nelson, K.	Riveness	Wenzel
Greenfield	Krueger	Neuenschwander	Rodosovich	Winter
Jacobs	Larsen	O'Connor	Rukavina	Wymia
Jaros	Lasley	Ogren	Sarna	Spk. Vanasek

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

Sviggum moved to amend H. F. No. 2590, the first engrossment, as amended, as follows:

Page 125, line 25, delete "one-half" and insert "two-thirds"

Page 125, line 30, delete "17,800,000" and insert "12,700,000"

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

H. F. No. 2590, A bill for an act relating to the financing of government in Minnesota; changing tax rates and bases; modifying the administration, collection, and enforcement of taxes; imposing taxes; changing the computation, administration, and payment of aids, credits, and refunds; limiting taxing powers; transferring and imposing governmental powers and duties; making technical corrections and clarifications; providing bonding authority to Hennepin County; imposing penalties; appropriating money and reducing appropriations; amending Minnesota Statutes 1986, sections 69.031, subdivision 3; 168.011, subdivision 8; 168.012, subdivision 9; 237.075, subdivision 8; 240.01, by adding a subdivision; 240.13, subdivisions 4 and 6; 240.15, subdivisions 1, 3, and 6; 240.18; 270.075, subdivision 2; 270.41; 270.70, subdivision 1; 271.01, subdi-

vision 5; 273.05, subdivision 1; 273.061, subdivision 2; 273.112, subdivisions 3 and 6; 273.121; 273.124, subdivisions 1 and 6; 273.13, by adding a subdivision; 273.40; 279.01, subdivision 3; 287.21, by adding a subdivision; 290.01, by adding a subdivision; 290.06, by adding subdivisions; 290.39, by adding a subdivision; 290.50, subdivision 3; 290.92, subdivisions 2a and 21; 290.931, subdivision 1; 290.934, subdivisions 1, 3, and by adding a subdivision; 290A.03, subdivision 7; 297.01, by adding a subdivision; 297.03, subdivision 12, and by adding a subdivision; 297.041, subdivision 1; 297.06, subdivisions 1, 2, 3, and by adding a subdivision; 297.08, subdivision 1; 297.12, subdivision 1; 297.35, by adding a subdivision; 297A.02, subdivision 4; 297A.15, subdivisions 1 and 5; 297A.16; 297A.17; 297A.21; 297A.25, subdivisions 5, 8, 27, and by adding subdivisions; 297A.256; 297C.02, subdivisions 3 and 4; 297C.03, by adding a subdivision; 297C.07; 297D.08; 298.223; 303.03; 329.11; 349.12, subdivision 18, and by adding subdivisions; 349.2121, subdivisions 1, 2, 5, and by adding a subdivision; 349.22, subdivision 1, and by adding subdivisions; 375.192, subdivision 1; 375.83; 473.167, subdivisions 2, 3, and by adding subdivisions; 473.249, subdivision 1, and by adding a subdivision; 473.446, subdivision 3, and by adding a subdivision; 473.711, subdivision 2, and by adding a subdivision; 473.843, subdivision 2; 477A.011, subdivision 11, and by adding a subdivision; and 477A.015; Minnesota Statutes 1987 Supplement, sections 16A.1541; 60A.15, subdivision 1; 60E.04, subdivision 4; 69.021, subdivision 5; 69.54; 124.155, subdivision 2; 124A.02, subdivisions 3a and 11; 240.13, subdivision 5; 270.485; 272.02, subdivision 1; 272.115, subdivision 4; 272.121; 273.061, subdivision 1; 273.1195; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 23, 24, and 25; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.1393; 273.1397, subdivision 2; 273.165, subdivision 2; 273.42, subdivision 2; 274.01, subdivision 1; 274.19, subdivisions 1, 2, 3, 4, 6, 7, and 8; 275.07, subdivision 1; 275.50, subdivision 2; 275.51, subdivision 3h; 276.04; 279.01, subdivision 1; 290.01, subdivisions 3a, 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 20; 290.015, subdivisions 1, 2, 3, and 4; 290.06, subdivisions 1, 2c, and 21; 290.081; 290.092, subdivisions 3, 4, 5, and by adding a subdivision; 290.095, subdivisions 1, 3, and by adding a subdivision; 290.10; 290.17, subdivision 2; 290.191, subdivisions 6 and 11; 290.21, subdivisions 3 and 4; 290.35, subdivision 2; 290.371, subdivisions 1, 3, 4, and 5; 290.38; 290.41, subdivision 2; 290.92, subdivisions 7 and 15; 290.934, subdivision 2; 290.9725; 290A.03, subdivisions 3, 13, 14, and 15; 290A.04, subdivision 2; 290A.06; 295.32; 295.34, subdivision 1; 297.01, subdivisions 7 and 14; 297.03, subdivision 6; 297.11, subdivision 5; 297A.01, subdivision 3; 297A.212; 297A.25, subdivisions 3 and 11; 297B.03; 297C.04; 298.2213, subdivision 3; 299.01, subdivision 1; 349.212, subdivisions 1 and 4; 349.2121, subdivisions 4a and 10; 349.2122; 349.2123; 469.174, subdivision 10; 469.175, subdivisions 1, 2, 3, 4, and by adding a subdivision; 469.176, subdivisions 1, 4, and 6; 469.177, subdivisions 1, 3, 4, and by adding subdivisions; 473.446, subdivision 1; 475.53, subdivision 4; 475.61, subdivision 3; 477A.012, subdivision 1; and 508.25; Laws 1987, chapter 268, article 6, sections

19, 53, and 54; and article 8, section 9; proposing coding for new law in Minnesota Statutes, chapters 270; 273; 275; 290; 290A; 297; 297C; 298; 349; and 424A; repealing Minnesota Statutes 1986, sections 272.64; 273.13, subdivisions 7a and 30; 275.035; 275.49; 290.07, subdivisions 3 and 6; 290.11; 290.12, as amended; 290.131, as amended; 290.132, as amended; 290.133, as amended; 290.134, as amended; 290.135, as amended; 290.136, as amended; 290.138, as amended; 290.934, subdivision 4; 297A.15; subdivision 2; 297C.03, subdivision 5; 298.401; and 299.013; Minnesota Statutes 1987 Supplement, sections 273.1195; 273.13, subdivision 15a; 273.1394; 273.1395; 273.1396; 273.1397; 275.081; 275.082; 275.125, subdivision 22; 290.06, subdivision 20; 290.077, subdivision 1; 290.14; 290.371, subdivision 2; 290A.04, subdivisions 2a and 2b; 296.02, subdivisions 2a and 2b; and 296.025, subdivisions 2a and 2b; Laws 1987, chapter 268, article 3, section 11; and article 5, section 4.

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 131 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Burger

Pappas

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

Wynia 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.

Simoneau and Bauerly were excused for the remainder of today's session.

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

REPORTS OF STANDING COMMITTEES

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

H. F. No. 1750, A bill for an act relating to transportation; creating a transportation study board and prescribing its duties; appropriating money.

Reported the same back with the following amendments:

Page 2, line 4, after the period insert "Not more than five of the governor's appointees may reside in the same congressional district."

Page 3, line 19, after "board" insert "shall make a preliminary report to the legislature and governor on its studies and findings not later than February 1, 1989. The board"

Page 3, line 19, after "shall" insert "make a final"

Page 3, line 19, after "report" insert "on"

Page 3, delete line 21 and insert "June 15, 1991. The commission shall cease to function June 1, 1991."

Page 3, line 23, delete "\$" and insert "\$300,000"

Page 3, line 23, delete "general" and insert "highway user tax distribution"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1951, A bill for an act relating to motor vehicles; providing for registration of motor vehicles by long-term lessees; imposing a fee; amending Minnesota Statutes 1986, sections 168.011, by adding a subdivision; 168.013, subdivision 7; 168.041, subdivision 7; 168.10, subdivision 1; 168.11, subdivision 1; 168.13; 168.33, subdivision 3; and 168A.10, by adding a subdivision; repealing Minnesota Statutes 1986, section 168.30.

Reported the same back with the following amendments:

Page 1, line 19, before the period insert ", but the application for renewal of the registration of the automobile must be sent to the lessor"

Page 6, after line 6, insert:

"Sec. 9. [APPROPRIATION.]

\$92,820 is appropriated from the highway user tax distribution fund to the commissioner of public safety for the purpose of implementing the program for the mandatory surrender of registration plates and certificates by repeat DWI offenders. The funds are available to June 30, 1989. \$103,000 is appropriated from the highway user tax distribution fund to the commissioner of public safety."

Renumber the remaining section in sequence

Amend the title as follows:

Page 1, line 4, after "fee;" insert "appropriating money for the program of mandatory surrender of plates and certificates by repeat DWI offenders;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1981, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Reported the same back with the following amendments:

Page 3, after line 4, insert:

"Subd. 4. Dennis Farrell, 365 Case Street, St. Paul, Minnesota 55101, for permanent partial disability to his head and scarring of his eyebrow due to injuries he received while performing assigned duties at the Minnesota correctional facility - Lino Lakes ... \$4,000."

Page 3, line 7, after "back" insert ", medical expenses, lost wages, and retraining costs"

Page 3, line 9, delete "\$10,500" and insert "\$18,587.80"

Renumber the subdivisions in sequence

Page 5, after line 19, insert:

"Sec. 5. [EGG PRODUCERS CLAIMS.]

Subdivision 1. The amounts in this section are appropriated from the general fund to the egg producers named in this section in full and final payment of claims against the state. This appropriation remains available until June 30, 1988.

Subd. 2. Carolyn Kay Oswald, Route #1, Box 115, Swanville, Minnesota 56382, for loss of income resulting from the bankruptcy of a wholesale produce dealer who bought eggs from Oswald \$5,423.48.

Subd. 3. John E. Hamilton, 2039 Hawk Street, Becker, Minnesota 55508, for loss of income resulting from the bankruptcy of a wholesale produce dealer who bought eggs from Hamilton \$3,078.83.

Subd. 4. Harvey Kimman, Route #2, Box 157, Freeport, Minnesota 56331, for loss of income resulting from the bankruptcy of a wholesale produce dealer who bought eggs from Kimman \$13,019.78.

Subd. 5. Roger J. Welters, Route #2, Box 37, Swanville, Minnesota 56382, for loss of income resulting from the bankruptcy of a

wholesale produce dealer who bought eggs from Welters ...
..\$3,250.80.

Subd. 6. Wilfred Moscho, Box 268, St. Martin, Minnesota 56376,
for loss of income resulting from the bankruptcy of a wholesale
produce dealer who bought eggs from Moscho \$3,338.46.

Subd. 7. Duane and Sharon Ballou, Route #1, Randall, Minnesota
56475, for loss of income resulting from the bankruptcy of a
wholesale produce dealer who bought eggs from the Ballous ...
..\$3,304.80.

Subd. 8. Benedict Hoppe, 226 West Main Street, Melrose, Minne-
sota 56352, for loss of income resulting from the bankruptcy of a
wholesale produce dealer who bought eggs from Hoppe
\$2,862.03."

Page 5, delete lines 25 to 29 and insert:

"Subd. 2. (a) Dwight DeGroot, Rural Route 1, Box 108, Magnolia,
Minnesota 56158, for wages lost due to an injury to his left wrist
received while he was performing assigned duties as a resident of
the Willmar regional treatment center \$750.

(b) Luverne Medical Center, 300 East Brown, Luverne, Minnesota
56156, for medical services furnished to Dwight DeGroot for the
injury described in paragraph (a) \$289.25."

Page 5, after line 33, insert:

"Subd. 4. Mahnomen County Hearings Unit, c/o Dorsey and
Whitney, 2200 First Bank Place East, Minneapolis, Minnesota
55402, for legal fees incurred in the state's appeal of the hearings
unit's decision \$28,987.

Subd. 5. Rainy Lake International, c/o James McCarthy, chair-
man, 1505 Concord Street, South St. Paul, Minnesota 55075, for loss
of equity in a fish processing plant due to the elimination of
commercial fishing on Rainy Lake \$47,926."

Renumber the sections in sequence

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2031, A bill for an act relating to waste management; requiring certain buildings to provide space for recycling; changing the definition of recyclable materials; specifying the responsibilities of the legislative commission on waste management; adding containment of hazardous waste as an item for which the waste management board may make grants; making industrial waste facilities eligible for processing facility loans; creating additional loan and grant programs for waste tire management; banning used oil from placement on the land; removing the county fee cap for waste disposal in the metropolitan area; adding the chair of the waste management board to the environmental quality board; repealing the expiration date of the legislative commission on waste management; appropriating money; amending Minnesota Statutes 1986, sections 16B.61, subdivision 5; 115A.03, subdivision 25a; 115A.14, subdivision 4; 115A.156, subdivision 3; 115A.165; 115A.912; 115A.914; 115A.919; 115B.17, by adding a subdivision; Minnesota Statutes 1987 Supplement, sections 16B.61, subdivision 3; 115A.156, subdivisions 1 and 2; 115A.162; 115A.48; 115A.916; 115A.95; and 116C.03, subdivision 2; Laws 1980, chapter 564, article XII, section 1, subdivision 3, as amended; Laws 1987, chapters 348, section 51, subdivision 1; and 404, section 24, subdivisions 4 and 6; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E; repealing Minnesota Statutes 1986, sections 115A.14, subdivision 6; and 115A.90, subdivision 4; Minnesota Statutes 1987 Supplement, sections 115A.14, subdivision 5; 116.55; and 116M.07, subdivision 14.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 16B.24, subdivision 6, is amended to read:

Subd. 6. [PROPERTY RENTAL.] (a) [LEASES.] The commissioner shall rent land and other premises when necessary for state purposes. The commissioner may lease land or premises for five years or less, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use. The commissioner may not rent non-state-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.

(b) [USE VACANT PUBLIC SPACE.] No agency may initiate or renew a lease for space for its own use in a private building unless the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available.

(c) [PREFERENCE FOR CERTAIN BUILDINGS.] For needs beyond those which can be accommodated in state owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places, designated by a state or county historical society, or designated by a municipal preservation commission.

(d) [RECYCLING SPACE.] Leases for space of 30 days or more for 5,000 square feet or more must require that space is provided for recyclable materials.

Sec. 2. Minnesota Statutes 1986, section 16B.61, is amended by adding a subdivision to read:

Subd. 3a. [RECYCLING SPACE.] The code must require suitable space for the separation, collection, and temporary storage of recyclable materials within or adjacent to new or significantly remodeled structures that contain 1,000 square feet or more. Residential structures with 12 or less dwelling units are exempt from this subdivision.

Sec. 3. Minnesota Statutes 1986, section 115A.03, subdivision 25a, is amended to read:

Subd. 25a. "Recyclable materials" means materials that are separated from mixed municipal solid waste, ~~by the generator or during collection,~~ for the purpose of recycling, including paper, glass, metals, automobile oil, and batteries.

Sec. 4. Minnesota Statutes 1986, section 115A.03, subdivision 25b, is amended to read:

Subd. 25b. "Recycling" means the process of collecting and preparing recyclable materials and reusing the materials in their original form or using them in manufacturing processes which do not cause the destruction of recyclable materials in a manner which precludes further use.

Sec. 5. Minnesota Statutes 1986, section 115A.14, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] The commission shall review the biennial report of the board, the agency municipal project list and municipal needs list reports, and the budget for the agency division of water quality. The commission shall oversee the activities of the board under sections 115A.01 to 115A.72 and the activities of the agency under sections 115A.42 to 115A.46, 115A.49 to 115A.54, and 116.16 to 116.18 oversee the activities of the board under this chapter relating to solid and hazardous waste management, the activities of the agency under sections 116.16 to 116.181 relating to water pollution control, and the activities of the metropolitan council relating to metropolitan waste management under sections 473.801 to 473.848, and direct such changes or additions in the work plan of the board and agency as it deems fit.

The commission shall make recommendations to the standing legislative committees on finance and appropriations for appropriations from:

(1) the environmental response, compensation, and compliance fund under section 115B.20, subdivision 5;

(2) the metropolitan landfill abatement fund under section 473.844; and

(3) the metropolitan landfill contingency action fund under section 473.845.

The commission may conduct public hearings and otherwise secure data and expressions of opinion. The commission shall make such recommendations as it deems proper to assist the legislature in formulating legislation. Any data or information compiled by the commission shall be made available to any standing or interim committee of the legislature upon request of the chair of the respective committee.

Sec. 6. Minnesota Statutes 1987 Supplement, section 115A.156, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The board may make grants to eligible recipients to determine the feasibility and method of developing and operating specific types of commercial facilities and services for collecting and processing, or containment of hazardous waste and for improving management of waste rendered nonhazardous and industrial waste. Grants may be made for:

(1) market assessment, including generator surveys;

(2) conceptual design and preliminary engineering;

(3) financial and business planning necessary to address sources of

funding, financial security, liability, pricing structure, and similar matters necessary to the development and proper operation of a facility or service;

(4) environmental impact and site analysis, preparation of permit applications, and environmental and permit reviews;

(5) analysis of methods of overcoming identified technical, institutional, legal, regulatory, market, or other constraints; and

(6) analysis of other factors affecting development, operation, and use of a facility or service.

Sec. 7. Minnesota Statutes 1987 Supplement, section 115A.156, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] A person proposing to develop and operate specific collection ~~and~~ processing, or containment facilities or services to serve generators in the state and persons seeking to develop or operate specific types of facilities or services to manage industrial waste generated in the state, are eligible for a grant. The board may give preference to applications by associations of two or more generators in the state proposing to develop and operate commercial facilities or services ~~capable of collecting or for collection~~ on, processing, or containment of their hazardous wastes.

Sec. 8. Minnesota Statutes 1986, section 115A.156, subdivision 3, is amended to read:

Subd. 3. [PROCEDURE FOR AWARDED GRANTS.] The board may establish procedures for awarding grants under this section. The procedures for awarding grants shall include consideration of the following factors:

(1) the need to provide collection ~~and~~ processing, or containment for a variety of types of hazardous wastes;

(2) the extent to which the facility or service would provide a significant amount of processing ~~or~~ collection, or containment capacity for waste generated in the state, measured by the volume of waste to be managed, the number and geographic distribution of generators to be served, or the reduction of risk to public health and safety and the environment achieved by the operation of the facility or service;

(3) the availability of the facility or service to all generators needing the service in the area to be served;

(4) the contribution of the facility or service to achieving the policies and objectives of the hazardous waste management plan;

(5) participation by persons with demonstrated experience in developing, designing, or operating hazardous waste collection or, processing, or containment facilities or services;

(6) the need for assistance from the board to accomplish the work;

(7) the extent to which a proposal would produce and analyze new information; and

(8) other factors established by the board consistent with the purposes of this section.

The board may adopt emergency rules under sections 14.29 to 14.36 to implement the grant program. Emergency rules adopted by the board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.

Sec. 9. Minnesota Statutes 1987 Supplement, section 115A.162, is amended to read:

115A.162 [INDUSTRIAL OR HAZARDOUS WASTE PROCESSING FACILITY LOANS.]

The board shall review applications for industrial or hazardous waste processing facility loans received by the agriculture and economic development authority and forwarded to the board under section ~~116M.07, subdivision 9~~ 41A.066. The board may certify a loan application only if it determines that:

(1) the applicant has demonstrated that the proposed facility is technically feasible;

(2) the applicant has made a reasonable assessment of the market for the services offered by the proposed facility;

(3) the applicant has agreed to provide funds for the proposed facility in an amount equal to at least 25 percent of the capital cost of the facility excluding land acquisition cost;

(4) the applicant has agreed to pay the cost of any land acquisition necessary to develop the facility; and

(5) the facility will contribute in a significant way to achievement of the policies and objectives of the hazardous waste management plan and, in particular, to reduce the need for and practice of industrial or hazardous waste disposal.

As a condition of its certification the board may require an applicant to agree to provide funds in excess of 25 percent of the capital cost of the facility in addition to any land acquisition costs. In

certifying an application or in determining the share of the capital costs that will be provided by the loan, the board may consider the types and volumes of industrial or hazardous waste that will be handled by the facility, the number of generators served by the facility, and the extent to which the facility serves the need of smaller businesses that generate industrial or hazardous waste. The board may establish additional criteria for certifying loan applications consistent with the provisions of this section.

The board may adopt emergency rules under sections 14.29 to 14.36 to implement the loan program. Emergency rules adopted by the board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.

Sec. 10. Minnesota Statutes 1986, section 115A.165, is amended to read:

115A.165 [EVALUATION OF GRANT AND LOAN PROGRAMS; REPORT.]

By November 1, 1986, and every second year after that date, the board shall evaluate the extent to which the programs provided in sections 115A.152 to 115A.162 have contributed to the achievement of the policies and objectives of the hazardous waste management plan and other related planning documents prepared by the board. The evaluation must consider the amount of waste reduction achieved by generators through the technical and research assistance and waste reduction grant programs and the progress in reducing the need for and practice of disposal achieved through the development grants and the request for proposal program. The board shall report the results of its evaluation to the legislative commission with its recommendations for further action.

Sec. 11. Minnesota Statutes 1987 Supplement, section 115A.48, is amended to read:

115A.48 [MARKET DEVELOPMENT FOR RECYCLABLE MATERIALS AND COMPOST.]

Subdivision 1. [AUTHORITY.] The board shall assist and encourage the development of specific facilities and services, and uses needed to provide adequate, stable, and reliable markets for recyclable materials and compost generated in the state. In carrying out this duty the board shall coordinate and cooperate with the solid waste management efforts of other public agencies and political subdivisions.

Subd. 2. [FACILITY DEVELOPMENT PROPOSALS.] In order to determine the feasibility and method of developing and operating specific types of facilities and services to use recyclable materials

and compost generated in the state, the board shall request proposals from and may make grants to persons seeking to develop or operate the facilities or services. Grants may be made for the purposes in section 115A.156, subdivision 1, clauses (1) to (6). A grant must be matched by money or in-kind services provided by the grantee covering at least 50 percent of the project cost. In requesting proposals under this section the board shall follow the procedures provided in section 115A.158, subdivisions 1 and 2, as far as practicable.

Subd. 3. [PUBLIC PROCUREMENT.] The board shall provide technical assistance and advice to political subdivisions and other public agencies to encourage solid waste reduction and development of markets for recyclable materials and compost through procurement policies and practices.

Sec. 12. [115A.541] [PLAN; GRANT REQUIREMENT.]

The board shall only approve a plan under section 115A.46 or make a grant for a recycling facility under section 115A.54, subdivision 2a, if it finds that the applicant demonstrates a commitment to recycle materials separated by generators to the extent such a program is cost effective in meeting recycling goals.

Sec. 13. [115A.55] [SPECIAL WASTE; INCINERATOR ASH.]

Subdivision 1. [POLICY; GOALS.] It is the policy of the legislature that mixed municipal solid waste incinerators be planned and managed to achieve to the maximum extent feasible and prudent:

- (1) reduction of the toxicity of incinerator ash;
- (2) reduction of the quantity of the incinerator ash; and
- (3) reduction of the quantity of waste processing residuals that require disposal.

The purpose of this section is to establish temporary and permanent programs to achieve these reduction goals.

Subd. 2. [DEFINITIONS.] For the purposes of this section the following terms have the meanings given them.

"Incinerator ash" means ash resulting from the combustion of mixed municipal solid waste and ash resulting from the combustion of refuse derived fuel.

"Noncombustible fraction" means constituents of mixed municipal solid waste, including glass, ferrous metals, nonferrous metals

and other inorganics, that, when burned, disproportionately add to the quantity of incinerator ash.

Subd. 3. [RULES.] The agency shall adopt rules to establish techniques to measure the noncombustible fraction of mixed municipal solid waste prior to incineration or processing into refuse derived fuel and for at least the testing, management, and disposal of incinerator ash. The rules must be designed to meet the goals in subdivision 1.

Subd. 4. [INTERIM PROGRAM.] (a) Incinerator ash is considered special waste for an interim period which expires on the occurrence of the earliest of the following events:

(1) The United States Environmental Protection Agency establishes testing and disposal requirements for incinerator ash;

(2) The agency adopts the rules required in subdivision 3; or

(3) June 30, 1990.

(b) As a special waste incinerator ash must be stored separately from mixed municipal solid waste with adequate controls to protect the environment as provided in agency permits. For the interim period, the agency, in cooperation with generators of incinerator ash and other interested parties, shall establish a temporary program to test, monitor, and store incinerator ash. Incinerator ash stored during the interim is subject to the rules adopted pursuant to subdivision 3 and to the provisions of chapter 115B.

Subd. 5. [PLANS; BOARD REPORT.] A county solid waste plan, or revision of a plan, that includes incineration of mixed municipal solid waste must clearly state how the county plans to meet the goals in subdivision 1 of reducing the toxicity and quantity of incinerator ash and of reducing the quantity of processing residuals that require disposal. The board, in cooperation with the agency, the counties, and the metropolitan council, may develop guidelines for counties to use to identify ways to meet the goals in subdivision 1.

The board, in cooperation with the agency, the counties, and the metropolitan council, shall develop and propose statewide goals and timetables for the reduction of the noncombustible fraction of mixed municipal solid waste prior to incineration or processing into refuse derived fuel and for the reduction of the toxicity of the incinerator ash. By January 1, 1990, the board shall report to the legislative commission on waste management on the proposal goals and timetables with recommendations for their implementation.

Subd. 6. [PERMITS; AGENCY REPORT.] An application for a permit to build or operate a mixed municipal solid waste incinera-

tor, including an application for permit renewal, must clearly state how the applicant will achieve the goals in subdivision 1 of reducing the toxicity and quantity of incinerator ash and of reducing the quantity of processing residuals that require disposal. The agency, in cooperation with the board, the counties, and the metropolitan council, may develop guidelines for applicants to use to identify ways to meet the goals in subdivision 1.

If, by January 1, 1990, the rules required by subdivision 3 are not in at least final draft form, the agency shall report to the legislative commission on waste management on the status of current incinerator ash management programs with recommendations for specific legislation to meet the goals of subdivision 1.

Sec. 14. Minnesota Statutes 1986, section 115A.912, is amended to read:

115A.912 [WASTE TIRE COLLECTION MANAGEMENT.]

Subdivision 1. [PURPOSE.] Money appropriated to the agency board for waste tire collection management may be spent for elimination of health and safety hazards of tire dumps and collection sites, tire dump abatement, collection, management and clean up of waste tires, regulation of permitted waste tire facilities, research and studies to determine the technical and economic feasibility of uses for tire derived products, public education on waste tire management, and grants and loans under section 15.

Subd. 2. [PRIORITIES FOR SPENDING.] The agency board shall apply the following criteria to establish priorities: (1) tire dumps or collection sites determined by the agency board to contain more than 1,000,000 tires; (2) abatement of fire hazard nuisances; (3) abatement of nuisance in densely populated areas; and (4) collection and clean up of waste tires including abatement of tire dumps.

Subd. 3. [CONTRACTS WITH COUNTIES.] The agency board may contract with counties for the abatement of waste tire nuisances and may reimburse a county for up to 85 percent of the cost of abatement. A contract with a county for abatement of waste tire nuisances must incorporate a plan approved by the board that provides for the removal and processing of the waste tires in a manner consistent with board standards and ongoing board abatement activities. A county may bring a civil action to recover its part of abatement costs from the tire collector responsible for a nuisance.

Sec. 15. [115A.913] [WASTE TIRE PROGRAMS.]

Subdivision 1. [LOANS AND GRANTS.] The board may make loans to waste tire processing businesses for the capital costs of land, buildings, equipment, and other capital improvements needed for

the construction or betterment of waste tire processing facilities, and for the capital cost of equipment needed to transport waste tires to a waste tire processing facility. The board may also make loans to businesses that use waste tire derived products in manufacturing processes, for the capital costs of land, buildings, and equipment used in the manufacturing process.

The board may make grants for studies necessary to demonstrate the technical and economic feasibility of a proposed waste tire processing project, or of a proposed use for waste tire derived products in a manufacturing process. A grant may not exceed \$30,000 and may not exceed 75 percent of the costs of a study.

Subd. 2. [COLLECTION AND TRANSPORTATION.] The board may make grants to local government units for the cost of establishing waste tire collection sites. Grants may be used for the capital costs of land, structures, and equipment needed to establish waste tire collection sites, and to collect and transport waste tires. A grant may not exceed 50 percent of the cost to a local government unit to establish a waste tire collection site.

Subd. 3. [FEASIBILITY STUDIES.] The board may conduct research and studies to determine the technical and economic feasibility of uses for waste tire derived products.

Subd. 4. [PUBLIC EDUCATION.] The board may conduct a program to inform the public about proper handling and opportunities for processing of waste tires consistent with section 115A.072.

Subd. 5. [REPORT.] By November 15 of each year, the board shall prepare and submit to the legislative commission on waste management a progress report of the board's operations and activities under sections 115A.90 to 115A.914.

Sec. 16. Minnesota Statutes 1986, section 115A.914, is amended to read:

115A.914 [RULES ADMINISTRATION; COUNTY PLANNING; AND ORDINANCES.]

Subdivision 1. [REGULATORY AND ENFORCEMENT POWERS.] For purposes of implementing and enforcing the waste tire abatement and permitting programs in sections 115A.90 to 115A.914, the board may exercise the regulatory and enforcement powers of the agency under chapters 115 and 116.

Subd. 2. [AGENCY BOARD RULES.] The agency board shall adopt rules for administration of waste tire collector and processor permits, waste tire nuisance abatement, and waste tire collection.

Until December 31, 1985, the agency may adopt emergency rules for these purposes.

Subd. 2. 3. [COUNTY PLANNING; ORDINANCES.] Counties shall include collection and processing of waste tires in the solid waste management plan prepared under sections 115A.42 to 115A.46 and shall adopt ordinances under sections 400.16 and 473.811 for management of waste tires that embody, but may be more restrictive than, agency board rules.

Sec. 17. Minnesota Statutes 1987 Supplement, section 115A.916, is amended to read:

115A.916 [USED OIL; LAND DISPOSAL PROHIBITED.]

A person may not place used oil in mixed municipal solid waste or dispose of place used oil in a solid waste disposal facility after January 1, 1988 or on the land, unless approved by the agency. This section may be enforced by the agency pursuant to section 115.071.

Sec. 18. [115A.9162] [USED OIL LOANS AND GRANTS.]

The board may make loans to businesses for the purchase of used oil processing equipment.

The board may make grants to counties for installation of storage tanks to collect used oil. To be eligible for a grant, a county must obtain approval from the commissioner of the agency for the type of tank to be used, the location and installation of the tank, and the proposed ongoing maintenance and monitoring of the collection site. A tank may be located on public or private property and must be made available to the public for used oil disposal. A grant for a single tank may not exceed \$2,500 and a county may not receive more than \$5,000 in grants for storage tanks.

Sec. 19. Minnesota Statutes 1986, section 115A.919, is amended to read:

115A.919 [COUNTY FEE AUTHORITY.]

A county may impose a fee, by cubic yard of waste or its equivalent, on operators of facilities for the disposal of mixed municipal solid waste located within the county. ~~The fee in the metropolitan area may not exceed 25 cents per cubic yard or its equivalent.~~ The revenue from the fees shall be credited to the county general fund and shall be used only for landfill abatement purposes, or costs of closure, postclosure care, and response actions or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.

Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 473.843, subdivision 1, paragraph (c), must be followed and submitted to the appropriate county.

Sec. 20. Minnesota Statutes 1987 Supplement, section 115A.95, is amended to read:

115A.95 [RECYCLABLE MATERIALS.]

Subdivision 1. [EXCLUSION.] Refuse derived fuel or other material that is destroyed by incineration in a resource recovery facility is not a recyclable material.

Subd. 2. [RESOURCE RECOVERY.] A resource recovery facility that is composting waste, burning waste, or converting waste to energy or to materials for combustion, and is owned or operated by a public agency or supported by public funds or by obligations issued by a public agency, may not accept recyclable materials except for transfer to a recycler, unless no other person is willing to accept the recyclable materials.

Sec. 21. Minnesota Statutes 1986, section 115B.17, is amended by adding a subdivision to read:

Subd. 14. [REQUESTS FOR REVIEW, INVESTIGATION, AND OVERSIGHT.] (a) The commissioner of the agency may upon request assist a person in determining whether any real property has been the site of a release or threatened release of a hazardous substance, pollutant, or contaminant. The commissioner may also assist in, or supervise, the development and implementation of reasonable and necessary response actions. Agency assistance may include review of agency records and files, and review and approval of a requester's investigation plans and reports and response action plans and implementation.

(b) The person requesting assistance under this subdivision shall pay the agency for the agency's cost, as determined by the commissioner, of providing assistance. Money received by the agency for assistance under this section must be deposited in the environmental response, compensation, and compliance fund.

Sec. 22. Minnesota Statutes 1987 Supplement, section 116C.03, subdivision 2, is amended to read:

Subd. 2. The members of the board are the director of the state planning agency, the director of public service, the director of the pollution control agency, the commissioner of natural resources, the chair of the waste management board, the commissioner of agriculture, the commissioner of health, the commissioner of transportation, the chair of the board of water and soil resources, and a representative of the governor's office designated by the governor. The governor shall appoint five members from the general public to the board, subject to the advice and consent of the senate. At least two of the five public members must have knowledge of and be conversant in water management issues in the state.

Sec. 23. [325E.044] [PLASTIC CONTAINER LABELING.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Distributor" means a person engaged in business that ships or transports products to retailers in this state to be sold by those retailers.

(b) "Labeling" means attaching information to or embossing or printing information on a plastic container.

(c) "Manufacturer" means any manufacturer offering for sale and distribution a product packaged in a container.

(d) "Plastic container" means an individual, separate, plastic bottle, can, or jar with a capacity of sixteen ounces or more.

Subd. 2. [LABELING RULES REQUIRED.] By March 31, 1989, the board shall adopt rules requiring labeling of plastic containers. The rules adopted under this subdivision must allow a manufacturer of plastic containers, a person who places products in plastic containers, and a person who sells products in plastic containers to choose an appropriate method of labeling plastic containers. The board shall adopt rules as consistent as practicable with national industry-wide plastic container coding systems. The rules may exempt plastic containers of a capacity of less than a specified minimum size from the labeling requirements.

Subd. 3. [PROHIBITION.] A person may not manufacture or bring into the state for sale in this state a plastic container that does not comply with the labeling rules adopted under subdivision 2.

Subd. 4. [ENFORCEMENT; CIVIL PENALTY; INJUNCTIVE RELIEF.] (a) Any manufacturer or distributor who violates subdivision 3 is subject to a civil penalty of \$50 for each violation up to a maximum of \$500.

(b) Any manufacturer or distributor who engages in continued violations of subdivision 3 may be enjoined from such violations.

(c) The attorney general may bring an action in the name of the state in a court of competent jurisdiction for recovery of civil penalties or for injunctive relief as provided in this subdivision. The attorney general may accept an assurance of discontinuance of acts in violation of subdivision 3 in the manner provided in section 8.31, subdivision 2b.

Sec. 24. [325E.116] [WASTE TIRES; COLLECTION.]

A person who sells automotive tires at retail must accept waste tires from customers for collection and recycling. The person must accept as many waste tires from each customer as tires are bought by that customer.

Sec. 25. Minnesota Statutes 1986, section 473.803, subdivision 4, is amended to read:

Subd. 4. [ADVISORY COMMITTEE.] By July 1, 1984 each county shall establish a solid waste management advisory committee to aid in the preparation of the county master plan and, any revisions thereof and such additional matters as the county deems appropriate. The committee must consist of one-third citizen representatives, one-third representatives from towns and cities within the county, and one-third representatives from private waste management firms. At least one-third of the members of The committee must be include residents of towns or cities within the county containing solid waste disposal facilities and eligible solid waste disposal sites included in the council's disposal site inventory. Members of the council's solid waste advisory committee who reside in the county are ex-officio members of the county advisory committee. A representative of the metropolitan council is an ex officio member of the committee.

Sec. 26. Minnesota Statutes 1986, section 609.68, is amended to read:

609.68 [UNLAWFUL DEPOSIT OF GARBAGE, LITTER OR LIKE.]

Whoever unlawfully deposits garbage, rubbish, offal, or the body of a dead animal, or other litter in or upon any public highway, public waters or the ice thereon, shoreland areas adjacent to rivers or streams as defined by section 105.485, subdivision 2, public lands, or, without the consent of the owner, private lands or water or ice thereon, is guilty of a misdemeanor.

Sec. 27. Laws 1987, chapter 348, section 51, subdivision 1, is amended to read:

Sec. 51. [APPROPRIATIONS; COMPLIMENT.]

Subdivision 1. [APPROPRIATIONS.] The following amounts are appropriated from the solid and hazardous waste account to the agencies and for the purposes and fiscal years specified:

	1988	1989
(a) To the waste management board:		
(1) For nonhazardous and industrial waste grants and technical assistance under section 3	\$ 25,000	\$ 25,000
(2) For public education under section 4	95,000	95,000
(3) For the solid waste management policy report under section 14	30,000	30,000
(4) For market development for recyclables under section 17	100,000	100,000
(5) For waste reduction and separation projects and technical assistance under section 21	150,000	150,000
(b) To the pollution control agency:		
(1) For the solid waste management policy report under section 14	30,000	30,000
(2) For household hazardous waste management under section 29	215,800	300,200
(3) For pilot waste pesticide collection under section 48	145,800	70,000
(c) To the department of public service for the notice and inspection program under section 36	3,600	3,600

Amounts unexpended in one fiscal year are available for expenditure in the other fiscal year.

Sec. 28. Laws 1987, chapter 404, section 24, subdivision 4, is amended to read:

Subd. 4. Solid Waste and Hazardous
Waste Pollution Control

\$13,074,500

\$13,350,700

Summary by Fund

General	\$1,828,200	\$1,723,000
Special Revenue	\$ 988,300	\$ 951,700
Public Health	\$ 131,900	\$ 131,900
Environmental	\$2,233,400	\$2,233,400
Metro Landfill Abatement	\$1,134,000	\$1,134,000
Metro Landfill Contingency	\$ 662,000	\$ 162,000
Motor Vehicle Transfer	\$1,473,200	\$1,008,200
Water Pollution Control	\$4,623,500	\$6,006,500

1988

1989

(a) All money in the environmental response, compensation and compliance fund not otherwise appropriated, is appropriated to the pollution control agency for the purposes described in the environmental response and liability act, Minnesota Statutes, section 115B.20, subdivision 2, clauses (a), (b), (c), and (d). This appropriation is available until June 30, 1989.

(b) All money in the metropolitan landfill abatement fund not otherwise appropriated is appropriated to the pollution control agency for payment to the metropolitan council and may be used by the council for the purposes of Minnesota Statutes, section 473.844. The council may not spend the money until the legislative commission on waste management has made its recommendations on the budget and work program submitted by the council.

(c) Any unencumbered balance from the metropolitan landfill contingency fund remaining in fiscal year 1988 does not cancel but is available for fiscal year 1989.

1988

1989

(d) A solid and hazardous waste account is created as a separate fund in the state treasury. The commissioner of finance shall transfer \$919,000 from the motor vehicle transfer fund and \$680,000 from the water pollution control fund over the biennium to the solid and hazardous waste fund.

(e) \$100,000 is appropriated for the household hazardous waste program created in the law styled as H. F. No. 794 of the 1987 legislative session. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

(f) \$1,973,200 the first year and \$2,008,200 the second year are from the motor vehicle transfer fund for use in cleanup of waste tire dumps, as prioritized by the agency for waste tire management under section 14. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$4,500,000 the first year and \$5,900,000 the second year are appropriated from the water pollution control fund for transfer to the environmental response, compensation, and compliance fund. The appropriations in this paragraph are available until expended.

Sec. 29. Laws 1987, chapter 404, section 24, subdivision 6, is amended to read:

Subd. 6. Balances Canceled

\$6,235,800 the first year and \$6,117,200 the second year of the balance in the water pollution control fund must be canceled and transferred to the general fund on July 1, 1987, and July 1, 1988, respectively.

	1988	1989
\$2,425,200 the first year and \$2,925,200 \$2,680,200 the second year of the balance in the motor vehicle transfer fund must be canceled and transferred to the general fund on July 1, 1987, and July 1, 1988, respectively.		

Sec. 30. Laws 1980, chapter 564, article XII, section 1, subdivision 3, as amended by Laws 1983, chapter 299, section 31, and chapter 301, section 222, is amended to read:

Subd. 3. WASTE MANAGEMENT
BOARD.

15,718,000

This appropriation is available for the following purposes:

(a) General Operations and Management. Approved Complement - 14. These positions are in the unclassified service and their continuation is dependent upon the availability of money from appropriations in this subdivision. When these appropriations have been expended the positions shall be canceled and the approved complement reduced accordingly. The annual salary of the full-time chairperson of the board shall be \$45,000 established pursuant to section 15A.081, subdivision 1.

(b) Acquisition of Sites and Buffer Areas for Hazardous Waste

Facilities

6,200,000

This appropriation is from the state waste management fund, to be spent pursuant to article II, section 3, subdivision 4. Up to \$3,200,000 is available for, including payment of the costs of staff and independent professional services needed for the selection and acquisition of sites.

(c) Waste Processing Facility Demonstration Program

8,800,000

1988

1989

This appropriation is from the state waste management fund, to be spent pursuant to article VI, sections 4 and 6. Up to 5 percent is available for administration and technical and professional services.

Sec. 31. [APPROPRIATION; COMPLEMENT; WASTE MANAGEMENT BOARD.]

\$821,300 is appropriated from the motor vehicle transfer fund to the waste management board for the following purposes:

Waste tire management programs under section 14.

Waste oil loans and grants and market feasibility studies under section 18.

These appropriations are available until expended.

The complement of the board is increased by six positions.

Sec. 32. [REPEALER.]

Minnesota Statutes 1986, sections 115A.14, subdivision 6; and 115A.90, subdivision 4; Minnesota Statutes 1987 Supplement, sections 115A.14, subdivision 5; 115A.41; 116.55; and 116M.07, subdivision 14, are repealed.

Sec. 33. [INSTRUCTIONS TO REVISOR.]

The revisor of statutes is directed to change the words "agency" and "pollution control agency" wherever they appear in sections 115A.90 to 115A.914 to "board" and "waste management board" in Minnesota Statutes 1988 and subsequent editions of the statutes.

Sec. 34. [EFFECTIVE DATE.]

Sections 14, 15, 21, 28, 29, and 31 are effective the day following final enactment.

Delete the title and insert:

"A bill for an act relating to waste management; requiring certain buildings to provide space for recycling; changing the definition of

recyclable materials; specifying the responsibilities of the legislative commission on waste management; adding containment of hazardous waste as an item for which the waste management board may make grants; making industrial waste facilities eligible for processing facility loans; creating additional loan and grant programs for waste tire management; banning used oil from placement on the land; removing the county fee cap for waste disposal in the metropolitan area; adding the chair of the waste management board to the environmental quality board; repealing the expiration date of the legislative commission on waste management; appropriating money; amending Minnesota Statutes 1986, sections 16B.24, subdivision 6; 16B.61, by adding a subdivision; 115A.03, subdivisions 25a and 25b; 115A.14, subdivision 4; 115A.156, subdivision 3; 115A.165; 115A.912; 115A.914; 115A.919; 115B.17, by adding a subdivision; 473.803, subdivision 4; and 609.68; Minnesota Statutes 1987 Supplement, sections 115A.156, subdivisions 1 and 2; 115A.162; 115A.48; 115A.916; 115A.95; and 116C.03, subdivision 2; Laws 1980, chapter 564, article XII, section 1, subdivision 3, as amended; Laws 1987, chapters 348, section 51, subdivision 1; and 404, section 24, subdivisions 4 and 6; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E; repealing Minnesota Statutes 1986, sections 115A.14, subdivision 6; and 115A.90, subdivision 4; Minnesota Statutes 1987 Supplement, sections 115A.14, subdivision 5; 115A.41; 116.55; and 116M.07, subdivision 14."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2182, A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; permitting state-run lotteries; providing for the distribution of their proceeds; establishing a Minnesota environment and natural resources trust fund; providing implementing legislation; creating a legislative commission, an advisory committee, and a review panel; providing for trust fund expenditures; amending Minnesota Statutes 1986, sections 86.06; 86.61; 86.72, subdivisions 2 and 3; and 290.431; Minnesota Statutes 1987 Supplement, sections 116C.69, subdivision 3; and 297.13, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 115C.

Reported the same back with the following amendments:

Page 2, line 16, after "natural" insert "and recreational"

Page 2, line 19, after the period insert:

"The distribution of net proceeds from the lottery may be changed at any time by a vote of two-thirds of both houses of the legislature."

Page 2, line 25, after "allocated" insert "to the general fund"

Page 2, line 31, after "state" insert "with the limitation that the distribution of the net proceeds from the lottery may be changed at any time by a vote of two-thirds of both houses of the legislature"

Page 3, line 31, strike "energy" and insert "trade"

Page 4, lines 28 and 34, after "natural" insert "and recreational"

Page 5, line 1, after "natural" insert "and recreational"

Page 5, line 10, delete "XI, section 14" and insert "XIII, section 5"

Page 5, line 23, delete "20" and insert "19"

Page 7, line 17, delete "and"

Page 7, line 18, before the period insert "; and

(6) tourism"

Page 8, lines 4, 6, 11, 15, and 17, after "natural" insert "and recreational"

Page 18, line 22, delete "2" and insert "1"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2291, A bill for an act relating to state agencies; amending, enacting and repealing certain laws administered by the department of administration; amending Minnesota Statutes 1986, sections 16A.41, subdivision 1; 16B.07, subdivisions 2 and 3; 16B.08, subdivision 4; 16B.09, subdivision 3; 16B.28; 16B.42, subdivision 1; 16B.48, subdivision 2; 16B.54, subdivision 8; 16B.55, subdivisions 3 and 6; 16B.65, subdivision 3; 16B.85; 94.12; 214.07, subdivision 1; and 382.153; Minnesota Statutes 1987 Supplement, sections 16B.09, subdivision 1; 16B.67; 115A.15, subdivision 6; and 168.012, subdivision 1; Laws 1987, chapter 365, section 24; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1986, sections 15.38; 16B.29; and 214.07, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 15.0591, subdivision 2, is amended to read:

Subd. 2. [BODIES AFFECTED.] A member meeting the qualifications in subdivision 1 shall be appointed to the following boards, commissions, advisory councils, task forces, or committees:

- (1) advisory council on battered women;
- (2) advisory task force on the use of state facilities;
- (3) alcohol and other drug abuse advisory council;
- (4) ~~board for community colleges;~~
- (5) ~~board of examiners for nursing home administrators;~~
- (6) ~~(5)~~ board on aging;
- (7) ~~(6)~~ chiropractic examiners board;
- (8) ~~(7)~~ consumer advisory council on vocational rehabilitation;
- (9) ~~(8)~~ council for the handicapped;
- (10) ~~(9)~~ council on affairs of Spanish-speaking people;
- (11) ~~(10)~~ council on black Minnesotans;
- (12) ~~(11)~~ dentistry board;
- (13) ~~(12)~~ department of jobs and training advisory council;
- (14) ~~(13)~~ higher education coordinating board;
- (15) ~~(14)~~ housing finance agency;
- (16) ~~(15)~~ Indian advisory council on chemical dependency;
- (17) ~~(16)~~ medical examiners board;
- (18) ~~(17)~~ medical policy directional task force on mental health;

~~(19)~~ (18) Minnesota employment and economic development task force;

~~(20)~~ (19) Minnesota office of volunteer services advisory committee;

~~(21)~~ (20) Minnesota state arts board;

~~(22)~~ (21) mortuary sciences advisory council;

~~(23)~~ (22) nursing board;

~~(24)~~ (23) optometry board;

~~(25)~~ (24) pharmacy board;

~~(26)~~ (25) physical therapists council;

~~(27)~~ (26) podiatry board;

~~(28)~~ (27) psychology board;

~~(29)~~ (28) veterans advisory committee.

Sec. 2. Minnesota Statutes 1986, section 15.50, is amended by adding a subdivision to read:

Subd. 6a. [RIGHT OF FIRST REFUSAL.] The commissioner of administration has the right of first refusal on lands offered for public or private sale within the capitol area. Before completing a sale of land within the capitol area to a buyer other than the state, the owner of the land shall notify the commissioner of administration of the owner's intent to sell the land and shall inform the commissioner of the appraised value of the land if an appraisal has been performed and the amount of any bona fide written offers made to purchase the land. The commissioner may purchase the land by using an appraisal as the basis for the purchase price, by matching the highest written bona fide offer, or by negotiating a direct purchase with the owner. If a negotiated purchase price exceeds \$250,000, the commissioner shall first consult with the chairs of the senate finance committee and house of representatives appropriations committee in the manner provided in section 15.16, subdivision 5. The commissioner may not spend or obligate the state for an amount exceeding the amount appropriated to the commissioner for capitol area property acquisition. Sections 117.232, 117.52, and 117.521 do not govern purchases under this subdivision.

Sec. 3. Minnesota Statutes 1986, section 16A.41, subdivision 1, is amended to read:

Subdivision 1. [CERTIFIED.] Except as provided in subdivision 1a, when claims against the state are made for which there is an appropriation available, an official with authority to pay a claim shall approve the claim by certifying that the service was performed ~~or~~ the goods or material furnished, or monthly telephone service is in effect. The claim must be sent to the commissioner accompanied by a transmittal form as prescribed by the commissioner.

Sec. 4. [16B.052] [AUTHORITY TO TRANSFER FUNDS.]

The commissioner may, with the approval of the commissioner of finance, transfer from an internal service or enterprise fund account to another internal service or enterprise fund account, any contributed capital appropriated by the legislature. The transfer may be made only to provide working capital or positive cash flow in the account to which the money is transferred.

Sec. 5. Minnesota Statutes 1986, section 16B.07, subdivision 2, is amended to read:

Subd. 2. [REQUIREMENT CONTRACTS.] Standard requirement price contracts for supplies or services to be purchased by the state must be established by competitive bids as provided in subdivision 1. The standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs or for the addition of similar products or replacement items not significant to the total value of existing contracts. The term of these contracts may not exceed two years with an option on the part of the state to renew for an additional two five years including all extensions.

Sec. 6. Minnesota Statutes 1986, section 16B.07, subdivision 3, is amended to read:

Subd. 3. [PUBLICATION OF NOTICE; EXPENDITURES OVER \$15,000 AND REQUESTS FOR PROPOSAL.] If the amount of an expenditure or sale is estimated to exceed \$15,000, sealed bids or requests for proposal as provided in section 16B.08, subdivision 4, clause (b), must be solicited by public notice inserted at least once in a newspaper or trade journal not less than seven days before the final date of submitting bids. The commissioner shall designate the newspaper or trade journal for that publication, and may designate different newspapers or journals according to the nature of the purchase or contract. The commissioner shall also solicit sealed bids by sending notices by mail to all prospective bidders known to the commissioner, and by posting notice on a public bulletin board in the commissioner's office at least five days before the final date of submitting bids. All bids must be sealed when they are received and must be opened in public at the hour stated in the notice. All original bids and all documents pertaining to the award of a contract

must be retained and made a part of a permanent file or record and remain open to public inspection.

Sec. 7. Minnesota Statutes 1986, section 16B.08, subdivision 4, is amended to read:

Subd. 4. [NEGOTIATED CONTRACTS.] (a) In lieu of any of the other requirements of this chapter, the commissioner may negotiate a contract for public work to be performed at a state-owned institution or installation if the cost does not exceed \$15,000 and if the head of the affected state agency requests the commissioner to do so. The commissioner shall have prepared whatever plans and specifications for the public work deemed necessary by the commissioner to protect the public interest. Contractor's bonds or security pursuant to chapter 574 are not required for contracts entered into pursuant to this subdivision.

(b) In lieu of the requirement for competitive bidding in section 16B.07, subdivision 1, purchases and contracts may be negotiated in those circumstances determined by the commissioner, and in any of those circumstances the commissioner shall advertise for a request for proposal as a basis for negotiation.

Sec. 8. Minnesota Statutes 1987 Supplement, section 16B.09, subdivision 1, is amended to read:

Subdivision 1. [LOWEST RESPONSIBLE BIDDER.] All state contracts and purchases made by or under the supervision of the commissioner or an agency for which competitive bids are required must be awarded to the lowest responsible bidder, taking into consideration conformity with the specifications, terms of delivery, the purpose for which the contract or purchase is intended, the status and capability of the vendor, and other conditions considerations imposed in the call for bids. The commissioner may decide which is the lowest responsible bidder for all purchases and may use the principles of life cycle costing, where appropriate, in determining the lowest overall bid. As to contracts other than for purchases, the head of the interested agency shall make the decision, subject to the approval of the commissioner. Any or all bids may be rejected. In a case where competitive bids are required and where all bids are rejected, new bids, if solicited, must be called for as in the first instance, unless otherwise provided by law.

Sec. 9. Minnesota Statutes 1986, section 16B.09, subdivision 3, is amended to read:

Subd. 3. [SPECIAL CIRCUMSTANCES.] The commissioner may reject the bid of any bidder who has failed to perform a previous contract with the state. In the case of identical low bids from two or more bidders, the commissioner may use negotiated procurement methods with the tied low bidders for that particular transaction, so

long as the price paid does not exceed the low tied bid price. The commissioner may award contracts to more than one bidder in accordance with section 16B.09, subdivision 1, if doing so does not decrease the service level or diminish the effect of competition.

Sec. 10. Minnesota Statutes 1986, section 16B.24, is amended by adding a subdivision to read:

Subd. 9. [SMOKING IN STATE BUILDING.] To protect the public health, comfort, and environment and to protect the nonsmoker's right to a smoke-free environment, smoking in all buildings managed or leased by the commissioner under subdivisions 1 and 6 shall be prohibited except in designated smoking areas that prevent passive smoking exposure. Smoking areas may be designated by managers and supervisors except in places in which smoking is prohibited by the fire marshal or by other law or ordinance.

Where smoking areas are designated, existing physical barriers and ventilation systems shall be used to eliminate the presence of smoke in physically related nonsmoking areas. Any lessor, lessee, manager, or supervisor in a building with a designated smoking area shall in response to any complaint of smoke-induced discomfort by an employee take those steps required by section 144.416 for a public place. If due to the proximity of smokers, size of the place of work, poor ventilation, or other factors, these steps do not reduce the effects of smoke in an employee's place of work to the reasonable satisfaction of the affected employee, the lessor, lessee, manager, or supervisor shall implement other measures reasonably designed to minimize or eliminate the effects of smoke on the affected employee. These measures may include reassigning the employee to different places of work or further restricting or eliminating smoking in the place of work.

No employee complaining of a smoke-induced discomfort to a lessor, lessee, manager, or supervisor shall be identified or subjected to any disciplinary action as a result of making the complaint.

Sec. 11. Minnesota Statutes 1986, section 16B.24, is amended by adding a subdivision to read:

Subd. 10. [CHILD CARE SERVICES SPACE.] State office space of 50,000 square feet or more that is leased, purchased, constructed, or substantially remodeled after August 1, 1988, must include space usable for child care services. The commissioner may waive the requirements of this subdivision for any office space if the commissioner determines it would be unreasonably costly to provide the space otherwise required.

Sec. 12. Minnesota Statutes 1986, section 16B.28, is amended to read:

16B.28 [SURPLUS FEDERAL PROPERTY MATERIALS DISTRIBUTION.]

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

(a) "Surplus property" means commodities, equipment, materials, supplies, books, printed matter, and other property made available by the federal government a governmental unit or nonprofit organization to a another governmental unit or nonprofit organization.

(b) "Governmental unit or nonprofit organization" means ~~the state of Minnesota, its departments, agencies, political subdivisions, and other instrumentalities~~ a governmental unit as defined in section 471.59, subdivision 1, an Indian tribal government, and any non-profit and tax-exempt medical institution, hospital, clinic, health center, school, school system, college, university, or other institution organized and existing for any purpose authorized by federal law to accept surplus federal property.

Subd. 2. [AUTHORIZATION.] (a) The commissioner is the state agency designated to purchase ~~or~~, accept or dispose of federal surplus property for the state and for the benefit of any other governmental unit or nonprofit organization for any purpose authorized by state and federal law and in accordance with federal rules and regulations. Any governmental unit or nonprofit organization may designate the commissioner to purchase or accept surplus property for it upon mutually agreeable terms and conditions. The commissioner may ~~store~~ acquire, accept, warehouse, and distribute surplus property until it is needed and any expenses incurred in connection with ~~the storage~~ any of these acts shall be paid from the surplus property materials distribution revolving fund.

(b) To dispose of surplus property or other property that is obsolete or unused that belongs to the state or any other governmental unit or nonprofit organization, the commissioner may transfer or sell it to a governmental unit or nonprofit organization or sell it to any other person. Federal surplus property that has been transferred to the state for donation to public agencies and nonprofit organizations must be transferred or sold in accordance with the plan developed under paragraph (d). Expenses incurred in connection with the disposal of surplus property or other property that is obsolete or unused must be paid from the materials distribution revolving fund. If the commissioner sells the property, the proceeds of the sale, minus any expenses of providing the service set by the commissioner, are appropriated to the governmental unit or nonprofit organization for whose account the sale was made, to be used and expended by the organization for the purposes it determines.

(c) The commissioner may centrally acquire, warehouse, and distribute supplies, materials, and equipment for governmental

units. Expenses incurred in connection with acquiring, warehousing, and distributing must be paid from the materials distribution revolving fund.

(d) The commissioner shall develop a detailed plan for disposal of donated federal property in conformance with state law and federal regulations. The plan must be submitted to the governor for certification and submission to the federal administrator of general services.

Subd. 3. [REVOLVING FUND.] (a) [CREATION.] To pay for surplus property received from the federal government for governmental or nonprofit organizations, including the expense of accepting and distributing that property, there is a surplus property revolving fund in the state treasury. A materials distribution revolving fund is created in the state treasury. All money relating to the resource recovery program established under section 115A.15, subdivision 1, all money resulting from the acquisition, acceptance, warehousing, distribution, and public sale of surplus property, all money resulting from the sale of centrally acquired warehoused and distributed supplies, materials and equipment, and all money relating to the cooperative purchasing venture established under section 421.59 must be deposited in the fund. Money paid into the surplus property materials distribution revolving fund is appropriated to the commissioner for the purposes of the programs and services referred to in this section.

(b) [ADVANCES.] No more than \$1,000 from the surplus property revolving fund may be advanced to the commissioner or a state employee engaged in performing duties under this section to pay the expenses of travel, subsistence, toll charges, and similar expenses, in accordance with requirements prescribed by the commissioner of finance. When money which was advanced is repaid, it must be deposited in the state treasury to the credit of the surplus property revolving fund.

(e) [TRANSFER OR SALE TO STATE AGENCY.] When the state or an agency operating under a legislative appropriation obtains surplus property from the commissioner, the commissioner of finance must, at the commissioner's request, transfer the cost of the surplus property, including any expenses of acquiring, accepting, warehousing, and distributing the surplus property, from the appropriation of the state agency receiving the surplus property to the surplus property materials distribution revolving fund. The determination of the commissioner is final as to the cost of the surplus property to the state agency receiving the property.

(d) (c) [TRANSFER OR SALE TO OTHER AGENCIES GOVERNMENTAL UNITS OR NONPROFIT ORGANIZATIONS.] When any governmental unit or nonprofit organization other than a state agency receives surplus property, supplies, materials, or equipment

from the commissioner, the governmental unit or nonprofit organization must reimburse the surplus property materials distribution revolving fund for the cost of the property, including the expenses of acquiring, accepting, warehousing, and distributing it, in an amount the commissioner sets. The commissioner may, however, require the governmental unit or nonprofit organization to deposit in advance in the surplus property materials distribution revolving fund the cost of the surplus property, supplies, materials, and equipment upon mutually agreeable terms and conditions. The commissioner may charge a fee to political subdivisions and nonprofit organizations to establish their eligibility for receiving the property and to pay for costs of storage and distribution.

Sec. 13. Minnesota Statutes 1986, section 16B.42, subdivision 1, is amended to read:

Subdivision 1. [COMPOSITION.] The commissioner of administration shall appoint an intergovernmental information systems advisory council, to serve at the pleasure of the commissioner of administration, consisting of 25 members. Fourteen members shall be appointed or elected officials of local governments, seven shall be representatives of state agencies, and four shall be selected from the community at large. Further, the council shall be composed of (1) two members from each of the following groups: counties outside of the seven county metropolitan area, cities of the second and third class outside the metropolitan area, cities of the second and third class within the metropolitan area, and cities of the fourth class; (2) one member from each of the following groups: the metropolitan council, an outstate regional body, counties within the metropolitan area, cities of the first class, school districts in the metropolitan area, and school districts outside the metropolitan area; (3) one member each from the state departments of administration, education, human services, revenue, planning and the legislative auditor; (4) one member from the office of the state auditor; and (5) four members from the state community at large. To the extent permitted by available resources the commissioner shall furnish staff and other assistance as requested by the council. The council shall expire and the terms, compensation, and removal of members of the advisory council shall be as provided in section 15.059, but the council does not expire until June 30, 1993.

Sec. 14. Minnesota Statutes 1986, section 16B.48, subdivision 2, is amended to read:

Subd. 2. [PURPOSE OF FUNDS.] Money in the state treasury credited to the general services revolving fund and money which is deposited in the fund is appropriated annually to the commissioner for the following purposes:

- (1) to operate a central store and equipment service;

- (2) to operate a central duplication and printing service;
- (3) to purchase postage and related items and to refund postage deposits as necessary to operate the central mailing service;
- (4) to operate a documents service as prescribed by section 16B.51;
- (5) to provide advice and other services to political subdivisions for the management of their records, information, and telecommunication systems;
- (6) to provide services for the maintenance, operation, and upkeep of buildings and grounds managed by the commissioner of administration;
- (7) to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, and school districts;
- (8) to provide capitol security services through the department of public safety; and
- (9) to perform services for any other agency. Money shall be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services, and other services for the maintenance, operation, and upkeep of buildings and offices of the state government.

Sec. 15. Minnesota Statutes 1986, section 16B.54, subdivision 8, is amended to read:

Subd. 8. [MOTOR POOL REVOLVING ACCOUNT.] (a) [ACCOUNT ESTABLISHED.] Money or reimbursements the commissioner receives from the operation of the central motor pool is deposited in the state treasury and credited to a motor pool revolving account. Money in the account is annually appropriated to the commissioner to carry out this section. The motor pool revolving account may be used to provide material transfer services to agencies. Money paid to the United States from the account must, upon refund by the United States, be returned to the account.

(b) [UNOBLIGATED EXCESS TRANSFERRED.] When the unobligated amount of money in the state treasury credited to the motor pool revolving account exceeds the sum of \$438,000 at the end of any

fiscal year, the unobligated amount in excess of \$438,000 must be transferred to the general fund in the state treasury.

Sec. 16. Minnesota Statutes 1986, section 16B.55, subdivision 3, is amended to read:

Subd. 3. [PERMITTED USES.] A state vehicle may be used by a state employee to travel to or from the employee's residence:

(1) on a day on which it may be necessary for the employee to respond to a work-related emergency during hours when the employee is not normally working;

(2) if the employee has been assigned the use of a state vehicle for authorized state business on an extended basis, and the employee's primary place of work is not the state work station to which the employee is permanently assigned;

(3) if the employee has been assigned the use of a state vehicle for authorized state business away from the work station to which the employee is permanently assigned, and the number of miles traveled, or the time needed to conduct the business, will be minimized if the employee uses a state vehicle to travel to the employee's residence before or after traveling to the place of state business.

Use of a state vehicle pursuant to this subdivision requires the prior approval of the agency head or the designee of the agency head. Within 15 days of the end of each three-month period, the head of each agency shall report to the commissioner on each case in which a state vehicle is used by an employee of that agency to travel to or from the employee's residence. The commissioner shall specify the form of this report and the information to be included. If no state vehicles have been used for this travel, the head of the state agency shall report this to the commissioner; or

(4) if the employee is authorized to participate in a ridesharing program established by the commissioner pursuant to section 174.257.

Use of a state vehicle under this subdivision requires the prior approval of the agency head or the designee of the agency head.

Sec. 17. Minnesota Statutes 1986, section 16B.55, subdivision 6, is amended to read:

Subd. 6. [ADMINISTRATIVE POLICIES VEHICLE OPERATING PROCEDURES.] The commissioner shall determine when an employee must reimburse the state for use of a state vehicle and the rates of reimbursement. Rates of reimbursement shall cover the full cost to the state for the travel for which reimbursement is required.

The commissioner shall also set operating procedures for use of state vehicles. These rules, rates, and operating procedures are not subject to the administrative procedure act. Money received under these rules shall be deposited as nondedicated receipts to the credit of the fund from which the costs of operating the individual vehicles are paid.

Sec. 18. Minnesota Statutes 1986, section 16B.65, subdivision 3, is amended to read:

Subd. 3. [CERTIFICATION.] The department of employee relations, with the approval of the commissioner, shall either:

(1) prepare and conduct oral, written, and practical examinations to determine if a person is qualified pursuant to subdivision 2 to be a building official, or;

(2) accept documentation of successful completion of testing programs of training developed by public nationally recognized testing agencies, as proof of qualification pursuant to subdivision 2; or

(3) determine qualifications by both clauses (1) and (2).

Upon a determination of qualification under either clause (1) or (2) or both of them the commissioner shall issue a certificate to the building official stating that the official is certified. Each person applying for examination and certification pursuant to this section shall pay a fee of \$20 \$70. The department of employee relations and the commissioner or a designee may establish classes of certification that will recognize the varying complexities of code enforcement in the municipalities within the state. Except as provided by subdivision 2, no person may act as a building official for a municipality unless the department of employee relations and the commissioner determine determines that the official is qualified. The department of employee relations may, with the approval of the commissioner, prepare and conduct shall provide educational programs designed to train and assist building officials in carrying out their responsibilities.

The department of employee relations may, at the request of the commissioner, provide statewide testing services.

Sec. 19. Minnesota Statutes 1987 Supplement, section 16B.67, is amended to read:

16B.67 [APPEALS.]

A person aggrieved by the final decision of any municipality as to the application of the code, including any rules adopted under

sections 471.465 to 471.469, may, within 180 days of the decision, appeal to the commissioner. Appellant shall submit a fee of \$20 \$70, payable to the commissioner, with the request for appeal. The final decision of the involved municipality is subject to review de novo by the commissioner or a designee. An appeal must be heard as a contested case under chapter 14. The commissioner shall submit written findings to the parties. The party not prevailing shall pay the costs of the contested case hearing, including fees charged by the office of administrative hearings and the expense of transcript preparation. Costs under this section do not include attorney fees. Any person aggrieved by a ruling of the commissioner may appeal in accordance with chapter 14. For the purpose of this section "any person aggrieved" includes the council on disability. No fee or costs shall be required when the council on disability is the appellant.

Sec. 20. Minnesota Statutes 1986, section 16B.85, is amended to read:

16B.85 [RISK MANAGEMENT]

Subdivision 1. [ALTERNATIVES TO CONVENTIONAL INSURANCE.] In the event that the state is unable to obtain certain types of insurance, or the commissioner determines insurance to be unreasonably costly, The commissioner may implement programs of insurance or alternatives to the purchase of conventional insurance for areas of risk not subject to collective bargaining agreements, plans established under section 43A.18, or programs established under sections 176.540 to 176.611. A The mechanism for implementing possible alternatives to conventional insurance is the risk management fund created in subdivision 2.

Subd. 2. [RISK MANAGEMENT FUND.] A state risk management fund is created. All state agencies which have had or may have casualty claims against them with respect to the risks for which the commissioner has implemented conventional insurance alternatives shall contribute to the fund a portion of the money appropriated to them. The commissioner shall determine the proportionate share of each agency on the basis of the agency's casualty claim experience as compared to other affected agencies. The money in the fund to pay casualty claims arising from state activities and for administrative costs, including costs for the adjustment and defense of the claims, is appropriated to the commissioner. Interest earned from the investment of money in the fund shall be credited to the fund and be available to the commissioner for the expenditures authorized in this subdivision. The fund is exempt from the provisions of section 16A.15, subdivision 1. In the event that proceeds in the fund are insufficient to pay outstanding claims and associated administrative costs, the commissioner, in consultation with the commissioner of finance, may assess state agencies participating in the fund amounts sufficient to pay the costs. The commissioner shall determine the proportionate share of the assessment of each agency

on the basis of the agency's casualty claim experience as compared to other affected agencies.

(1) All state agencies may, in cooperation with the commissioner, participate in insurance programs and other funding alternative programs provided by the risk management fund.

(2) When an agency or agencies enter into an insurance or self-insurance program, each agency shall contribute the appropriate share of their costs as determined by the commissioner.

(3) The money in the fund to pay claims arising from state activities and for administrative costs, including costs for the adjustment and defense of the claims, is appropriated to the commissioner.

(4) Interest earned from the investment of money in the fund shall be credited to the fund and be available to the commissioner for the expenditures authorized in this subdivision.

(5) The fund is exempt from the provisions of section 16A.15, subdivision 1. In the event that proceeds in the fund are insufficient to pay outstanding claims and associated administrative costs, the commissioner, in consultation with the commissioner of finance, may assess state agencies participating in the fund amounts sufficient to pay the costs. The commissioner shall determine the proportionate share of the assessment of each agency.

Subd. 3. [RESPONSIBILITIES.] The commissioner shall:

(1) review the state's exposure to various types of potential risks in consultation with affected agencies and advise state agencies as to the reduction of risk and fiscal management of those losses;

(2) be responsible for statewide risk management coordination, evaluation of funding and insuring alternatives, and the approval of all insurance purchases in consultation with affected agencies;

(3) identify ways to eliminate redundant efforts in the management of state risk management and insurance programs;

(4) maintain the state risk management information system; and

(5) administer and maintain the state risk management fund.

Subd. 4. [COMPETITIVE BIDDING.] The commissioner may request bids from insurance carriers or may negotiate with insurance carriers and may enter into contracts with insurance carriers which in the judgment of the commissioner are best qualified to underwrite and service the insurance programs.

Subd. 5. [RISK MANAGEMENT FUND NOT CONSIDERED INSURANCE.] A state agency, including an entity defined as a part of the state in section 3.732, subdivision 1, clause (1), may procure insurance against liability of the agency and its employees for damages resulting from the torts of the agency and its employees. The procurement of this insurance constitutes a waiver of the limits or governmental liability to the extent of the liability stated in the policy but has no effect on the liability of the agency and its employees beyond the coverage as provided. Procurement of commercial insurance, participation in the risk management fund under section 16B.85, or provisions of an individual self-insurance plan with or without a reserve fund or reinsurance does not constitute a waiver of any of the governmental immunities or exclusions under section 3.736.

Sec. 21. Minnesota Statutes 1986, section 94.12, is amended to read:

94.12 [CONTRACT FOR DEED AND QUITCLAIM DEED.]

In the event a purchaser elects to purchase surplus real property on an installment basis, the commissioner of administration shall enter into a contract for deed with the purchaser thereof in which shall be set forth the description of the real property sold and the price thereof, the consideration paid and to be paid therefor, the rate of interest, and time and terms of payment. This contract for deed shall be made assignable and shall further set forth that in case of the nonpayment of the annual principal or interest payment due by the purchaser, or any person claiming under the purchaser, then the contract for deed, from the time of such failure, will be entirely void and of no effect and the state may be repossessed of the lot or tract and may resell the same as provided in sections 94.09 to 94.16. In the event the terms and conditions of a contract for deed are completely fulfilled or if a purchaser makes a lump sum payment for the subject property in lieu of entering into a contract for deed, ~~the governor, upon the recommendation of the commissioner of administration,~~ shall sign and cause to be issued a quitclaim deed on behalf of the state. Said quitclaim deed shall be in a form prescribed by the attorney general and shall vest in purchaser all of the state's interest in the subject property except as provided in section 94.14.

Sec. 22. Minnesota Statutes 1987 Supplement, section 115A.15, subdivision 6, is amended to read:

Subd. 6. [RESOURCE RECOVERY REVOLVING ACCOUNT USE OF MATERIALS DISTRIBUTION REVOLVING FUND.] Upon the certification of the commissioner of administration, the commissioner of finance shall establish an account in the general services revolving fund, effective June 30, 1980, for the operation of the state government resource recovery program. The revolving account shall consist of All funds appropriated by the state for the

resource recovery program, all revenues resulting from the sale of recyclable and reusable commodities made available for sale as a result of the resource recovery program and all reimbursements to the commissioner of expenses incurred by the commissioner in developing and administering resource recovery systems for state agencies, local governments, and regional agencies governmental units, and nonprofit organizations must be deposited in the materials distribution revolving fund created in section 16B.28. The account fund may be used for all activities associated with the program including payment of administrative and operating costs, except statewide and agency indirect costs. The commissioner shall determine the waste disposal cost savings associated with recycling and reuse activities, collect those savings from the account responsible for disposing of wastes produced in state buildings, and credit the savings to the resource recovery revolving account materials distribution revolving fund.

Sec. 23. Minnesota Statutes 1986, section 136.61, subdivision 1, is amended to read:

Subdivision 1. The state board for community colleges shall consist of nine members appointed by the governor with the advice and consent of the senate. They shall be selected for their knowledge of, and interest in community colleges of Minnesota. One member shall be a full-time student at a community college at the time of appointment or shall have been a full-time student at a community college within one year before appointment to the state board for community colleges. Other than the student or recent graduate member, at least one member shall be a resident of each congressional district and two members shall be graduates of a community college in this state. In making appointments to the board, the governor shall recognize the mission of the community college system and attempt to reflect the groups served by the mission.

Sec. 24. Minnesota Statutes 1986, section 136.622, is amended to read:

136.622 [COMPUTER SALES AND MAINTENANCE TECHNICAL EQUIPMENT.]

Subdivision 1. [PROPRIETARY PURCHASES.] Technical educational equipment may be procured for the state community colleges on request of the state board for community colleges either by brand designation or in accordance with standards and specifications the board may promulgate, notwithstanding chapter 16B.

Subd. 2. [COMPUTER SALES AND SUPPORT.] The state board for community colleges may sell computers and related products to its staff and students to advance their instructional and research abilities. The board shall contract with a private vendor for service,

maintenance, and support for computers and related products sold by the board.

Sec. 25. Minnesota Statutes 1986, section 136.67, subdivision 2, is amended to read:

Subd. 2. The state community college board may establish activity funds, ~~except for dormitory purposes, and~~ imprest cash funds, waive tuition charges, and act as agent and accept the benefits of Public Law Number 88-452, known as the Economic Opportunity Act of 1964, as amended, and Public Law Number 85-864, known as the National Defense Education Act of 1958, as amended, to the same extent and subject to the same conditions as this authority is vested in the state university board. Sections 136.045; 136.142; 136.143; 136.144; 136.171; 136.22; 136.56; 169.966; and 352.01, subdivision 2a, clause (6), also apply to the state community college board and the state community colleges in the same manner as to the state university board and the state universities.

Sec. 26. [136.89] [NONPROFIT FOUNDATION PAYROLL DEDUCTION.]

Subdivision 1. [REQUEST; WARRANT.] The commissioner of finance, upon the written request of an employee of a community college or the state board for community colleges, may deduct from an employee's salary or wages the amount requested for payment to a nonprofit community college foundation meeting the requirements in subdivision 2. The commissioner shall issue a warrant for the deducted amount to the nonprofit foundation.

Subd. 2. [FOUNDATION APPLICATION; APPROVAL.] A nonprofit foundation that desires to receive contributions through payroll deductions shall apply to the state board for approval to participate in the payroll deduction plan. The board may approve the application for participation if the foundation:

(1) is tax exempt under section 501(c)3 of the Internal Revenue Code of 1986, as amended;

(2) qualifies for tax deductible contributions under section 170 of the Internal Revenue Code of 1986, as amended;

(3) secures funding solely for distribution to that community college; and

(4) has been incorporated according to chapter 317 for at least one calendar year prior to the date it applies to the state board for community colleges for approval.

Subd. 3. [SOLICITATION.] Efforts to secure payroll deductions

authorized in subdivision 1 must not interfere with, require a modification of, nor be conducted during the period of a payroll deduction fund drive for employees authorized by section 309.501.

Sec. 27. [136.91] [CAPITAL PROJECTS BIDDING PROCEDURES.]

In awarding contracts for capital projects under section 16B.09, the state board for community colleges must consider the documentation provided by the bidders regarding their qualifications including evidence of having successfully completed similar work, or delivering services or products comparable to that being requested. The board shall set procedures to administer this section which include practices that will assist in the economic development of small businesses and small businesses owned and operated by socially or economically disadvantaged persons.

Sec. 28. Minnesota Statutes 1987 Supplement, section 168.012, subdivision 1, is amended to read:

Subdivision 1. (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by representatives of foreign powers, by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from such institutions;

(3) vehicles owned by nonprofit charities and used exclusively to transport handicapped persons for educational purposes;

(4) vehicles owned and used by honorary consul or consul general of foreign governments.

(b) Vehicles owned by the federal government, municipal fire apparatus, police patrols and ambulances, the general appearance of which is unmistakable, shall not be required to register or display number plates.

(c) Unmarked vehicles used in general police work, arson investigations, and passenger vehicles, station wagons, and buses owned or operated by the department of corrections shall be registered and shall display passenger vehicle classification license number plates which shall be furnished by the registrar at cost. Original and renewal applications for these passenger vehicle license plates authorized for use in general police work and for use by the

department of corrections must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a department of corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) All other motor vehicles shall be registered and display tax exempt number plates which shall be furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax exempt number plates shall have the name of the state department or public subdivision on the vehicle plainly printed displayed on both sides thereof in letters not less than $2\frac{1}{2}$ inches high, ~~one and one-half inch wide and of a three-eighths inch stroke;~~ except that each state hospital and institution for the mentally ill and mentally retarded may have one vehicle without the required ~~printing~~ identification on the sides of the vehicle. Such ~~printing~~ identification shall be in a color giving a ~~marked~~ contrast with that of the part of the vehicle on which it is placed and shall be ~~done with a good quality of paint that will endure throughout the term of the registration.~~ The ~~printing~~ identification must be on a part of the vehicle itself and not be on a removable plate or placard of any kind and shall be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision.

Sec. 29. Minnesota Statutes 1986, section 214.07, subdivision 1, is amended to read:

Subdivision 1. [BOARD REPORTS.] The health-related licensing boards and the non-health-related licensing boards shall prepare reports by October 1 of each even-numbered year on forms prepared by the commissioner of administration. Copies of the reports shall be delivered to the legislature in accordance with section 3.195, and to the governor and the commissioner of administration. Copies of the reports of the health-related licensing boards shall also be delivered to the commissioner of health. The reports shall contain the following information relating to the two-year period ending the previous June 30:

- (a) a general statement of board activities;
- (b) the number of meetings and approximate total number of hours spent by all board members in meetings and on other board activities;
- (c) the receipts and disbursements of board funds;

(d) the names of board members and their addresses, occupations, and dates of appointment and reappointment to the board;

(e) the names and job classifications of board employees;

(f) a brief summary of board rules proposed or adopted during the reporting period with appropriate citations to the State Register and published rules;

(g) the number of persons having each type of license and registration issued by the board as of June 30 in the year of the report;

(h) the locations and dates of the administration of examinations by the board;

(i) the number of persons examined by the board with the persons subdivided into groups showing age categories, sex, and states of residency;

(j) the number of persons licensed or registered by the board after taking the examinations referred to in clause (h) with the persons subdivided by age categories, sex, and states of residency;

(k) the number of persons not licensed or registered by the board after taking the examinations referred to in clause (h) with the persons subdivided by age categories, sex, and states of residency;

(l) the number of persons not taking the examinations referred to in clause (h) who were licensed or registered by the board or who were denied licensing or registration with the reasons for the licensing or registration or denial thereof and with the persons subdivided by age categories, sex, and states of residency;

(m) the number of persons previously licensed or registered by the board whose licenses or registrations were revoked, suspended, or otherwise altered in status with brief statements of the reasons for the revocation, suspension or alteration;

(n) the number of written and oral complaints and other communications received by the executive secretary of the board, a board member, or any other person performing services for the board (1) which allege or imply a violation of a statute or rule which the board is empowered to enforce and (2) which are forwarded to other agencies as required by section 214.10;

(o) a summary, by specific category, of the substance of the complaints and communications referred to in clause (n) and, for each specific category, the responses or dispositions thereof pursuant to section 214.10 or 214.11;

(p) any other objective information which the board members believe will be useful in reviewing board activities.

Sec. 30. Minnesota Statutes 1986, section 268.0122, is amended by adding a subdivision to read:

Subd. 6. [SALE, PURCHASE REAL PROPERTY.] Notwithstanding sections 16B.24 and 268.026 or chapter 94, the commissioner of administration, in consultation with the commissioner of jobs and training, is authorized to buy and sell real property in Minneapolis and the greater Minneapolis area for the purpose of relocating department offices to locations more accessible to the residents of Minneapolis and co-locating with other social service agencies.

Sec. 31. Minnesota Statutes 1986, section 382.153, is amended to read:

382.153 [BONDING OF COUNTY OFFICERS AND EMPLOYEES.]

Subdivision 1. In counties now or hereafter having a population of more than 250,000, when a corporate surety bond has been furnished by any county officer or employee pursuant to statute or resolution of the county board, the premium therefor shall be paid by the county, provided that the county board may designate the surety.

The county board shall cause to be published in its official publication, a notice for bids for the furnishing of all such bonds and shall award a contract to the lowest responsible bidder.

Subd. 2. In any county, in lieu of the individual bonds required to be furnished by county officers or by county employees, a schedule or position bond or undertaking may be given by county officers or by the employees of each county office or department, or a single corporate surety fidelity, schedule or position bond or undertaking covering all the officers and employees of any such county including officers and employees required by law to furnish an individual bond or undertaking may be furnished, in the respective amounts fixed by law, or by the person or board authorized by law to fix the same, conditioned substantially as provided in section 574.13, and upon a form to be prescribed by the commissioner of administration.

Sec. 32. Laws 1987, chapter 365, section 24, is amended to read:

Sec. 24. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall renumber Minnesota Statutes, section 4.31, subdivisions 1 and to 5, in chapter 16B.

Sec. 33. [REPEALER.]

Minnesota Statutes 1986, sections 15.38; 16B.29; and 214.07, subdivision 2, are repealed.

Sec. 34. [EFFECTIVE DATE.]

Section 4 is effective the day following final enactment. Sections 3, 5 to 9, and 11 to 33 are effective July 1, 1988. Section 10 is effective January 1, 1989."

Delete the title and insert:

"A bill for an act relating to state agencies; amending, enacting and repealing certain laws administered by the department of administration; increasing the powers of the state board for community colleges; changing the criteria for board membership; amending Minnesota Statutes 1986, sections 15.0591, subdivision 2; 15.50, by adding a subdivision; 16A.41, subdivision 1; 16B.07, subdivisions 2 and 3; 16B.08, subdivision 4; 16B.09, subdivision 3; 16B.24, by adding subdivisions; 16B.28; 16B.42, subdivision 1; 16B.48, subdivision 2; 16B.54, subdivision 8; 16B.55, subdivisions 3 and 6; 16B.65, subdivision 3; 16B.85; 94.12; 136.61, subdivision 1; 136.622; 136.67, subdivision 2; 214.07, subdivision 1; 268.0122, by adding a subdivision; and 382.153; Minnesota Statutes 1987 Supplement, sections 16B.09, subdivision 1; 16B.67; 115A.15, subdivision 6; and 168.012, subdivision 1; Laws 1987, chapter 365, section 24; proposing coding for new law in Minnesota Statutes, chapters 16B and 136; repealing Minnesota Statutes 1986, sections 15.38; 16B.29; and 214.07, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2536, A bill for an act relating to elections; providing that statewide computerized voter registration system satisfy requirements for duplicate registration file; establishing voter registration account and appropriating money; changing certain procedures related to registration cards, files, and records; changing certain procedures for voting, arranging names on ballots, and completing summary statements; permitting cities or counties to use their present voting systems for general elections; amending Minnesota Statutes 1986, sections 201.091, subdivisions 2 and 5; 204D.08, subdivision 5; Minnesota Statutes 1987 Supplement, sections 201.022, subdivision 1; 201.071, subdivision 4; 204C.24, subdivision 1; 204D.08, subdivision 4; and 206.80; proposing coding for new law in Minnesota Statutes, chapter 201.

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

The report was adopted.

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

H. F. No. 2613, A resolution memorializing the Congress of the United States to ratify the Genocide Treaty.

Reported the same back with the following amendments:

Page 1, line 17, after "States" insert "to enact the necessary legislation"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 1121, A bill for an act relating to motor vehicles; establishing a titling system for salvage and rebuilt motor vehicles; requiring licenses for scrap metal processors, used vehicle parts dealers, and salvage pool operators; amending Minnesota Statutes 1986, sections 168.27, subdivisions 1, 2, 3, 8, 10, 24, and by adding subdivisions; 168.33, subdivision 7; 168A.01, subdivision 2, and by adding subdivisions; and 168A.15; Minnesota Statutes 1987 Supplement, section 168.27, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 168A.

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

The report was adopted.

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

S. F. No. 2003, A bill for an act relating to state government; providing for salary ranges for certain state employees; clarifying requirements for submitting certain salaries for legislative approval; requiring certain reports; regulating emergency civil service appointments; clarifying limits on certain salaries; authorizing the governor to change the salaries of newly appointed agency heads;

regulating affirmative action; regulating separation from certain bargaining units; regulating health and other fringe benefit coverages; providing duties for the commissioner of employee relations; amending Minnesota Statutes 1986, sections 43A.04, subdivision 7; 43A.15, subdivisions 2 and 11; 43A.17, subdivisions 1 and 9; 43A.18, subdivision 5; 43A.19, subdivision 1; 43A.23, subdivisions 1 and 3; 43A.27, subdivision 3, and by adding a subdivision; 175.101, by adding a subdivision; and 179A.10, subdivision 3; Minnesota Statutes 1987 Supplement, sections 15A.081, subdivisions 1 and 7b; 15A.083, subdivision 7; 43A.08, subdivision 1a; 43A.191, subdivision 3; 43A.316, subdivisions 2, 4, 8, and by adding a subdivision; 43A.421; 44A.02, subdivision 1; 79.34, subdivision 1; 176.611, subdivisions 2 and 3a; and 214.04, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1987 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range
Effective
July 1, 1987

Commissioner of finance; \$57,500-\$78,500

Commissioner of education;

Commissioner of transportation;

Commissioner of human services;

Commissioner of revenue;

Executive director,

state board of investment;

Commissioner of administration; \$50,000-\$67,500

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of jobs and training;

Commissioner of employee relations;

Commissioner of energy and economic development;

Commissioner of health;

Commissioner of labor and industry;

Commissioner of natural resources;

Commissioner of public safety;

Chair, waste management board;
Chief administrative law judge;
office of administrative hearings;
Director, pollution control agency;
Director, state planning agency;
Executive director, housing finance
agency;
Executive director, public employees
retirement association;
Executive director, teacher's
retirement association;
Executive director, state
retirement system;
Chair, metropolitan council;
Chair, regional transit board;

Commissioner of human rights; \$42,500-\$60,000
Director, department of
public service;
Commissioner of veterans' affairs;
Director, bureau of mediation
services;
Commissioner, public utilities
commission;
Member, transportation
regulation board;
Ombudsman for corrections;
Ombudsman for mental health and
retardation.

Sec. 2. Minnesota Statutes 1986, section 43A.19, subdivision 1, is amended to read:

Subdivision 1. [STATEWIDE AFFIRMATIVE ACTION PROGRAM.] (a) To assure that positions in the executive branch of the civil service are equally accessible to all qualified persons, and to eliminate the underutilization of qualified members of protected groups, the commissioner shall adopt and periodically revise, if necessary, a statewide affirmative action program. The statewide affirmative action program shall consist of at least the following:

- (1) objectives, ~~long-range and interim~~ goals, and policies;
- (2) procedures, standards and assumptions to be used by agencies in the preparation of agency affirmative action plans, including methods by which goals and timetables shall be established; and
- (3) requirements for annual objectives and submission of affirmative action progress reports from heads of agencies.

(b) The commissioner shall base ~~interim~~ affirmative action goals on at least the following factors:

(1) the percentage of members of each protected class in the recruiting area population who have the necessary skills;

(2) the availability for promotion or transfer of members of protected classes in the recruiting area population;

(3) the extent of unemployment of members of protected classes in the recruiting area population;

(4) the existence of training programs in needed skill areas offered by employing agencies and other institutions; and

(5) the expected number of available positions to be filled.

(c) The commissioner shall designate a state director of equal employment opportunity who may be delegated the preparation, revision, implementation and administration of the program. The commissioner of employee relations may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a.

Sec. 3. Minnesota Statutes 1987 Supplement, section 43A.191, subdivision 3, is amended to read:

Subd. 3. [SANCTIONS AND INCENTIVES.] (a) The director of equal employment opportunity shall annually audit the record of each agency to determine the rate of compliance with annual hiring goals of each goal unit and to evaluate the agency's overall progress toward its affirmative action goals and objectives.

(b) By ~~February~~ March 1 of each year, the commissioner shall submit a report on affirmative action progress of each agency and the state as a whole to the governor and to the finance committee of the senate, the appropriations committee of the house of representatives, and the governmental operations committees of both houses of the legislature. The report must include each agency's rate of compliance with annual hiring goals. In addition, any agency that has not met its affirmative action hiring goals, that fails to make an affirmative action hire, or fails to justify its nonaffirmative action hire in 25 percent or more of the appointments made in the previous calendar year must be designated in the report as an agency not in compliance with affirmative action requirements.

(c) The commissioner shall study methods to improve the performance of agencies not in compliance with affirmative action requirements. By January 15, 1986, the commissioner shall submit to the

legislature a proposal for improving compliance rates. This proposal must include penalties for noncompliance.

(d) The commissioner shall establish a program to recognize agencies that have made significant and measurable progress toward achieving affirmative action objectives.

Sec. 4. Minnesota Statutes 1986, section 43A.23, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The commissioner is authorized to request bids from carriers or to negotiate with carriers and to enter into contracts with carriers which in the judgment of the commissioner are best qualified to underwrite and service the benefit plans. The commissioner may negotiate premium rates and coverage provisions with all carriers licensed under chapters 62A, 62C, and 62D. The commissioner may also negotiate reasonable restrictions to be applied to all carriers under chapters 62A, 62C, and 62D. Contracts to underwrite the benefit plans shall be bid or negotiated separately from contracts to service the benefit plans, which shall be awarded only on the basis of competitive bids. The commissioner shall consider the cost of the plans; conversion options relating to the contracts; service capabilities; character; financial position; and reputation of the carriers and any other factors which the commissioner deems appropriate. Each benefit contract shall be for a uniform term of at least one year, but may be made automatically renewable from term to term in the absence of notice of termination by either party. The commissioner shall, to the extent feasible, make hospital and medical benefits available from at least one carrier licensed to do business pursuant to each of chapters 62A, 62C and 62D. The commissioner need not provide health maintenance organization services to an employee who resides in an area which is not served by a licensed health maintenance organization. The commissioner may refuse to allow a health maintenance organization to continue as a carrier if it was selected by less than 200 employees in the preceding benefit year. The commissioner may elect not to offer all three types of carriers if there are no bids or no acceptable bids by that type of carrier or if the offering of additional carriers would result in substantial additional administrative costs. Any carrier licensed pursuant to chapter 62A shall be exempt from the tax imposed by section 60A.15 on premiums paid to it by the state.

Sec. 5. Minnesota Statutes 1986, section 43A.23, subdivision 3, is amended to read:

Subd. 3. [CONTRACT WITH INSURANCE CARRIERS.] The commissioner of labor and industry employee relations may contract with carriers authorized to provide coverage under the state employees group insurance plan to extend coverage to eligible employees who incur medical expenses due to a personal injury which results

from their state employment which is compensable under chapter 176.

Sec. 6. Minnesota Statutes 1986, section 43A.27, subdivision 3, is amended to read:

Subd. 3. [RETIRED EMPLOYEES.] A retired employee of the state who receives an annuity under a state retirement program may elect to purchase at personal expense individual and dependent hospital, medical and dental coverages that are actuarially equivalent to those made available through collective bargaining agreements or plans established pursuant to section 43A.18 to employees in positions equivalent to that from which retired. A spouse of a deceased retired employee who received an annuity under a state retirement program may purchase the coverage listed in this subdivision if the spouse was a dependent under the retired employee's coverage at the time of the employee's death. Coverages shall be coordinated with relevant health insurance benefits provided through the federally sponsored medicare program. Appointing authorities shall provide notice to employees no later than the effective date of their retirement of the right to exercise the option provided in this subdivision. The retired employee must notify the commissioner or designee of the commissioner within 30 days after the effective date of the retirement of intent to exercise this option.

Sec. 7. Minnesota Statutes 1987 Supplement, section 43A.316, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For the purpose of this section, the terms defined in this subdivision have the meaning given them.

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

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

(c) [ELIGIBLE EMPLOYER.] "Eligible employer" means

(1) a public employer within the definition of section 179A.03, subdivision 15, that is a town, county, city, school district as defined in section 120.02, educational cooperative service unit as defined in section 123.58, intermediate district as defined in section 136C.02, subdivision 7, cooperative center for vocational education as defined in section 123.351, regional management information center as

defined in section 121.935, or an education unit organized under the joint powers action, section 471.59; or

(2) an exclusive representative of employees, as defined in paragraph (b); or

(3) another public employer approved by the commissioner.

(d) [EXCLUSIVE REPRESENTATIVE.] "Exclusive representative" means an exclusive representative as defined in section 179A.03, subdivision 8.

(e) [LABOR-MANAGEMENT COMMITTEE.] "Labor-management committee" means the committee established by subdivision 4.

(f) [PLAN.] "Plan" means the statewide public employees insurance plan created by subdivision 3.

Sec. 8. Minnesota Statutes 1987 Supplement, section 43A.316, subdivision 4, is amended to read:

Subd. 4. [LABOR-MANAGEMENT COMMITTEE.] There is created a labor-management committee of ten members appointed by the commissioner. The labor-management committee shall consist of five members who represent employees, including at least one retired employee, and five members who represent eligible employers. Committee members shall be eligible for expense reimbursement in the same manner and amount as authorized by the commissioner's plan adopted pursuant to section 43A.18, subdivision 2. The commissioner shall consult with the labor-management committee in major decisions that affect the plan. The committee shall study issues relating to the insurance plan including, but not limited to, flexible benefits, utilization review, quality assessment, and cost efficiency.

Sec. 9. Minnesota Statutes 1987 Supplement, section 43A.316, subdivision 8, is amended to read:

Subd. 8. [CONTINUATION OF COVERAGE.] (a) A participating employee who is laid off or is on ~~unrequested~~ leave may elect to continue the plan coverage. This coverage is at the expense of the employee unless otherwise provided by a collective bargaining agreement. Premiums for these employees shall be established by the commissioner. Coverage continues until one of the following occurs:

(1) the employee is reemployed and eligible for health care coverage under a group policy; or

(2) the insurance continuation periods required by state and federal laws expire.

(b) A participating employee who retires and is receiving an annuity or is eligible for and has applied for an annuity under chapter 352, 352B, 352C, 352D, 353, 354, 354A, 356, 422A, 423, 423A, 424, or 490 is eligible to continue participation in the plan. Any employer's contribution must cease when the retiree reaches age 65. These employees, and employees who have already retired prior to the group from which they retired entering the plan, are eligible to participate as long as their group continues to participate. This participation is at the retiree's expense unless a collective bargaining agreement provides otherwise. Premiums for these participants shall be established by the commissioner. An employer shall notify an employee of this option no later than the effective date of retirement. The retired employee shall notify the employer within 30 days of the effective date of retirement of intent to exercise this option.

(c) The spouse of a deceased, active, or retired employee may purchase the benefits provided at premiums established by the commissioner if the deceased retired employee received an annuity under chapter 352, 353, 354, 354A, 356, 422A, 423, 423A, or 424 and if the spouse was a dependent under the active or retired employee's coverage under this section at the time of the death of the retired employee. These participants are eligible to participate as long as the group which included their spouse participates. Coverage under this clause shall be coordinated with relevant insurance benefits provided through the federally sponsored Medicare program.

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

(d) (e) A person who desires to participate under paragraphs (a) to (e) (d) shall notify the eligible employer or former employer of intent to participate according to rules established by the commissioner. The eligible employer shall notify the commissioner, and coverage shall begin as soon as the commissioner permits.

Persons participating under these paragraphs shall make appropriate premium payments in the time and manner established by the commissioner.

Sec. 10. Minnesota Statutes 1987 Supplement, section 43A.316, is amended by adding a subdivision to read:

Subd. 10. [BIDDING REQUIREMENT EXEMPTION.] The public employee insurance plan is exempt from the requirements imposed by section 471.616, subdivision 1.

Sec. 11. Minnesota Statutes 1987 Supplement, section 43A.421, is amended to read:

43A.421 [SUPPORTED WORK PROGRAM.]

A total of 50 additional full-time positions within agencies of state government may be selected for inclusion for a supported work program for persons with severe disabilities. A full-time position may be shared by up to three persons with severe disabilities and their job coach. The job coach is not a state employee within the scope of section 43A.02, subdivision 21, or 179A.03, subdivision 14, unless the job coach holds another position within the scope of section 43A.02, subdivision 21, or 179A.03, subdivision 14.

Sec. 12. Minnesota Statutes 1987 Supplement, section 79.34, subdivision 1, is amended to read:

Subdivision 1. A nonprofit association known as the workers' compensation reinsurance association is created, which may be incorporated under chapter 317 with all the powers of a corporation formed under that chapter, except that if the provisions of that chapter are inconsistent with sections 79.34 to 79.40 or any amendments thereto, sections 79.34 to 79.40 shall govern. Each insurer as defined by section 79.01, subdivision 2, shall as a condition of its authority to transact workers' compensation insurance in this state, be a member of the reinsurance association and shall be bound by the plan of operation of the reinsurance association; provided, that all affiliated insurers within a holding company system as defined in sections 60D.01 to 60D.13 shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association. Each self-insurer approved pursuant to section 176.181 and each political subdivision which self-insures shall, as a condition of its authority to self-insure workers' compensation liability in this state, be a member of the reinsurance association and shall be bound by its plan of operation; provided, that (a) all affiliated companies within a holding company system, as determined by the commissioner in a manner consistent with the standards and definitions in sections 60D.01 to 60D.13, shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association, and (b) all group self-insurers granted authority to self-insure pursuant to section 176.181 shall be considered a single entity for purposes of the exercise of all the rights and duties of membership in the reinsurance association. As a condition of its authority to self-insure workers' compensation liability, and for losses incurred on or after January 1, 1984, the state shall be a member of the reinsurance association and is bound by its plan of operation. The commissioner of ~~labor and industry~~ employee relations represents the state in the exercise of all the rights and duties of membership in the reinsurance association. The state treasurer shall pay the premium to the reinsurance association from the state compensation revolving fund

upon warrants of the commissioner of labor and industry employee relations. For the purposes of this section "state" means the administrative branch of state government, the legislative branch, the judicial branch, the University of Minnesota, and any other entity whose workers' compensation liability is paid from the state revolving fund. The commissioner of finance may calculate, prorate, and charge a department or agency the portion of premiums paid to the reinsurance association for employees who are paid wholly or in part by federal funds, dedicated funds, or special revenue funds. The reinsurance association is not a state agency. Actions of the reinsurance association and its board of directors and actions of the commissioner of labor and industry with respect to the reinsurance association are not subject to chapters 13, 14, and 15. All property owned by the association is exempt from taxation. The reinsurance association is not obligated to make any payments or pay any assessments to any funds or pools established pursuant to this chapter or chapter 176 or any other law.

Sec. 13. Minnesota Statutes 1987 Supplement, section 176.611, subdivision 2, is amended to read:

Subd. 2. [STATE DEPARTMENTS.] Every department of the state, including the University of Minnesota, shall reimburse the fund for money paid for its claims and the costs of administering the revolving fund at such times and in such amounts as the commissioner of labor and industry employee relations shall certify has been paid out of the fund on its behalf. The heads of the departments shall anticipate these payments by including them in their budgets. In addition, the commissioner of labor and industry employee relations, with the approval of the commissioner of finance, may require an agency to make advance payments to the fund sufficient to cover the agency's estimated obligation for a period of at least 60 days. Reimbursements and other money received by the commissioner of labor and industry employee relations under this subdivision must be credited to the state compensation revolving fund.

Sec. 14. Minnesota Statutes 1987 Supplement, section 176.611, subdivision 3a, is amended to read:

Subd. 3a. [LOANS.] To maintain an ongoing balance sufficient to pay sums currently due for benefits and administrative costs, the commissioner of finance, upon request of the commissioner of labor and industry employee relations, may transfer money from the general fund to the state compensation revolving fund. Before requesting the transfer, the commissioner of labor and industry employee relations must decide there is not enough money in the fund for an immediate, necessary expenditure. The amount necessary to make the transfer is appropriated from the general fund to the commissioner of finance. The commissioner of labor and industry employee relations shall make schedules to repay the transferred

money to the general fund. The repayment may not extend beyond five years.

Sec. 15. [WASTE MANAGEMENT BOARD EMPLOYEES.]

By January 1, 1989, the commissioner of employee relations shall transfer employees of the waste management board in the unclassified service to the classified service of the state without competitive or qualifying examination and shall place them in their proper classifications. A transferred employee with less than six months of service in the employee's position at the time of the transfer shall serve a probationary period appropriate for the employee's classification under Minnesota Statutes, section 43A.16. The probation period must include the time since the employee's hire in the unclassified position from which the employee was transferred. This section does not apply to the chair of the board, the assistant to the chair, and to one confidential secretary to the board."

Delete the title and insert:

"A bill for an act relating to state government; providing for salary ranges for certain state employees; regulating emergency civil service appointments; regulating affirmative action; regulating health and other fringe benefit coverages; providing duties for the commissioner of employee relations; amending Minnesota Statutes 1986, sections 43A.19, subdivision 1; 43A.23, subdivisions 1 and 3; and 43A.27, subdivision 3; Minnesota Statutes 1987 Supplement, sections 15A.081, subdivision 1; 43A.191, subdivision 3; 43A.316, subdivisions 2, 4, 8, and by adding a subdivision; 43A.421; 79.34, subdivision 1; and 176.611, subdivisions 2 and 3a."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 2226, A bill for an act relating to state government; amending certain provisions governing advisory councils, committees, and task forces; amending Minnesota Statutes 1986, sections 3.922, subdivision 3; 3.9225, subdivision 1; 3.9226, subdivision 1; 6.65; 15.059, subdivision 5; 79.51, subdivision 4; 84B.11, subdivision 1; 85A.02, subdivision 4; 115.54; 116C.59, subdivisions 1, 2, and 4; 116C.839; 121.83; 124.48, subdivision 3; 126.56, subdivision 5; 128A.03, subdivision 3; 135A.05; 136A.02, subdivision 7; 138.97, subdivision 3; 162.02, subdivision 2; 162.09, subdivision 2; 174.031, subdivision 2; 175.008; 182.653, subdivision 4e; 214.141; 248.10, subdivision 2; 254A.035, subdivision 2; 256C.28, subdivision 2; 299F.097; 611A.34, subdivision 1; 611A.71, by adding a subdivision;

Minnesota Statutes 1987 Supplement, sections 15.059, subdivision 3 and 6; 16B.20, subdivision 2; 43A.316, subdivision 4; 115A.12, subdivision 1; 116J.971, by adding a subdivision; 120.17, subdivision 11a; 121.934, subdivision 1; 123.935, subdivision 7; 126.665; 129C.10, subdivision 3; 136A.02, subdivision 6; 144.672, subdivision 1; 175.007, subdivision 1; 245.697, subdivision 1; 245.97, subdivision 6; 246.56, subdivision 2; 256.482, subdivision 1; 256.73, subdivision 7; 256B.064, subdivision 1a; 256B.27, subdivision 3; 256B.433, subdivisions 1 and 4; 299A.23, subdivision 2; 299J.06, subdivision 4; repealing Minnesota Statutes 1986, sections 116J.04; 160.80, subdivision 6; 177.28, subdivision 2; 326.66; Minnesota Statutes 1987 Supplement, section 115A.12, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 3.922, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION; EXPENSES; EXPIRATION.] Compensation of nonlegislator members and expiration of the council shall be as provided in section 15.059. Expenses of the council shall be approved by two of any three members of the council designated by the council and shall then be paid in the same manner as other state expenses are paid. The commissioner of finance shall be informed in writing by the executive secretary of the names of the persons authorized to approve expenses.

Sec. 2. Minnesota Statutes 1986, section 3.9223, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] There is created a state council on affairs of Spanish-speaking people to consist of seven members appointed by the governor. The demographic composition of the council members shall accurately reflect the demographic composition of Minnesota's Spanish-speaking community, including migrant workers, as determined by the state demographer. Membership, terms, ~~compensation~~, removal of members and filling of vacancies shall be as provided in section 15.0575. Compensation of members is as provided in section 15.059, subdivision 3. The council shall annually elect from its membership a chair and other officers it deems necessary. The council shall expire on the date provided by section 15.059, subdivision 5.

Sec. 3. Minnesota Statutes 1986, section 3.9225, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] There is created a state council on Black Minnesotans to consist of seven members appointed by the

governor. The members of the council shall be broadly representative of the Black community of the state and shall include at least three males and at least three females. Membership terms, compensation, removal of members and filling of vacancies for nonlegislative members, and expiration of the council shall be as provided in section 15.059. In addition, two members of the house of representatives appointed by the speaker and two members of the senate appointed by the subcommittee on committees of the committee on rules and administration shall serve as ex officio, nonvoting members of the council. The council shall annually elect from its membership a chair and other officers it deems necessary.

Sec. 4. Minnesota Statutes 1986, section 3.9226, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] The state council on Asian-Pacific Minnesotans consists of 13 members. Nine members are appointed by the governor and shall be broadly representative of the Asian-Pacific community of the state. Terms, compensation, removal, and filling of vacancies for these members and expiration of the council are as provided in section 15.059. In addition, two members of the house of representatives appointed under the rules of the house of representatives and two members of the senate appointed under the rules of the senate shall serve as nonvoting members of the council. The council shall annually elect from its membership a chair and other officers it deems necessary.

Sec. 5. Minnesota Statutes 1986, section 6.65, is amended to read:

6.65 [MINIMUM PROCEDURES FOR AUDITORS, PRESCRIBED.]

The state auditor shall prescribe minimum procedures and the audit scope for auditing the books, records, accounts, and affairs of local governments in Minnesota. The minimum scope for audits of all local governments shall include financial and legal compliance audits for fiscal years ending after January 15, 1984. ~~The state auditor shall establish a task force to promulgate an audit guide for legal compliance audits. The task force shall include representatives of the state auditor, the attorney general, towns, cities, counties, school districts and private sector public accountants.~~

Sec. 6. Minnesota Statutes 1987 Supplement, section 15.059, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Members of the advisory councils and committees shall be compensated at the rate of at least \$35 per day spent on council or committee activities, when authorized by the council or committee, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted pursuant to section 43A.18, subdivision 2. The state agency that provides

funding for the advisory council or committee may authorize compensation of up to \$75 per day spent on council or committee activities. Members who, as a result of time spent attending council or committee meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon council or committee authorization. If members who are state employees or employees of political subdivisions receive the \$35 per day daily compensation, and if the major part of their activities occur during normal working hours for which they are also compensated by the state or political subdivision, the employer shall deduct the \$35 daily compensation from the employee's compensation for the day. In no other case shall a member who is an employee of the state or a political subdivision suffer a loss in compensation or benefits from the state or political subdivision as a result of service on the council or committee. Members who are full-time state employees or full-time employees of the political subdivisions of the state may receive the expenses provided for in this section unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their normal working hours.

Sec. 7. Minnesota Statutes 1986, section 15.059, subdivision 5, is amended to read:

Subd. 5. [EXPIRATION DATE.] Unless an earlier date is specified by law, the existence of each advisory council and committee governed by this section shall terminate on June 30, 1988 1993.

Sec. 8. Minnesota Statutes 1987 Supplement, section 15.059, subdivision 6, is amended to read:

Subd. 6. [ADVISORY TASK FORCES.] If the existence of an advisory task force is mandated by statute, the task force shall expire on the date specified in the enabling legislation. If no expiration date is specified, the task force shall expire two years after the effective date of the act creating the advisory task force. If the existence of a task force is authorized but not mandated by statute, the task force shall expire at the pleasure of the person or group which creates the task force, or two years after the first members of the task force are appointed, whichever is sooner. A person or group mandated or with discretionary authority to create a task force may create another task force to continue the work of a task force which expires, unless the enabling legislation specifies an expiration date or creation of another task force is prohibited by other law.

Members of advisory task forces shall not receive the \$35 per diem specified in this section but shall receive expenses in the same manner and amount as provided in the commissioner's plan under section 43A.18, subdivision 2. Members who, as a result of time

spent attending task force meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon task force authorization. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their normal working hours. Members appointed to these advisory task forces shall serve until the expiration date of the advisory task force and may be removed pursuant to subdivision 4.

Sec. 9. Minnesota Statutes 1987 Supplement, section 16B.20, subdivision 2, is amended to read:

Subd. 2. [ADVISORY COUNCIL.] A small business procurement advisory council is created. The council consists of 13 members appointed by the commissioner of administration. A chair of the advisory council shall be elected from among the members. The appointments are subject to the appointments program provided by section 15.0597. The terms and removal of members are as provided in section 15.059, but members do not receive per diem. The council expires as provided in section 15.059, subdivision 5.

Sec. 10. Minnesota Statutes 1987 Supplement, section 43A.316, subdivision 4, is amended to read:

Subd. 4. [LABOR-MANAGEMENT COMMITTEE.] There is created a labor-management committee of ten members appointed by the commissioner. The labor-management committee shall consist of five members who represent employees, including at least one retired employee, and five members who represent eligible employers. The commissioner shall consult with the labor-management committee in major decisions that affect the plan. The committee shall study issues relating to the insurance plan including, but not limited to, flexible benefits, utilization review, quality assessment, and cost efficiency. The committee expires as provided in section 15.059, subdivision 5.

Sec. 11. Minnesota Statutes 1986, section 79.51, subdivision 4, is amended to read:

Subd. 4. [ADVISORY COMMITTEE.] The commissioner shall appoint an advisory committee which shall offer recommendations regarding rulemaking under this section. The advisory committee shall include representatives of insurers, employers, and employees. The advisory committee expires as provided in section 15.059, subdivision 5.

Sec. 12. Minnesota Statutes 1986, section 84B.11, subdivision 1, is amended to read:

Subdivision 1. The governor shall appoint, except for the legislative members, a citizen's council on Voyageurs National Park, consisting of 17 members as follows:

Four residents of Koochiching county;

Four residents of St. Louis county;

Five residents of the state at large from outside Koochiching and St. Louis counties;

Two members of the state senate to be appointed by the committee on committees;

Two members of the state house of representatives to be appointed by the speaker of the house.

The governor shall designate one of the appointees to serve as chair and the committee may elect such other officers as it deems necessary. Members shall be appointed so as to represent differing viewpoints and interest groups on the facilities included in and around the park. Legislator members shall serve for the term of the legislative office to which they were elected. The terms, compensation and removal of nonlegislator members, and expiration of the council shall be as provided in section 15.059. ~~This section is repealed June 30, 1987.~~

Sec. 13. Minnesota Statutes 1986, section 85A.02, subdivision 4, is amended to read:

Subd. 4. The board may appoint an advisory committee task force consisting of persons who are members of zoological societies or who have shown a background or interest in such societies or zoo management or an ability to generate community support for the Minnesota zoological garden. The task force expires as provided in section 15.059, subdivision 6.

Sec. 14. Minnesota Statutes 1986, section 115.54, is amended to read:

115.54 [TECHNICAL ADVISORY COMMITTEE.]

The agency shall adopt and revise rules governing waste water treatment control under this chapter or chapter 116 only with the advice of a technical advisory committee of nine members. One member of the committee shall be selected by each of the following: the state consulting engineers council, the University of Minnesota division of environmental engineering, the state association of general contractors, the state wastewater treatment plant operators association, the metropolitan waste control commission created by

section 473.503, the association of metropolitan municipalities, the state association of small cities, and two members from the league of Minnesota cities. The technical advisory committee may review and advise the agency on any rule or technical requirements governing the wastewater treatment grant or loan program and may review the work of other professional persons working on a wastewater treatment project and make recommendations to those persons, the agency, and the concerned municipality, in order for the agency to ensure that water quality treatment standards will be met. The committee shall meet at least once a year, or at the call of the chair, and shall elect its chair. The agency must provide staff support for the committee, prepare committee minutes and provide information to the committee it may request. A quorum is a simple majority and official action must be by a majority vote of the quorum. The committee expires as provided in section 15.059, subdivision 5.

Sec. 15. Minnesota Statutes 1987 Supplement, section 115A.12, subdivision 1, is amended to read:

Subdivision 1. [SOLID AND HAZARDOUS WASTE MANAGEMENT.] The chair of the board shall establish a solid waste management advisory council and a hazardous waste management planning council broadly representative of the geographic areas and interests of the state. The councils shall have not less than nine nor more than 18 members each. The membership of the solid waste council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives from private solid waste management firms. The solid waste council shall contain at least one member experienced in each of the following areas: state and municipal finance; solid waste collection, processing, and disposal; and solid waste reduction and resource recovery. The membership of the hazardous waste advisory council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives of hazardous waste generators and private hazardous waste management firms. The chairs of the advisory councils shall be appointed by the chair of the board. The chair of the board shall provide administrative and staff services for the advisory councils. The advisory councils shall have such duties as are assigned by law or the chair of the board. The solid waste advisory council shall make recommendations to the board on its solid waste management activities. The hazardous waste advisory council shall make recommendations to the board on its activities under sections 115A.08, 115A.09, 115A.10, 115A.11, 115A.20, 115A.21, and 115A.24. Members of the advisory councils shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the chair of the board. The solid waste management advisory council and the hazardous waste management planning council expire as provided in section 15.059, subdivision 5.

Sec. 16. Minnesota Statutes 1986, section 116C.59, subdivision 1, is amended to read:

Subdivision 1. [ADVISORY COMMITTEE TASK FORCE.] The board shall may appoint one or more advisory committees task forces to assist it in carrying out its duties. Committees Task forces appointed to evaluate sites or routes considered for designation shall be comprised of as many persons as may be designated by the board, but at least one representative from each of the following: Regional development commissions, counties and municipal corporations and one town board member from each county in which a site or route is proposed to be located. No officer, agent or employee of a utility shall serve on an advisory committee task force. Reimbursement for expenses incurred shall be made pursuant to the rules governing state employees. The task forces expire as provided in section 15.059, subdivision 6.

Sec. 17. Minnesota Statutes 1986, section 116C.59, subdivision 2, is amended to read:

Subd. 2. [OTHER PUBLIC PARTICIPATION.] The board shall adopt broad spectrum citizen participation as a principal of operation. The form of public participation shall not be limited to public hearings and advisory committees task forces and shall be consistent with the board's rules and guidelines as provided for in section 116C.66.

Sec. 18. Minnesota Statutes 1986, section 116C.59, subdivision 4, is amended to read:

Subd. 4. [SCIENTIFIC ADVISORY COMMITTEE TASK FORCE.] The board may appoint one or more advisory committee task forces composed of technical and scientific experts to conduct research and make recommendations concerning generic issues such as health and safety, underground routes, double circuiting and long range route and site planning. Reimbursement for expenses incurred shall be made pursuant to the rules governing reimbursement of state employees. The task forces expire as provided in section 15.059, subdivision 6.

Sec. 19. Minnesota Statutes 1986, section 116C.839, is amended to read:

116C.839 [ADVISORY COMMITTEE.]

An advisory committee is created to consult with and advise the director, the governor, and the legislature on low-level radioactive waste issues. The advisory committee shall consist of three representatives chosen by the speaker of the house; three senators chosen by the senate committee on committees; the director; the commissioner of health; the commissioner of transportation; the commissioner of department of natural resources; and the chair of the environmental quality board. The committee shall elect a chair from

among its members. The committee expires as provided in section 15.059, subdivision 5.

The advisory committee may appoint a technical task force on low-level radioactive waste, including but not limited to any members of the public with special expertise in low-level radioactive waste, state agency personnel, and generators representing the medical, industrial, and commercial organizations in the state which ship wastes to regional facilities. The task force expires as provided in section 15.059, subdivision 6.

Sec. 20. Minnesota Statutes 1987 Supplement, section 116J.971, is amended by adding a subdivision to read:

Subd. 10. [EXPIRATION.] Sections 116J.970 and 116J.971 are repealed June 30, 1993.

Sec. 21. Minnesota Statutes 1987 Supplement, section 120.17, subdivision 11a, is amended to read:

Subd. 11a. [STATE INTERAGENCY COORDINATING COUNCIL.] An interagency coordinating council of 15 members is established. The members and the chair shall be appointed by the governor. The council shall be composed of at least three parents of handicapped children under age seven, a representative of each of the commissioners of education, health, and human services, three representatives of public or private providers of services for handicapped children under age five, one member of the senate, one member of the house of representatives, one representative of teacher preparation programs in early childhood-special education, at least one representative of advocacy organizations for handicapped children, and other members knowledgeable about handicapped children under age five. Section 15.059 applies, subdivisions 2 to 5 apply to the council, except that the council is permanent and does not expire. The council shall meet at least quarterly.

The council shall address methods of implementing the state policy of developing and implementing comprehensive, coordinated, multidisciplinary interagency programs of early intervention services for handicapped children and their families.

The duties of the council include recommending policies to ensure a comprehensive and coordinated system of all state and local agency services for handicapped children under age five and their families. The policies must address how to incorporate each agency's services into a unified state and local system of multidisciplinary assessment practices, individual intervention plans, comprehensive systems to find children in need of services, methods to improve public awareness, and assistance in determining the role of interagency early intervention committees.

It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appropriate services must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. Appropriate services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, case management, medical services for diagnostic and evaluation purposes, early identification, and screening, assessment, and health services necessary to enable handicapped children to benefit from early intervention services. School districts must be the primary agency in this cooperative effort.

Each year by January 15 the council shall submit its recommendations to the education committees of the legislature, the governor, and the commissioners of education, health, and human services.

Sec. 22. Minnesota Statutes 1986, section 121.83, is amended to read:

121.83 [MINNESOTA EDUCATION COUNCIL.]

There is hereby established the Minnesota education council composed of the members of the education commission of the states representing this state, and two other persons from each congressional district of which one shall be a legislator. Four representatives shall be appointed by the speaker of the house and four senators shall be appointed by the committee on committees. Legislative members shall serve terms coinciding with their respective terms of office. The commissioner of education shall appoint one member from each congressional district, for terms coinciding with the term of the commissioner, who broadly represent professional and lay interests within this state having the responsibilities for, knowledge with respect to, and interest in educational matters. The commissioner shall designate a chair from among the council members. The council shall meet on the call of the commissioner, but in any event the council shall meet not less than twice in each year. The council may consider any and all matters relating to recommendations of the education commission of the states and the activities of the members representing this state thereon, shall serve as a forum for major education policies, and shall serve to exchange information about important education activities of interest to all parties. Members of the council shall serve without salary, but shall be reimbursed for actual expenses incurred in attendance at meetings of the council. The council expires as provided in section 15.059, subdivision 5.

Sec. 23. Minnesota Statutes 1986, section 121.901, subdivision 2, is amended to read:

Subd. 2. ~~The council shall expire, and the terms and removal of members of the council shall be as provided in section 15.059. The state board shall determine the length of terms of the initial members consistent with section 15.059. Section 15.059, subdivision 5, does not apply.~~

Sec. 24. Minnesota Statutes 1987 Supplement, section 121.934, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] An advisory council to the state board appointed by the governor is established. Section 15.059, subdivisions 2, and 4, ~~and 5~~, shall govern membership terms, removal of members, and filling of membership vacancies. Section 15.059, subdivision 5, does not apply.

Sec. 25. Minnesota Statutes 1987 Supplement, section 123.935, subdivision 7, is amended to read:

Subd. 7. [NONPUBLIC EDUCATION COUNCIL.] The commissioner shall appoint a 15-member council on nonpublic education. The 15 members shall represent various areas of the state, represent various methods of providing nonpublic education, and shall be knowledgeable about nonpublic education. The compensation, removal of members, filling of vacancies, and terms are governed by section 15.0575. The council expires as provided in section 15.059, subdivision 5. The council shall advise the commissioner and the state board on nonpublic school matters under this section. The council may recognize educational accrediting agencies, for the sole purpose of sections 120.101, 120.102, and 120.103. When requested by the commissioner or the state board, the council may submit its advice about other nonpublic school matters.

Sec. 26. Minnesota Statutes 1986, section 124.48, subdivision 3, is amended to read:

Subd. 3. [INDIAN SCHOLARSHIP COMMITTEE.] The Minnesota Indian scholarship committee is established. Members shall be appointed by the state board with the assistance of the Indian affairs council as provided in section 3.922, subdivision 6. Members shall be reimbursed for expenses as provided in section 15.059, subdivision 6. The state board shall determine the membership terms and duration of the committee, which expires no later than the date provided in section 15.059, subdivision 5. The committee shall provide advice to the state board in awarding scholarships to eligible American Indian students and in administering the state board's duties regarding awarding of American Indian post-secondary preparation grants to school districts.

Sec. 27. Minnesota Statutes 1986, section 126.56, subdivision 5, is amended to read:

Subd. 5. [ADVISORY COMMITTEE.] An advisory committee shall assist the state board of education in approving eligible programs and shall assist the higher education coordinating board in planning, implementing, and evaluating the scholarship program. The committee shall consist of 11 members, to include the executive director of the higher education coordinating board or a representative, the commissioner of education or a representative, two secondary school administrators and two secondary teachers appointed by the commissioner of education, the executive director of the academic excellence foundation, a private college representative appointed by the president of the Minnesota private college council, a community college representative appointed by the community college chancellor, a state university representative appointed by the state university chancellor, and a University of Minnesota representative appointed by the president of the University of Minnesota. The committee expires as provided in section 15.059, subdivision 5.

Sec. 28. Minnesota Statutes 1987 Supplement, section 126.665, is amended to read:

126.665 [STATE CURRICULUM ADVISORY COMMITTEE.]

The commissioner shall appoint a state curriculum advisory committee of 11 members to advise the state board and the department on the PER process. Nine members shall be from each of the educational cooperative service units and two members shall be at-large. The committee shall include representatives from the state board of education, parents, teachers, administrators, and school board members. Each member shall be a present or past member of a district curriculum advisory committee. The state committee shall provide information and recommendations about at least the following:

- (1) department procedures for reviewing and approving reports and disseminating information;
- (2) exemplary PER processes;
- (3) recommendations for improving the PER process and reports; and
- (4) developing a continuous process for identifying and attaining essential learner outcomes.

By February 1 of each year, the commissioner, in cooperation with the state curriculum advisory committee, shall prepare a report for the education committees of the legislature. The report shall include the recommendations of the state curriculum advisory committee. The committee expires as provided in section 15.059, subdivision 5.

Sec. 29. Minnesota Statutes 1986, section 128A.03, subdivision 3, is amended to read:

Subd. 3. The terms, compensation and removal of council members, and expiration of the council shall be as provided in section 15.059, subdivisions 2, 3, and 4, and 5. ~~The council shall not expire.~~

Sec. 30. Minnesota Statutes 1987 Supplement, section 129C.10, subdivision 3, is amended to read:

Subd. 3. [POWERS AND DUTIES OF BOARD.] (a) The board has the powers necessary for the care, management, and control of the Minnesota school and resource center for the arts and all its real and personal property. The powers shall include, but are not limited to, those listed in this subdivision.

(b) The board may employ and discharge necessary employees, and contract for other services to ensure the efficient operation of the school and resource center.

(c) The board may establish a charitable foundation and accept, in trust or otherwise, any gift, grant, bequest, or devise for educational purposes and hold, manage, invest, and dispose of them and the proceeds and income of them according to the terms and conditions of the gift, grant, bequest, or devise and its acceptance.

(d) The board may establish or coordinate evening, continuing education, extension, and summer programs through the resource center for teachers and pupils.

(e) The board may identify pupils in grades 9 to 12 who have artistic talent, either demonstrated or potential, in dance, literary arts, media arts, music, theater, and visual arts, or in more than one art form.

(f) The board shall educate pupils with artistic talent by providing:

(1) a pilot interdisciplinary academic and arts program for pupils in the 11th and 12th grades, beginning with 135 pupils in the 11th grade in September 1989, and 135 pupils in the 11th grade and 135 pupils in the 12th grade in September 1990;

(2) intensive arts seminars for one or two weeks for ninth and tenth grade pupils;

(3) summer arts institutes for pupils in grades nine to 12;

(4) artist mentor and extension programs in regional sites; and

(5) teacher education programs for indirect curriculum delivery.

(g) The board may determine the location for the Minnesota school and resource center for the arts and any additional facilities related to the school, including the authority to lease a temporary facility.

(h) The board must plan for the enrollment of pupils on an equal basis from each congressional district.

(i) The board may establish ~~advisory committees task forces~~ as needed to advise the board on policies and issues. The task forces expire as provided in section 15.059, subdivision 6.

(j) The board may request the commissioner of education for assistance and services.

(k) The board may enter into contracts with other public and private agencies and institutions for residential and building maintenance services if it determines that these services could be provided more efficiently and less expensively by a contractor than by the board itself. The board may also enter into contracts with public or private agencies and institutions, school districts or combinations of school districts, or educational cooperative service units to provide supplemental educational instruction and services.

(l) The board may provide or contract for services and programs by and for the arts high school, including a school store, operating in connection with the school; theatrical events; and other programs and services that, in the determination of the board, serve the purposes of the arts high school.

(m) The board may provide for transportation of pupils to and from the school and resource center for the arts for all or part of the school year, as the board considers advisable and subject to its rules. Notwithstanding any other law to the contrary, the board may charge a reasonable fee for transportation of pupils. Every driver providing transportation of pupils under this paragraph must possess all qualifications required by the state board of education. The board may contract for furnishing authorized transportation under rules established by the commissioner of education and may purchase and furnish gasoline to a contract carrier for use in the performance of a contract with the board for transportation of pupils to and from the school and resource center for the arts. When transportation is provided, scheduling of routes, establishment of the location of bus stops, the manner and method of transportation, the control and discipline of pupils, and any other related matter is within the sole discretion, control, and management of the board.

(n) The board may provide room and board for its pupils.

(o) The board may establish and set fees for services and programs without regard to chapter 14. If the board sets fees not authorized or

prohibited by the Minnesota public school fee law, it may do so without complying with the requirements of section 120.75, subdivision 1.

Sec. 31. Minnesota Statutes 1986, section 135A.05, is amended to read:

135A.05 [TASK FORCE.]

The executive director of the Minnesota higher education coordinating board shall administer a task force on average cost funding. The task force shall include representation from each of the public systems of post-secondary education, post-secondary students, the education division of the house appropriations committee, the education subcommittee of the senate finance committee, the office of the commissioner of finance, the office of state auditor, and the uniform financial accounting and reporting advisory council. The task force shall be convened and chaired by the executive director or a designee and staffed by the higher education coordinating board. The task force shall review and make recommendations on the definition of instructional cost in all four systems, the method of calculating average cost for funding purposes, the method used to assign programs to the proper level of cost at each level of instruction, the adequacy of the accounting data for defining instructional cost in a uniform manner, and the biennial budget format to be used by the four systems in submitting their biennial budget requests. The task force shall submit a report on these matters to the legislature by December 1 of each odd-numbered year. The task force expires as provided in section 15.059, subdivision 6.

Sec. 32. Minnesota Statutes 1987 Supplement, section 136A.02, subdivision 6, is amended to read:

Subd. 6. A higher education advisory council is established. The council is composed of the president of the University of Minnesota, the chancellor of the state universities, the chancellor of the community colleges, the state director of vocational technical education, the commissioner of education, the president of the private college council, and a representative from the Minnesota association of private post-secondary schools. The advisory council shall (1) bring to the attention of the board any matters that the council deems necessary, (2) make appropriate recommendations, (3) review and comment upon proposals and other matters before the board, and (4) provide other assistance to the board. The board shall periodically inform the council of matters under consideration by the board. The board shall refer all proposals to the council before submitting recommendations to the governor and the legislature. The board shall provide time for a report from the advisory council at each meeting of the board.

The council shall report to the board at least quarterly. The

council shall determine its meeting times, but it shall also meet within 30 days after a request by the executive director of the board. The council expires as provided in section 15.059, subdivision 5.

Sec. 33. Minnesota Statutes 1986, section 136A.02, subdivision 7, is amended to read:

Subd. 7. [STUDENT ADVISORY COUNCIL.] A student advisory council to the board is established. The members of the council shall include the chair of the University of Minnesota university student senate, the state chair of the Minnesota state university student association, the president of the Minnesota community college student association, the president of the Minnesota vocational technical student association, the president of the Minnesota association of private college students, and a student who is enrolled in a private vocational school registered under this chapter, to be appointed by the Minnesota association of private post-secondary schools. A member may be represented by a designee.

The advisory council shall:

(1) bring to the attention of the board any matter that the council believes needs the attention of the board,

(2) make recommendations to the board as the council deems appropriate,

(3) review and comment upon proposals and other matters before the board,

(4) provide any reasonable assistance to the board, and

(5) select one of its members to serve as chair and as a nonvoting member of the board. The board shall inform the council of all matters under consideration by the board and shall refer all proposals to the council before the board acts or sends the proposals to the governor or the legislature. The board shall provide time for a report from the advisory council at each meeting of the board.

The student advisory council shall report to the board quarterly and at other times that the council considers desirable. The council shall determine its meeting time, but the council shall also meet with the executive director of the board within 30 days after the director's request for a council meeting. The student advisory council shall meet quarterly with the higher education advisory council and the board executive committee. The council expires as provided in section 15.059, subdivision 5.

Sec. 34. Minnesota Statutes 1986, section 138.97, subdivision 3, is amended to read:

Subd. 3. [GOVERNANCE.] The center shall be developed during its planning phase under the guidance of a labor interpretative task force whose chair is appointed by the governor. The chair shall select the members of the task force. The task force shall complete its work within 18 months of August 1, 1986. The task force shall dissolve after the 18 months or when its work is completed, whichever is sooner. An advisory council shall be appointed by the director of the Minnesota historical society after the dissolution of the task force to assist the director with the operation of the center. The council expires as provided in section 15.059, subdivision 5.

Sec. 35. Minnesota Statutes 1987 Supplement, section 144.672, subdivision 1, is amended to read:

Subdivision 1. [RULE AUTHORITY.] The commissioner of health shall collect cancer incidence information, analyze the information, and conduct special studies designed to determine the potential public health significance of an increase in cancer incidence.

The commissioner shall adopt rules to administer the system, collect information, and distribute data. The rules must include, but not be limited to, the following:

- (1) the type of data to be reported;
- (2) standards for reporting specific types of data;
- (3) payments allowed to hospitals, pathologists, and registry systems to defray their costs in providing information to the system;
- (4) criteria relating to contracts made with outside entities to conduct studies using data collected by the system. The criteria may include requirements for a written protocol outlining the purpose and public benefit of the study, the description, methods, and projected results of the study, peer review by other scientists, the methods and facilities to protect the privacy of the data, and the qualifications of the researcher proposing to undertake the study;
- (5) specification of fees to be charged under section 13.03, subdivision 3, for all out-of-pocket expenses for data summaries or specific analyses of data requested by public and private agencies, organizations, and individuals, and which are not otherwise included in the commissioner's annual summary reports. Fees collected are appropriated to the commissioner to offset the cost of providing the data; and
- (6) establishment of a committee to assist the commissioner in the review of system activities. The committee expires as provided in section 15.059, subdivision 5.

Sec. 36. Minnesota Statutes 1986, section 162.02, subdivision 2, is amended to read:

Subd. 2. [RULES.] The rules shall be made and promulgated by the commissioner acting with the advice of a committee which shall be selected by the several county boards acting through the officers of the statewide association of county commissioners. The committee shall be composed of nine members so selected that each member shall be from a different state highway construction district. Not more than five of the nine members of the committee shall be county commissioners. The remaining members shall be county highway engineers. The committee expires as provided in section 15.059, subdivision 5. In the event that agreement cannot be reached on any rule the commissioner's determination shall be final. The rules shall be printed and copies thereof shall be forwarded to the county auditors and the county engineers of the several counties.

Sec. 37. Minnesota Statutes 1986, section 162.09, subdivision 2, is amended to read:

Subd. 2. [RULES.] The rules shall be made and promulgated by the commissioner acting with the advice of a committee which shall be selected by the governing bodies of such cities, acting through the officers of the statewide association of municipal officials. The committee shall be composed of 12 members, so selected that there shall be one member from each state highway construction district and in addition one member from each city of the first class. Not more than six members of the committee shall be elected officials of the cities. The remaining members of the committee shall be city engineers. The committee expires as provided in section 15.059, subdivision 5. In the event that agreement cannot be reached on any rule the commissioner's determination shall be final. The rules shall be printed and copies thereof shall be forwarded to the clerks and engineers of the cities.

Sec. 38. Minnesota Statutes 1986, section 174.031, subdivision 2, is amended to read:

Subd. 2. [STUDY GUIDELINES.] (a) The commissioner shall establish guidelines for the studies. The guidelines must require that recommended jurisdictional changes in each study be based on functional classification as modified by other factors, which must include: level and type of commodities moved, service to economic centers, load-bearing capacity, service to state and local institutions, tourism function, constitutional status, and other factors the commissioner deems necessary. The guidelines must provide criteria for estimating the changes in financial obligations that will accompany each transfer of mileage under the jurisdiction proposals produced by the studies. The guidelines must include requirements for extensive consultation by the entities performing the studies with officials of affected counties, cities, and towns and requirements for public

hearings on the completed jurisdiction proposals resulting from the studies. The guidelines are not subject to the administrative procedure act and must be completed by July 30, 1985.

(b) To assist in formulating the guidelines, the commissioner shall appoint an advisory committee, to serve without compensation and to represent county, city, and town governments. The committee expires as provided in section 15.059, subdivision 5.

Sec. 39. Minnesota Statutes 1987 Supplement, section 175.007, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall appoint an advisory council on workers' compensation, which consists of five representatives of employers and five representatives of employees; five nonvoting members representing the general public; two persons who have received or are currently receiving workers' compensation benefits under chapter 176 and the chairs of the rehabilitation review panel and the medical services review board. The council may consult with any party it desires. The terms and removal of members shall be as provided in section 15.059. The council is not subject to expires as provided in section 15.059, subdivision 5.

Sec. 40. Minnesota Statutes 1986, section 175.008, is amended to read:

175.008 [CODE ENFORCEMENT ADVISORY COUNCIL; CREATION.]

The commissioner shall appoint an 11 member advisory council on code enforcement. The terms, compensation, and removal of council members is, and expiration of the council are governed by section 15.059. The council shall not expire as provided by section 15.059. The council shall advise the commissioner on matters within the council's expertise or under the regulation of the commissioner.

Sec. 41. Minnesota Statutes 1986, section 182.653, subdivision 4e, is amended to read:

Subd. 4e. Each employer who is engaged in a farming operation and employs more than ten employees or who is engaged in a farming operation and maintains a temporary labor camp and employs any of its residents, shall comply with a training program, developed by the commissioner, concerning the hazardous substances and harmful physical agents to which the employees are routinely exposed. The commissioner shall develop this training program in consultation with experts in agricultural work environment hazards and an advisory task force appointed by the commissioner, consisting of three representatives of agricultural employers and three representatives of agricultural employees. The program

shall be designed to fulfill the same purposes as training under subdivisions 4b and 4c, but take into account factors unique to farming operations. These factors shall include but not be limited to the fact that many agricultural employees' primary language is Spanish and the fact that many chemicals used by agricultural employers are labeled under the Federal Insecticide, Fungicide, and Rodenticide Act. The commissioner shall complete implementation of this program by March 1, 1986.

Sec. 42. Minnesota Statutes 1986, section 214.141, is amended to read:

214.141 [ADVISORY COUNCIL; MEMBERSHIP.]

There is established a human services occupations advisory council to assist the commissioner of health in formulating policies and rules pursuant to section 214.13. The commissioner shall determine the council's duties and shall establish procedures for its proper functioning, including, but not limited to, methods for selecting temporary members and methods of communicating recommendations and advice to the commissioner for consideration. The council shall consist of no more than 15 members. Thirteen members shall be appointed by the commissioner, one of whom the commissioner shall designate as chair. The members shall be selected as follows: four members shall represent currently licensed or registered human services occupations; two members shall represent human services occupations which are not currently registered; two members shall represent licensed health care facilities, which can include a health maintenance organization as defined in section 62D.02; one member shall represent the higher education coordinating board; one member shall represent the state planning agency; one member shall represent a third party payor to health care costs; and two members shall be public members as defined by section 214.02.

In cases in which the council has been charged by the commissioner to evaluate an application submitted under the provisions of section 214.13, the commissioner may appoint to the council as temporary voting members, for the purpose of evaluating that application alone, one or two representatives from among the appropriate licensed or registered human services occupations or from among the state agencies that have been identified under section 214.13, subdivision 2. In determining whether a temporary voting member or members should be appointed and which human services occupations or state agencies should be represented by temporary voting members, the commissioner shall attempt to systematically involve those who would be most directly affected by a decision to credential a particular applicant group and who are not already represented on the council. The terms of temporary voting members shall not exceed 12 months. The terms of the other council members, and the compensation and removal of all members, and the expiration of the council shall be as provided in section 15.059.

Sec. 43. Minnesota Statutes 1987 Supplement, section 245.697, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] A state advisory council on mental health is created. The council must have 25 members appointed by the governor in accordance with federal requirements. The council must be composed of:

(1) the assistant commissioner of mental health for the department of human services;

(2) a representative of the department of human services responsible for the medical assistance program;

(3) one member of each of the four core mental health professional disciplines (psychiatry, psychology, social work, nursing);

(4) one representative from each of the following advocacy groups: mental health association of Minnesota, Minnesota alliance for the mentally ill, and Minnesota mental health law project;

(5) providers of mental health services;

(6) consumers of mental health services;

(7) family members of persons with mental illnesses;

(8) legislators;

(9) social service agency directors;

(10) county commissioners; and

(11) other members reflecting a broad range of community interests, as the United States secretary of health and human services may prescribe by regulation or as may be selected by the governor.

Terms, compensation, and removal of members and filling of vacancies are governed by section 15.059, except that members shall not receive a per diem. The council ~~does not expire~~ expires as provided in section 15.059.

Sec. 44. Minnesota Statutes 1987 Supplement, section 245.97, subdivision 6, is amended to read:

Subd. 6. [TERMS, COMPENSATION, AND REMOVAL AND EXPIRATION.] The membership terms, compensation, and removal of members of the committee and the filling of membership vacancies are governed by section 15.0575. The ombudsman committee

and the medical review subcommittee expire as provided in section 15.059, subdivision 5.

Sec. 45. Minnesota Statutes 1987 Supplement, section 246.56, subdivision 2, is amended to read:

Subd. 2. [POWERS OF COMMISSIONER.] The work activity programs authorized herein shall be planned and designed exclusively to provide therapeutic activities for handicapped workers whose physical or mental impairment is so severe as to make productive capacity inconsequential. Notwithstanding section 177.24, the activities within this program shall conform to the rules and regulations relating to work activity centers promulgated by the United States Department of Labor. To accomplish the foregoing purpose the commissioner of human services shall have the power and authority to:

(a) use the diversified labor fund established by Laws 1945, chapter 575, section 19, to purchase equipment and remodel facilities of the state hospitals referred to in subdivision 1 to initiate the work activity program,

(b) formulate a system of records and accounts which shall at all times indicate the extent of purchases, sales, wages, and bidding practices and which shall be open to public inspection.

The commissioner of human services shall, subject to the approval of the commissioner of education, have the power and authority to:

(a) create a work activity center revolving fund for the purpose of receiving and expending money in the operation of the said programs,

(b) contract with public and private industries for the manufacture, repair, or assembling of work according to standard bidding practices,

(c) use the revenue from the operation of said programs to pay wages to patients or residents according to their productivity, purchase equipment and supplies and pay other expenses necessary to the operation of the said programs,

(d) establish an advisory ~~committee~~ task force consisting of representatives from the departments of health, jobs and training, and human services, labor and business groups, interested community agencies, including but not limited to the Minnesota association of rehabilitation facilities, the Minnesota association for retarded children, and the Minnesota association for mental health, and the general public. This ~~committee~~ task force will act in an advisory capacity with respect to the scope of work activity pro-

grams, the nature of the goods to be produced and services to be performed in such programs. The task force expires as provided in section 15.059, subdivision 5.

(e) utilize all available vocational rehabilitation services and encourage the integration of the work activity program into existing vocational rehabilitation and community based programs, so that the work activity program will neither duplicate nor unfairly compete with existing public or private community programs.

Sec. 46. Minnesota Statutes 1986, section 248.10, subdivision 2, is amended to read:

Subd. 2. [REMOVAL; VACANCIES; EXPIRATION.] The compensation, removal of members, and filling of vacancies on the council are as provided in section 15.0575. The council expires as provided in section 15.059, subdivision 5.

Sec. 47. Minnesota Statutes 1986, section 254A.035, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP TERMS, COMPENSATION, REMOVAL AND EXPIRATION.] The membership of this council shall be composed of 17 persons who are American Indians and who are appointed by the commissioner. The commissioner shall appoint one representative from each of the following groups: Red Lake Band of Chippewa Indians; Fond du Lac Band, Minnesota Chippewa Tribe; Grand Portage Band, Minnesota Chippewa Tribe; Leech Lake Band, Minnesota Chippewa Tribe; Mille Lacs Band, Minnesota Chippewa Tribe; Bois Forte Band, Minnesota Chippewa Tribe; White Earth Band, Minnesota Chippewa Tribe; Lower Sioux Indian Reservation; Prairie Island Sioux Indian Reservation; Shakopee Mdewakanton Sioux Indian Reservation; Upper Sioux Indian Reservation; International Falls Northern Range; Duluth Urban Indian Community; and two representatives from the Minneapolis Urban Indian Community and two from the St. Paul Urban Indian Community. The terms, compensation, and removal of American Indian advisory council members and expiration of the council shall be as provided in section 15.059.

Sec. 48. Minnesota Statutes 1987 Supplement, section 256.482, subdivision 1, is amended to read:

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

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

Notwithstanding the provisions of section 15.059, each member of the council appointed by the governor shall serve a three-year term and until a successor is appointed and qualified. The compensation and removal of all members shall be as provided in section 15.059. The governor shall appoint a chair of the council from among the members appointed from the general public or who are persons with a disability or their parents or guardians. Vacancies shall be filled by the appointing authority for the remainder of the unexpired term. The council ~~shall not expire~~ expires as provided in section 15.059.

Sec. 49. Minnesota Statutes 1987 Supplement, section 256.73, subdivision 7, is amended to read:

Subd. 7. [VERIFICATION PROCEDURES.] The commissioner shall form an advisory committee of local agency representatives, state officials, and recipients to recommend and implement ways to reduce verification procedures at the local level. The goal of this effort is to treat clients with dignity and expect client honesty. Verification procedures should be reduced to a minimum at the time of application and increased only as needed. The committee expires as provided in section 15.059, subdivision 5.

Sec. 50. Minnesota Statutes 1987 Supplement, section 256B.064, subdivision 1a, is amended to read:

Subd. 1a. [GROUNDS FOR MONETARY RECOVERY AND SANCTIONS AGAINST VENDORS.] The commissioner may seek monetary recovery and impose sanctions against vendors of medical care for any of the following: fraud, theft, or abuse in connection with the provision of medical care to recipients of public assistance; a pattern of presentment of false or duplicate claims or claims for services not medically necessary; a pattern of making false statements of material facts for the purpose of obtaining greater compensation than that to which the vendor is legally entitled; suspension or termination as a Medicare vendor; and refusal to grant the state agency access during regular business hours to examine all records necessary to disclose the extent of services provided to program recipients. The determination of services not medically necessary ~~shall may~~ be made by the commissioner in consultation with a peer advisory committee task force appointed by the commissioner on the recommendation of appropriate professional organizations. The task force expires as provided in section 15.059, subdivision 5.

Sec. 51. Minnesota Statutes 1987 Supplement, section 256B.27, subdivision 3, is amended to read:

Subd. 3. The commissioner of human services, with the written consent of the recipient, on file with the local welfare agency, shall be allowed access to all personal medical records of medical assistance recipients solely for the purposes of investigating whether or not: (a) a vendor of medical care has submitted a claim for reimbursement, a cost report or a rate application which is duplicative, erroneous, or false in whole or in part, or which results in the vendor obtaining greater compensation than the vendor is legally entitled to; or (b) the medical care was medically necessary. The vendor of medical care shall receive notification from the commissioner at least 24 hours before the commissioner gains access to such records. The determination of provision of services not medically necessary shall be made by the commissioner ~~in consultation~~. The commissioner may consult with an advisory committee task force of vendors as appointed by the commissioner may appoint, on the recommendation of appropriate professional organizations. The task force expires as provided in section 15.059, subdivision 6. 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 of human services pursuant to this section.

Sec. 52. Minnesota Statutes 1987 Supplement, section 256B.433, subdivision 1, is amended to read:

Subdivision 1. [SETTING PAYMENT; MONITORING USE OF THERAPY SERVICES.] The commissioner shall promulgate rules pursuant to the administrative procedure act to set the amount and method of payment for ancillary materials and services provided to recipients residing in nursing homes. Payment for materials and services may be made to either the nursing home in the operating cost per diem, to the vendor of ancillary services pursuant to Minnesota Rules, parts 9500.0750 to 9500.1080 or to a nursing home pursuant to Minnesota Rules, parts 9500.0750 to 9500.1080. Payment for the same or similar service to a recipient shall not be made to both the nursing home and the vendor. The commissioner shall ensure the avoidance of double payments through audits and adjustments to the nursing home's annual cost report as required by section 256B.47, and that charges and arrangements for ancillary materials and services are cost effective and as would be incurred by a prudent and cost-conscious buyer. Therapy services provided to a recipient must be medically necessary and appropriate to the medical condition of the recipient. If the vendor, nursing home, or ordering physician cannot provide adequate medical necessity justification, as determined by the commissioner, in consultation with an advisory ~~committee~~ task force that meets the requirements of section 256B.064, subdivision 1a, the commissioner may recover or disallow the payment for the services and may require prior autho-

rization for therapy services as a condition of payment or may impose administrative sanctions to limit the vendor, nursing home, or ordering physician's participation in the medical assistance program.

Sec. 53. Minnesota Statutes 1987 Supplement, section 256B.433, subdivision 4, is amended to read:

Subd. 4. [ADVISORY COMMITTEE.] The commissioner shall convene an advisory ~~committee~~ task force consisting of nursing home consumers, therapists from each discipline, and representatives of the nursing home industry. The commissioner, in consultation with the advisory committee, shall study alternative methods of payment for therapy services provided to nursing home residents and report to the legislature by February 1, 1989. The task force expires as provided in section 15.059, subdivision 6.

Sec. 54. Minnesota Statutes 1986, section 256C.28, subdivision 2, is amended to read:

Subd. 2. [REMOVAL; VACANCIES; EXPIRATION.] The compensation, removal of members, and filling of vacancies on the council are as provided in section 15.0575. The council expires as provided in section 15.059, subdivision 5.

Sec. 55. Minnesota Statutes 1987 Supplement, section 299A.23, subdivision 2, is amended to read:

Subd. 2. [ADVISORY COUNCIL.] An advisory council of 15 members is established under section 15.059. The commissioners of human services, health, education, and corrections shall each appoint one member. The subcommittee on committees of the senate and the speaker of the house of representatives shall each appoint two members of their respective bodies, one from each caucus. The governor shall appoint an additional seven members who shall demonstrate knowledge in the area of child abuse and shall represent the demographic and geographic composition of the state, and to the extent possible, represent the following groups: local government, parents, racial and ethnic minority communities, the religious community, professional providers of child abuse prevention and treatment services, and volunteers in child abuse prevention and treatment services. The council shall advise and assist the commissioner in carrying out sections 299A.20 to 299A.26. The council ~~does not expire~~ expires as provided by section 15.059, subdivision 5.

Sec. 56. Minnesota Statutes 1986, section 299F.097, is amended to read:

299F.097 [HAZARDOUS SUBSTANCE NOTIFICATION ADVISORY COMMITTEE.]

The hazardous substance notification advisory committee is created. The committee shall consist of 11 members to be appointed by the commissioner of public safety to advise on the development of rules to implement and enforce sections 299F.091 to 299F.099 and to assist in the development of amendments to the hazardous substance notification report. The advisory committee shall consist of representation from fire chiefs; professional firefighters; volunteer firefighters; fire marshals; law enforcement personnel; emergency medical personnel; an independent health professional with training in toxicology; and four representatives from business and industry, at least one of whom shall represent small business. The committee must be appointed, serve, expire, and be compensated in the manner provided in section 15.059, and shall serve at the pleasure of the commissioner.

Sec. 57. Minnesota Statutes 1987 Supplement, section 299J.06, subdivision 4, is amended to read:

Subd. 4. [TERMS; COMPENSATION; REMOVAL.] The terms, compensation, and removal of members are governed by section 15.0575. The council expires as provided in section 15.059, subdivision 5.

Sec. 58. Minnesota Statutes 1986, section 611A.34, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] Within 60 days after the effective date of sections 611A.31 to 611A.36, the commissioner shall appoint a nine member advisory council to advise the commissioner on the implementation of sections 611A.31 to 611A.36. The provisions of section 15.059 shall govern the terms and, removal of members, and expiration of the advisory council. Notwithstanding section 15.059, the council shall not expire. Council members shall not receive per diem, but shall receive expenses in the same manner and amount as state employees.

Sec. 59. Minnesota Statutes 1986, section 611A.71, is amended by adding a subdivision to read:

Subd. 7. [EXPIRATION.] The council expires as provided in section 15.059, subdivision 5.

Sec. 60. [TASK FORCE ON GENETICALLY ENGINEERED ORGANISMS.]

Subdivision 1. [TASK FORCE MEMBERSHIP.] A task force on

genetically engineered organisms is created, to be appointed by the environmental quality board and with membership consisting of:

(1) two representatives of the scientific community who have expertise in the techniques and applications of genetic engineering and one representative of the biotechnological industry;

(2) a representative of the department of health whose work involves expertise in environmental health issues;

(3) a representative of the department of agriculture whose work involves expertise in animal health or pesticide issues;

(4) a representative of the pollution control agency;

(5) a representative of the department of natural resources;

(6) a representative of the department of trade and economic development;

(7) a member of the environmental quality board;

(8) a person who has a background in environmental protection;

(9) a representative of a farming organization who has a background in agriculture;

(10) a representative of a food organization who has a background in nutrition;

(11) a person with demonstrated expertise in microbiology;

(12) a person with demonstrated expertise in epidemiology; and

(13) a person with demonstrated expertise in biological sciences.

The members shall serve without compensation.

Subd. 2. [CHAIR.] The environmental quality board shall appoint the chair of the task force, who is responsible for convening meetings of the task force.

Subd. 3. [STAFF.] The board must provide administrative and staff assistance to the task force upon request.

Sec. 61. [POWERS AND DUTIES.]

Subdivision 1. [STUDY ISSUES.] The task force shall study:

(1) existing United States; international, including Canada, Germany, and Japan; other state and Minnesota laws and regulations governing the release of genetically engineered organisms to determine their adequacy in governing the release of genetically engineered organisms;

(2) whether additional state laws or local government regulations are necessary to govern the release of genetically engineered organisms; and

(3) any additional issues surrounding the release of genetically engineered organisms that the task force believes are necessary to address.

Subd. 2. [REPORT.] The task force shall issue a report with recommendations, including any recommendations for legislation, to the governor and the legislature by January 1, 1989. Copies of the report must be available to the general public.

Sec. 62. [REPEALER.]

Minnesota Statutes 1986, sections 116J.04; 160.80, subdivision 6; 177.28, subdivision 2; and 326.66 are repealed. Minnesota Statutes 1987 Supplement, section 115A.12, subdivision 2, is repealed. Sections 60 and 61 are repealed July 1, 1989.

Sec. 63. [EFFECTIVE DATE.]

Sections 1 to 59 and 62 are effective June 30, 1988. Sections 60 and 61 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state government; amending certain provisions governing advisory councils, committees, and task forces; creating a task force to study certain issues relating to genetic engineering; amending Minnesota Statutes 1986, sections 3.922, subdivision 3; 3.9223, subdivision 1; 3.9225, subdivision 1; 3.9226, subdivision 1; 6.65; 15.059, subdivision 5; 79.51, subdivision 4; 84B.11, subdivision 1; 85A.02, subdivision 4; 115.54; 116C.59, subdivisions 1, 2, and 4; 116C.839; 121.83; 121.901, subdivision 2; 124.48, subdivision 3; 126.56, subdivision 5; 128A.03, subdivision 3; 135A.05; 136A.02, subdivision 7; 138.97, subdivision 3; 162.02, subdivision 2; 162.09, subdivision 2; 174.031, subdivision 2; 175.008; 182.653, subdivision 4e; 214.141; 248.10, subdivision 2; 254A.035, subdivision 2; 256C.28, subdivision 2; 299F.097; 611A.34, subdivision 1; 611A.71, by adding a subdivision; Minnesota Statutes 1987 Supplement, sections 15.059, subdivisions 3 and 6; 16B.20, subdivision 2; 43A.316, subdivision 4; 115A.12, subdivision 1; 116J.971, by adding a subdivision; 120.17, subdivision 11a; 121.934, subdivision

1; 123.935, subdivision 7; 126.665; 129C.10, subdivision 3; 136A.02, subdivision 6; 144.672, subdivision 1; 175.007, subdivision 1; 245.697, subdivision 1; 245.97, subdivision 6; 246.56, subdivision 2; 256.482, subdivision 1; 256.73, subdivision 7; 256B.064, subdivision 1a; 256B.27, subdivision 3; 256B.433, subdivisions 1 and 4; 299A.23, subdivision 2; 299J.06, subdivision 4; repealing Minnesota Statutes 1986, sections 116J.04; 160.80, subdivision 6; 177.28, subdivision 2; 326.66; Minnesota Statutes 1987 Supplement, section 115A.12, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 2286, A bill for an act relating to environment; amending certain statutes administered by the environmental quality board; prohibiting delegation of responsibilities; authorizing certain enforcement actions; prohibiting construction of certain projects; requiring project proposers to pay costs of environmental impact statements; appropriating money; amending Minnesota Statutes 1986, sections 116C.04, by adding a subdivision; 116D.04, by adding subdivisions; and 116D.045, subdivisions 1, 2, 3, and 4; Minnesota Statutes 1987 Supplement, section 116C.03, subdivision 2; repealing Minnesota Statutes 1986, section 116D.045, subdivision 5.

Reported the same back with the following amendments:

Page 2, line 36, reinstate the stricken "reasonable" and delete "the actual"

Page 3, line 20, delete "its actual" and insert "reasonable"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 2456, A bill for an act relating to energy; creating a legislative advisory task force on energy policies for low-income persons and providing for the duties of the task force.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [ENERGY POLICY FOR LOW-INCOME MINNESOTANS ADVISORY TASK FORCE.]

Subdivision 1. [MEMBERSHIP.] There is a task force on energy policy for low-income Minnesotans consisting of five members of the Minnesota house of representatives appointed by the speaker of the house and five members of the Minnesota senate appointed by the majority leader. At least two of the members appointed by the speaker and two of the members appointed by the majority leader must be from the minority caucus.

Subd. 2. [CHAIR; OTHER OFFICERS.] The task force shall elect a chair of the task force from its members. The task force may elect other officers as necessary from its members.

Subd. 3. [STAFF.] The task force shall use legislative staff to carry out its duties.

Sec. 2. [DUTIES.]

Subdivision 1. [GENERAL DUTIES.] The task force shall study the energy needs of low-income Minnesotans. The task force shall review the efficiency, coordination, and effectiveness of existing programs that assist low-income Minnesotans in meeting their energy needs. The task force shall examine, but is not limited to, the following subjects: the low-income home energy assistance program; the department of energy weatherization program; programs funded by the conservation improvement program; and the state energy housing code. The task force shall examine the federal commitment to these programs, the role of oil overcharge funds in continuing these programs, and what the state role is in relation to these programs. The task force shall develop a policy on the energy needs of low-income Minnesotans and develop strategies for implementing this policy.

Subd. 2. [LEGISLATIVE REPORT.] The task force shall submit a report on its findings to the governor and legislature by January 15, 1989. The report must include a review of existing low-income energy-related programs, a proposed state energy policy for low-income Minnesotans, recommendations concerning state support for low-income energy-related programs, and strategies for implementing the policy.

Sec. 3. [REPEALER.]

Sections 1 and 2 are repealed May 1, 1989."

Delete the title and insert:

"A bill for an act relating to energy; creating a legislative advisory task force on energy policies for low-income persons and providing for the duties of the task force."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1750, 1951, 1981, 2031, 2182, 2291, 2536 and 2613 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1121, 2003, 2226, 2286 and 2456 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:

H. F. No. 2252, A bill for an act relating to state lands; conveying certain lands to the city of Brooklyn Center in Hennepin county.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2629, A bill for an act relating to minerals; authorizing the commissioner of natural resources to lease certain severed mineral interests; amending Minnesota Statutes 1986, section 93.55, subdivisions 1, 3, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2020, A bill for an act relating to utilities; encouraging settlements prior to contested case hearings; authorizing the public utilities commission to extend suspended rates during multiple general rate filings; providing for imposition of interim rates when commission extends suspended rates; amending Minnesota Statutes 1986, sections 216B.16, subdivisions 1a, 2, and 3; and 237.075, subdivisions 2 and 3.

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. 2508, A bill for an act relating to statute of limitations; providing relief for certain individuals denied a remedy due to the unconstitutionality of a statute of limitation relating to real property improvement.

H. F. No. 1971, A bill for an act relating to guardianship; permitting appointment of any number of guardians; permitting the appointment of guardians who reside outside the state; amending Minnesota Statutes 1986, sections 525.54, subdivision 1; and 525.544, subdivision 2.

H. F. No. 1659, A bill for an act relating to constables; authorizing town boards to form law enforcement agencies; abolishing the office of constable; authorizing the board of peace officer standards and training to issue peace officer licenses to persons possessing constable licenses; amending Minnesota Statutes 1986, sections 367.40, subdivision 3, and by adding a subdivision; and 367.42, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 367; repealing Minnesota Statutes 1986, sections 367.41, subdivisions 4 and 5; 367.42, subdivision 2; 626.843, subdivision 1a; and 626.845, subdivision 2; and Minnesota Statutes 1987 Supplement, sections 367.03, subdivision 3; and 367.41, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2402, A bill for an act relating to economic development; permitting certain development authorities to hold certain licenses;

amending Minnesota Statutes 1987 Supplement, section 469.155, subdivision 13.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2358, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water in East Grand Forks, Polk county.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2559, A bill for an act relating to commerce; regulating sales and repair of hearing aids; amending Minnesota Statutes 1986, section 145.43, subdivision 1a, and by adding a subdivision; Minnesota Statutes 1987 Supplement, section 145.43, subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1710, A bill for an act relating to crime; prohibiting the display of sexually explicit material deemed harmful to minors in places of public accommodation open to minors; providing a penalty; amending Minnesota Statutes 1986, sections 617.293; and 617.296, subdivision 1, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1189, A resolution memorializing the United States Congress to amend the Employment Retirement Security Act to permit the direct regulation of self-insured health care plans.

H. F. No. 1913, A bill for an act relating to employment; prohibiting employer reprisals against employees who decline to participate in charitable fund drives; proposing coding for new law in Minnesota Statutes, chapter 181.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2703, A bill for an act relating to intoxicating liquor; authorizing the city of Bloomington to issue an on-sale intoxicating liquor license to Midsummer, A Festival of Music.

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. 2126, A bill for an act relating to the organization and operation of state government; appropriating money for human resources and other purposes with certain conditions; amending Minnesota Statutes 1986, sections 3.9223, subdivision 3; 3.9225, subdivision 3; 3.9226, subdivision 3; 62A.54; 62E.04, by adding subdivisions; 129A.02, subdivision 3; 129A.09; 129A.10; 144.053, by adding subdivisions; 144.125; 144A.04, by adding a subdivision; 145.853, subdivision 2; 145.894; 245.771, by adding a subdivision; 245.814, subdivisions 1, 2, and 3; 245.83; 245.84, subdivision 1; 246.023; 248.07, subdivision 7 and 12; 252.291, subdivisions 1 and 2; 256.73, subdivisions 2, 6, and by adding subdivisions; 256.736, by adding subdivisions; 256.76, subdivision 1; 256B.08; 256B.092, subdivisions 5 and 7; 256B.14, subdivision 2; 256B.17, subdivision 7; 256B.431, by adding subdivisions; 256B.501, subdivision 3, and by adding subdivisions; 256B.69, subdivisions 3 and 4; 256D.02, subdivision 7, and by adding a subdivision; 256D.06, by adding a subdivision; 256D.07; 256D.35, by adding a subdivision; 256D.37, subdivision 2, and by adding subdivisions; 256E.12, subdivisions 1 and 2; 256F.03, subdivision 8; 257.071, subdivisions 2 and 3, and by adding a subdivision; 257.072; 260.181, subdivision 3; 268.0111, by adding a subdivision; 268.911, subdivision 3; 326.371; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; 609.72, subdivision 1; 611A.32, by adding a subdivision; Minnesota Statutes 1987 Supplement, sections 3.922, subdivision 6; 16B.08, subdivision 7; 16B.61, subdivision 3; 62A.152, subdivision 2; 62A.48, subdivision 7; 62A.50, subdivision 3; 62D.102; 129A.01, subdivisions 5, 6,

and 7; 129A.03; 129A.06, subdivision 1; 129A.07, subdivision 1; 129A.08, subdivisions 1, 4, and 5, and by adding subdivisions; 144A.071, subdivision 3; 144A.073, subdivisions 1, 2, 7, and 8; 148B.23, subdivision 1; 148B.42, subdivision 1; 245.462, subdivisions 3, 4, 6, 17, 18, 19, 20, 21, 23, and 25; 245.465; 245.466, subdivisions 1, 2, and 5; 245.467, by adding subdivisions; 245.469, subdivision 2; 245.471, subdivisions 2 and 3; 245.472, subdivision 2; 245.475, subdivisions 1 and 2; 245.476, subdivision 1; 245.477; 245.478, subdivisions 1, 2, and 9; 245.479; 245.482, subdivision 2; 245.696, subdivision 2; 245.697, subdivision 2, and by adding a subdivision; 245A.09, by adding a subdivision; 248.07, subdivision 8; 252.291, subdivision 3; 252.46, subdivisions 5 and 6, and by adding subdivisions; 253B.03, subdivision 6; 256.015, subdivision 2; 256.736, subdivisions 1b, 4, and 11; 256.936; 256.969, subdivision 3; 256B.02, subdivision 8; 256B.031, subdivision 5; 256B.042, subdivision 2; 256B.06, subdivisions 1 and 4; 256B.091, subdivision 4; 256B.35, subdivision 1; 256B.431, subdivision 4; 256B.433, subdivision 1; 256B.501, subdivision 1; 256B.73, subdivision 2, and by adding a subdivision; 256D.01, subdivision 1a; 256D.03, subdivision 3; 256D.06, subdivisions 1 and 1b; 256D.37, subdivision 1; 256E.12, subdivision 3; 268.91, subdivisions 1, 3, 3b, 3c, 3e, 4, and 12; 393.07, subdivision 10, and by adding a subdivision; Laws 1984, chapter 654, article 5, section 57, subdivision 1, as amended; Laws 1987, chapter 337, section 131; Laws 1987, chapter 403, article 2, section 34; Laws 1987, chapter 403, article 4, section 13; Laws 1987, chapter 403, article 1, section 4, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 62A; 62C; 62D; 144; 145; 152A; 157; 179A; 245; 246; 252; 256; 256B; 256H; 257; and 268; repealing Minnesota Statutes 1986, sections 136.26; 144.388; 245.84, subdivision 4; 245.86; 245.87; and 257.071, subdivision 6; Minnesota Statutes 1987 Supplement, sections 129A.01, subdivision 8; 129A.07, subdivision 2; 129A.08, subdivision 3; 148B.04, subdivision 1; and 256B.73, subdivision 10.

PATRICK E. FLAHAVEN, Secretary of the Senate

Anderson, G., moved that the House refuse to concur in the Senate amendments to H. F. No. 2126, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 2565:

S. F. No. 2565, A bill for an act relating to the organization and operation of state government; appropriating money for the depart-

ment of transportation and other agencies with certain conditions; amending Minnesota Statutes 1986, section 84B.11, subdivision 2.

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

Messrs. Langseth, Mehrkens, Wegscheid, Metzen and Purfeerst.

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

Anderson, G., moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 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. 2565. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 1861:

S. F. No. 1861, A bill for an act relating to health maintenance organizations; insurance; requiring replacement coverage in the event an HMO cancels coverage; increasing state comprehensive health plan liabilities in the event a member terminates coverage; increasing health maintenance organization notice requirements and annual reporting requirements; amending Minnesota Statutes 1986, sections 62D.07; 62D.08, subdivision 5; 62D.09; 62D.101; 62D.11; 62D.12, subdivision 2, and by adding a subdivision; 62D.17, subdivision 1; 62E.11, by adding subdivisions; 62E.14, subdivisions 1, 3, and by adding a subdivision; 62E.16; Minnesota Statutes 1987 Supplement, sections 62A.17, subdivision 6; and 62D.08, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 62D; repealing Laws 1984, chapter 464, sections 29 and 40.

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

Mr. Pehler, Ms. Berglin and Mr. Brandl.

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

Nelson, C., 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. 1861. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1795:

Ogren, Cooper and Sviggum.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1980:

Kalis, Bishop and Kludt.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1861:

Nelson, C.; Wynia and Anderson, R.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Anderson, G., requested immediate consideration of H. F. No. 2344.

H. F. No. 2344 was reported to the House.

The Speaker called Long to the Chair.

Burger, Shaver and Morrison moved to amend H. F. No. 2344, the first engrossment, as follows:

Page 18, line 22, delete "without" and insert "with"

Page 19, delete lines 3, 4 and 5.

A roll call was requested and properly seconded.

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

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

There were 54 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Johnson, V.	Omann	Shaver
Begich	Frederick	Kelso	Onnen	Sparby
Bennett	Frerichs	Knickerbocker	Ozment	Stanius
Blatz	Gruenes	Marsh	Pauly	Sviggum
Boo	Gutknecht	McDonald	Poppenhagen	Swenson
Burger	Hartle	McPherson	Quist	Thiede
Clausnitzer	Haukoos	Miller	Redalen	Tjornhom
Cooper	Heap	Morrison	Richter	Tompkins
Dempsey	Himle	Neuenschwander	Rose	Valento
DeRaad	Hugoson	Olsen, S.	Schafer	Waltman
Dille	Jennings	Olson, K.	Schreiber	

Those who voted in the negative were:

Anderson, G.	Jefferson	Long	Otis	Skoglund
Battaglia	Jensen	McEachern	Pappas	Solberg
Beard	Johnson, A.	McLaughlin	Pelowski	Steensma
Bertram	Johnson, R.	Minne	Peterson	Trimble
Brown	Kahn	Munger	Price	Tunheim
Carlson, L.	Kalis	Murphy	Quinn	Vellenga
Carruthers	Kelly	Nelson, C.	Reding	Voss
Clark	Kludt	Nelson, D.	Rest	Wagenius
Dawkins	Knuth	Nelson, K.	Riveness	Welle
DeBlieck	Kostohryz	O'Connor	Rodosovich	Wenzel
Dorn	Krueger	Ogren	Rukavina	Winter
Greenfield	Larsen	Olson, E.	Sarna	Wynia
Jacobs	Lasley	Orenstein	Scheid	Spk. Vanasek
Jaros	Lieder	Osthoff	Segal	

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

Kahn moved to amend H. F. No. 2344, the first engrossment, as follows:

Page 42, after line 39, insert:

"Section 22 is effective October 1, 1988."

Page 42, line 45, delete "22,"

The motion prevailed and the amendment was adopted.

Bishop moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 34, delete lines 4 to 16 and insert:

"Subd. 6. [RECORDING OF AFFIDAVIT.] Before a transfer of ownership of property that the owner knew or should have known contains or contained an underground storage tank, the owner shall

record with the county recorder of the county in which the property is located an affidavit containing:

(1) a legal description of the property where the tank is or was located;

(2) a description of the tank, of the location of the tank, and of any known release from the tank of a regulated substance; and

(3) a description of any restrictions currently in force on the use of the property resulting from any release."

Page 34, delete lines 26 to 33 and insert:

"Subd. 8. [TRANSFER OF PROPERTY REQUIREMENTS.] Before any transfer of ownership of property that the owner knew or should have known contains or contained an underground storage tank, the owner shall deliver to the purchaser a copy of the affidavit required under subdivision 6 with current information."

Page 42, line 45, delete "43, 44" and insert "45, 46, 47"

The motion prevailed and the amendment was adopted.

Skoglund; Dille; Wagenius; Nelson, D.; Osthoff; Knickerbocker; Johnson, A.; DeRaad; McDonald; Munger; Segal; Pappas; Nelson, K.; Onnen; Rest; Scheid; Rodosovich; Riveness; Larsen; Rice; Himle; Price; Vellenga; Carlson, L.; Jaros; Lasley; Clark; Orenstein; Stanius; Bishop; Rose; Lieder; Carlson, D.; Carruthers; Voss; Kahn; Olsen, S.; Wynia; Tompkins; Marsh; Milbert; Trimble; McLaughlin; Greenfield; Long and Krueger moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 26, after line 25, insert:

"Sec. 34. Minnesota Statutes 1986, section 16B.24, is amended by adding a subdivision to read:

Subd. 9. [SMOKING IN STATE BUILDINGS.] To protect the public health, comfort, and environment and to protect the nonsmoker's right to a smoke-free environment, smoking in all buildings managed or leased by the commissioner under subdivisions 1 and 6 shall be prohibited except in designated smoking areas that prevent passive smoking exposure. Smoking areas may be designated by managers and supervisors except in places in which smoking is prohibited by the fire marshal or by other law or ordinance.

Where smoking areas are designated, existing physical barriers and ventilation systems shall be used to eliminate the presence of

smoke in physically related nonsmoking areas. Any lessor, lessee, manager, or supervisor in a state managed or state leased building with a designated smoking area shall in response to any complaint of smoke-induced discomfort by an employee take those steps required by section 144.416 for a public place. If due to the proximity of smokers, size of the place of work, poor ventilation, or other factors, these steps do not reduce the effects of smoke in an employee's place of work to the reasonable satisfaction of the affected employee, the lessor, lessee, manager, or supervisor shall implement other measures reasonably designed to minimize or eliminate the effects of smoke on the affected employee. These measures may include reassigning the employee to different places of work or further restricting or eliminating smoking in the place of work.

No employee complaining of a smoke-induced discomfort to a lessor, lessee, manager, or supervisor shall be identified or subjected to any disciplinary action as a result of making the complaint."

Page 42, line 42, delete "Section" and insert "Sections 34 and" and delete "is" and insert "are"

Correct internal references

Renumber the remaining sections

Amend the title accordingly

A roll call was requested and properly seconded.

McEachern offered an amendment to the Skoglund et al amendment to H. F. No. 2344, the first engrossment, as amended.

POINT OF ORDER

Skoglund raised a point of order pursuant to rule 3.9 that the McEachern amendment to the Skoglund et al amendment was not in order. Speaker pro tempore Long ruled the point of order well taken and the amendment to the amendment out of order.

POINT OF ORDER

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

The Speaker resumed the Chair.

Clausnitzer moved to amend the Skoglund et al amendment to H. F. No. 2344, the first engrossment, as amended, as follows:

Page 1, line 28, delete "Any"

Page 1, delete lines 29 to 36

Page 2, delete lines 1 to 9

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

The question recurred on the Skoglund et al amendment and the roll was called.

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

There were 97 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Orenstein	Seaberg
Battaglia	Gruenes	Lasley	Osthoff	Segal
Beard	Gutknecht	Lieder	Otis	Skoglund
Bennett	Hartle	Long	Ozment	Sparby
Bertram	Haukoos	Marsh	Pappas	Stanisus
Bishop	Heap	McDonald	Pauly	Steensma
Blatz	Himle	McKasy	Pelowski	Tjornhom
Burger	Hugoson	McLaughlin	Peterson	Tompkins
Carlson, D.	Jaros	McPherson	Poppenhagen	Trimble
Carlson, L.	Jennings	Morrison	Price	Tunheim
Carruthers	Jensen	Munger	Quist	Valento
Clark	Johnson, A.	Murphy	Reding	Vellenga
Dauner	Johnson, R.	Nelson, D.	Rest	Voss
Dawkins	Kahn	Nelson, K.	Rice	Wagenius
DeBlieck	Kalis	Neuenschwander	Richter	Welle
DeRaad	Kinkel	Ogren	Riveness	Winter
Dille	Kludt	Olsen, S.	Rodosovich	Wynia
Dorn	Knickerbocker	Olson, E.	Rose	
Forsythe	Knuth	Olson, K.	Rukavina	
Frerichs	Krueger	Onnen	Scheid	

Those who voted in the negative were:

Anderson, R.	Frederick	Milbert	Redalen	Swenson
Begich	Jacobs	Miller	Sarna	Thiede
Boo	Johnson, V.	Minne	Schafer	Waltman
Brown	Kelly	Nelson, C.	Schreiber	Wenzel
Clausnitzer	Kelso	O'Connor	Shaver	Spk. Vanasek
Cooper	Kostohryz	Omann	Solberg	
Dempsey	McEachern	Quinn	Sviggum	

The motion prevailed and the amendment was adopted.

Miller moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 7, line 36, delete "\$6,628,000" and insert "\$5,606,000"

Page 7, line 38, delete "\$5,463,000" and insert "\$4,441,000"

Page 8, line 44, delete "\$5,050,000" and insert "\$4,028,000"

Page 16, line 5, delete "\$2,297,000" and insert "\$3,019,000"

Page 16, line 8, delete "\$722,000" and insert "\$1,444,000"

Page 16, line 10, delete "\$100" and insert "\$200"

Page 16, line 19, delete "\$200" and insert "\$400"

Page 18, line 5, delete "\$300,000" and insert "\$600,000"

Page 38, line 19, delete "ten" and insert "20"

Page 38, line 22, delete "\$1,000" and insert "\$2,000"

Page 42, line 44, delete "1987" and insert "1986"

A roll call was requested and properly seconded.

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

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

There were 59 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Beard	Carlson, D.	Dorn	Gutknecht	Hugoson
Bennett	Clausnitzer	Forsythe	Hartle	Jacobs
Bertram	DeBlieck	Frederick	Haukoos	Johnson, R.
Blatz	Dempsey	Frerichs	Heap	Johnson, V.
Burger	DeRaad	Gruenes	Himle	Knickerbocker

Marsh	Olsen, S.	Poppenhagen	Schafer	Thiede
McDonald	Olson, K.	Quinn	Schreiber	Tjornhom
McEachern	Omann	Quist	Seaberg	Tompkins
McKasy	Onnen	Redalen	Shaver	Valento
McPherson	Ozment	Richter	Stanisus	Waltman
Miller	Pauly	Rose	Sviggun	Wenzel
O'Connor	Pelowski	Sarna	Swenson	

Those who voted in the negative were:

Anderson, G.	Jefferson	Larsen	Orenstein	Segal
Anderson, R.	Jennings	Lasley	Osthoff	Skoglund
Battaglia	Jensen	Lieder	Otis	Solberg
Bishop	Johnson, A.	Long	Pappas	Sparby
Boo	Kahn	McLaughlin	Peterson	Steensma
Carlson, L.	Kalis	Minne	Price	Trimble
Carruthers	Kelly	Munger	Reding	Tunheim
Clark	Kelso	Murphy	Rest	Vellenga
Cooper	Kinkel	Nelson, C.	Rice	Voss
Dauner	Kludd	Nelson, D.	Riveness	Wagenius
Dawkins	Knuth	Nelson, K.	Rodosovich	Welle
Greenfield	Kostohryz	Neuenschwander	Rukavina	Winter
Jaros	Krueger	Olson, E.	Scheid	Wynia
				Spk. Vanasek

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

Stanisus moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 36, after line 26, insert:

"Sec. 52. Minnesota Statutes 1987 Supplement, section 1160.03, is amended by adding a subdivision to read:

Subd. 10. [RECALL, RECONFIRMATION AND REPLACEMENT OF DIRECTORS.] The legislature may recall a member of the board of directors at any time by resolution. The resolution must give a reason for the recall. The resolution may originate in the house of representatives or the senate, but must pass both. Any director so recalled may be reappointed to serve on the board by the governor, subject to the advice and consent of the senate. Any vacancy on the board created by the recall of a member shall be filled by appointment of the governor, subject to the advice and consent of the senate."

A roll call was requested and properly seconded.

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

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

There were 51 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Bennett	Hartle	Miller	Quinn	Sviggum
Blatz	Haukoos	Morrison	Quist	Swenson
Boo	Heap	O'Connor	Redalen	Thiede
Burger	Hugoson	Ogren	Richter	Tjornhom
Clausnitzer	Johnson, V.	Olsen, S.	Rose	Tompkins
Dempsey	Knickerbocker	Olson, K.	Sarna	Valento
DeRaad	Marsh	Omann	Schafer	Waltman
Forsythe	McDonald	Onnen	Schreiber	
Frederick	McEachern	Ozment	Seaberg	
Frerichs	McKasy	Pauly	Shaver	
Gutknecht	McPherson	Poppenhagen	Stanius	

Those who voted in the negative were:

Anderson, G.	Dorn	Knuth	Olson, E.	Skoglund
Battaglia	Greenfield	Kostohryz	Orenstein	Solberg
Beard	Gruenes	Krueger	Osthoff	Sparby
Begich	Jacobs	Larsen	Otis	Steensma
Bertram	Jaros	Lasley	Pappas	Trimble
Bishop	Jefferson	Lieder	Pelowski	Tunheim
Brown	Jennings	Long	Peterson	Vellenga
Carlson, D.	Jensen	McLaughlin	Price	Voss
Carlson, L.	Johnson, A.	Milbert	Reding	Wagenius
Carruthers	Johnson, R.	Minne	Rest	Welle
Clark	Kahn	Munger	Rice	Wenzel
Cooper	Kalis	Murphy	Riveness	Winter
Dauner	Kelly	Nelson, C.	Rodosovich	Wynia
Dawkins	Kelso	Nelson, D.	Rukavina	Spk. Vanasek
DeBlick	Kinkel	Nelson, K.	Scheid	
Dille	Kludt	Neuenschwander	Segal	

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

Thiede moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 19, line 5, insert:

"Subd. 6. [REALLOCATION.] \$600,000 of the money appropriated to the commissioner of trade and economic development by Laws 1987, chapter 400, section 8, subdivision 2, paragraph (b), for the acquisition and betterment of land on Lake Minnetonka for a regional park, is reappropriated to the commissioner of natural resources and the appropriation of this amount to the commissioner of trade and economic development is cancelled. The appropriation to the commissioner of natural resources must be used for the purchase of 32 miles of the abandoned Burlington Northern Railroad right-of-way between Baxter and Bemidji, to be designated the Paul Bunyan Trail, and described as originating in the city of Baxter in Crow Wing county and extending in a northerly direction along the Burlington Northern right-of-way, intersecting the Heartland State Trail southeast of the city of Walker in Cass county. The

trail shall continue on the Heartland State Trail through the city of Walker, then in a northwesterly direction along the Burlington Northern Railroad right-of-way to the city of Bemidji in Beltrami county and there terminate."

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

Sviggum moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 2, line 5, delete "\$12,848,800" and insert "\$12,418,500"

Page 2, line 5, delete "\$13,571,000" and insert "\$13,140,700"

Page 2, line 16, delete "\$15,062,700" and insert "\$14,632,400"

Page 2, line 16, delete "\$16,729,100" and insert "\$16,298,800"

Page 15, line 4, delete "\$430,300"

Page 15, delete lines 5 to 15

A roll call was requested and properly seconded.

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

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

There were 43 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Bennett	Forsythe	Hugoson	Quist	Sviggum
Bertram	Frederick	McDonald	Redalen	Swenson
Blatz	Frerichs	McPherson	Richter	Thiede
Boo	Gruenes	Morrison	Rose	Tjornhom
Burger	Gutknecht	Olsen, S.	Schafer	Tompkins
Clausnitzer	Hartle	Omman	Schreiber	Valento
Dauner	Haukoos	Onnen	Seaberg	Waltman
Dempsey	Heap	Ozment	Shaver	
DeRaad	Himle	Pauly	Stanisus	

Those who voted in the negative were:

Anderson, G.	Bishop	Cooper	Greenfield	Jensen
Anderson, R.	Brown	Dawkins	Jacobs	Johnson, A.
Battaglia	Carlson, L.	DeBlieck	Jaros	Johnson, R.
Beard	Carruthers	Dille	Jefferson	Kahn
Begich	Clark	Dorn	Jennings	Kalis

Kelly	Marsh	Ogren	Rest	Tunheim
Kelso	McKasy	Olson, E.	Rice	Vellenga
Kinkel	McLaughlin	Olson, K.	Riveness	Voss
Kludt	Milbert	Orenstein	Rodosovich	Wagenius
Knickerbocker	Miller	Osthoff	Rukavina	Welle
Knuth	Minne	Otis	Scheid	Wenzel
Kostohryz	Munger	Pappas	Segal	Winter
Krueger	Murphy	Pelowski	Skoglund	Wynia
Larsen	Nelson, C.	Peterson	Solberg	Spk. Vanasek
Lasley	Nelson, D.	Price	Sparby	
Lieder	Nelson, K.	Quinn	Steensma	
Long	Neuenschwander	Reding	Trimble	

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

Dille, Kahn, Miller and Welle moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 38, line 23, delete "February" and insert "July"

Page 38, line 27, delete "March" and insert "September"

Page 42, line 44, delete "1987" and insert "1986"

The motion prevailed and the amendment was adopted.

Nelson, K., moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 4, line 24, delete "reporting requirements to the"

Page 4, delete line 25 and insert "the reporting requirements of section 121.936, subdivision 1 and the data standards of section 121.932, subdivision 5 must be"

The motion prevailed and the amendment was adopted.

Redalen and Poppenhagen moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 2, line 33, delete "\$100,000" and insert "\$150,000"

Page 3, after line 14, insert:

"The office of the legislative auditor program evaluation division shall conduct an evaluation of the Minnesota Department of Agriculture's commissioner's office. The study shall include, but not be limited to, the uses to which federal, state, and donated funds under the control of the commissioner are being applied, and an evaluation as to whether the activities funded by the commissioner's office are in compliance with the commissioner's statutory directives. The auditor shall prepare a report for presentation to the legislature by January 1, 1989, indicating its findings, observations, and recommendations relative to the appropriateness of each activity funded through the commissioner's office."

Page 15, line 4, delete "\$430,300" and insert "\$430,250"

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

Kinkel moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 17, after line 14, insert:

"Tuition reimbursement received under this section shall not be considered by the Minnesota higher education coordinating board or by any other state board, commission, or entity in determining a person's eligibility for a scholarship or grant-in-aid under sections 136A.09 to 136A.132."

The motion prevailed and the amendment was adopted.

Clausnitzer moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 37, line 17, after the period insert "The corporation shall not take an equity position in any proprietorship, business or organization."

A roll call was requested and properly seconded.

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

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

There were 51 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Bennett	Gruenes	Marsh	Poppenhagen	Swenson
Blatz	Gutknecht	McDonald	Quist	Thiede
Boo	Hartle	McKasy	Redalen	Tjornhom
Burger	Haukoos	McPherson	Richter	Tompkins
Carlson, D.	Heap	Milbert	Rose	Valento
Carruthers	Himle	Miller	Schafer	Voss
Clausnitzer	Hugoson	Morrison	Schreiber	Waltman
Dempsey	Jacobs	Olsen, S.	Seaberg	
DeRaad	Jennings	Omann	Shaver	
Frederick	Johnson, V.	Onnen	Stanius	
Frerichs	Knickerbocker	Pauly	Svigum	

Those who voted in the negative were:

Anderson, G.	Greenfield	Larsen	Olson, E.	Scheid
Anderson, R.	Jaros	Lasley	Olson, K.	Segal
Battaglia	Jefferson	Lieder	Orenstein	Skoglund
Begich	Jensen	Long	Osthoff	Solberg
Bertram	Johnson, A.	McEachern	Otis	Sparby
Bishop	Johnson, R.	McLaughlin	Pelowski	Steensma
Brown	Kahn	Minne	Peterson	Trimble
Carlson, L.	Kalis	Munger	Price	Tunheim
Clark	Kelly	Murphy	Reding	Vellenga
Cooper	Kelso	Nelson, C.	Rest	Wagenius
Dauner	Kinkel	Nelson, D.	Rice	Welle
Dawkins	Kludt	Nelson, K.	Riveness	Wenzel
DeBlieck	Knuth	Neuenschwander	Rodosovich	Winter
Dille	Kostohryz	O'Connor	Rukavina	Wynia
Dorn	Krueger	Ogren	Sarna	Spk. Vanasek

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

Miller moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 10, line 35, delete "\$1,400,000" and insert "\$378,000"

Page 10, line 44, delete "\$1,200,000" and insert "\$178,000"

Page 16, line 5, delete "\$2,297,000" and insert "\$3,019,000"

Page 16, line 8, delete "\$722,000" and insert "\$1,444,000"

Page 16, line 10, delete "\$100" and insert "\$200"

Page 16, line 19, delete "\$200" and insert "\$400"

Page 18, line 5, delete "\$300,000" and insert "\$600,000"

Page 38, line 19, delete "ten" and insert "20"

Page 38, line 22, delete "\$1,000" and insert "\$2,000"

A roll call was requested and properly seconded.

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

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

There were 46 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dorn	Marsh	Poppenhagen	Shaver
Beard	Forsythe	McDonald	Quinn	Stanius
Bennett	Frederick	McEachern	Quist	Steensma
Carlson, D.	Frerichs	McKasy	Redalen	Sviggum
Clausnitzer	Gruenes	McPherson	Richter	Swenson
DeBlieck	Haukoos	Miller	Rose	Thiede
Dempsey	Hugoson	O'Connor	Sarna	Tjornhom
DeRaad	Jacobs	Omamn	Schafer	Valento
Dille	Johnson, V.	Pauly	Schreiber	Waltman
				Wenzel

Those who voted in the negative were:

Anderson, G.	Himle	Krueger	Olson, E.	Seaberg
Battaglia	Jaros	Larsen	Olson, K.	Segal
Begich	Jefferson	Lasley	Orenstein	Skoglund
Bertram	Jennings	Lieder	Osthoff	Solberg
Bishop	Jensen	Long	Otis	Sparby
Blatz	Johnson, A.	McLaughlin	Pappas	Trimble
Brown	Johnson, R.	Milbert	Pelowski	Tunheim
Burger	Kahn	Minne	Peterson	Vellenga
Carlson, L.	Kalis	Munger	Price	Voss
Carruthers	Kelly	Murphy	Reding	Wagenius
Clark	Kelso	Nelson, C.	Rest	Welle
Cooper	Kinkel	Nelson, D.	Rice	Winter
Dauner	Kludt	Nelson, K.	Riveness	Wynia
Dawkins	Knickerbocker	Neuenschwander	Rodosovich	Spk. Vanasek
Greenfield	Knuth	Ogren	Rukavina	
Heap	Kostohryz	Olsen, S.	Scheid	

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

Carlson, D., moved to amend H. F. No. 2344, the first engrossment, as amended, as follows:

Page 8, delete lines 44 to 63

Page 9, delete line 1

Adjust the numbers accordingly

A roll call was requested and properly seconded.

The question was taken on the Carlson, D., amendment and the roll was called.

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

There were 49 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Bennett	Forsythe	Jacobs	Miller	Sarna
Blatz	Frederick	Johnson, V.	O'Connor	Schafer
Burger	Frerichs	Kelly	Olsen, S.	Sparby
Carlson, D.	Gruenes	Knickerbocker	Omann	Stanisus
Clark	Gutknecht	Marsh	Onnen	Sviggum
Clausnitzer	Hartle	McDonald	Pauly	Thiede
DeBlieck	Haukoos	McEachern	Poppenhagen	Tjornhom
Dempsey	Heap	McKasy	Redalen	Valento
DeRaad	Himle	McLaughlin	Richter	Waltman
Dille	Hugoson	McPherson	Rose	

Those who voted in the negative were:

Anderson, G.	Jefferson	Lieder	Pelowski	Skoglund
Anderson, R.	Jennings	Long	Peterson	Solberg
Battaglia	Jensen	Milbert	Price	Steensma
Beard	Johnson, A.	Morrison	Quinn	Swenson
Begich	Johnson, R.	Munger	Quist	Trimble
Bertram	Kahn	Murphy	Reding	Tunheim
Bishop	Kalis	Nelson, D.	Rest	Vellenga
Boo	Kelso	Nelson, K.	Rice	Voss
Brown	Kinkel	Neuenschwander	Riveness	Wagenius
Carlson, L.	Kludt	Ogren	Rodosovich	Welle
Carruthers	Knuth	Olson, E.	Rukavina	Wenzel
Cooper	Kostohryz	Olson, K.	Scheid	Winter
Dauner	Krueger	Orenstein	Schreiber	Wynia
Dawkins	Larsen	Osthoft	Segal	Spk. Vanasek
Dorn	Lasley	Otis	Shaver	

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

H. F. No. 2344, A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and

reports; appropriating money; amending Minnesota Statutes 1986, sections 3.9223, subdivision 5; 3.9225, subdivision 5; 3.9226, subdivision 5; 16B.24, by adding a subdivision; 88.22, by adding a subdivision; 89.001, by adding a subdivision; 89.19; 116.48, by adding subdivisions; 116J.615, by adding a subdivision; 296.16, by adding a subdivision; and 296.421, by adding a subdivision; Minnesota Statutes 1987 Supplement, sections 3.732, subdivision 1; 3.885; 85.055, subdivision 1; 105.44, subdivision 10; 115C.02, subdivision 13; 116C.712, subdivision 5; 116J.941, subdivision 1; 116O.03, subdivision 2; 116O.04, subdivision 1; 116O.06, subdivision 1; and 480.241, subdivision 2; Laws 1985, First Special Session chapter 15, section 4, subdivision 6; Laws 1987, chapter 357, section 27, subdivision 2; Laws 1987, chapter 404, sections 20, subdivision 6; and 22, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 89; 115C; 424A; and 446A; repealing Minnesota Statutes 1987 Supplement, section 161.52.

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.

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

There were 84 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dorn	Larsen	Omamn	Segal
Anderson, R.	Greenfield	Lasley	Orenstein	Skoglund
Battaglia	Jacobs	Lieder	Osthoff	Solberg
Beard	Jefferson	Long	Otis	Sparby
Begich	Jennings	McKasy	Pappas	Steensma
Bertram	Jensen	McLaughlin	Pelowski	Tompkins
Bishop	Johnson, A.	Milbert	Peterson	Trimble
Boo	Johnson, R.	Minne	Price	Tunheim
Brown	Kahn	Munger	Redalen	Vellenga
Carlson, L.	Kalis	Murphy	Reding	Voss
Carruthers	Kelly	Nelson, C.	Rest	Wagenius
Clark	Kelso	Nelson, D.	Rice	Welle
Cooper	Kinkel	Nelson, K.	Riveness	Wenzel
Dauner	Kludt	Neuenschwander	Rodosovich	Winter
Dawkins	Knuth	Ogren	Rukavina	Wynia
DeBlieck	Kostohryz	Olson, E.	Sarna	Spk. Vanasek
Dille	Krueger	Olson, K.	Scheid	

Those who voted in the negative were:

Bennett	Dempsey	Gruenes	Himle	Marsh
Blatz	DeRaad	Gutknecht	Hugoson	McDonald
Burger	Forsythe	Hartle	Jaros	McEachern
Carlson, D.	Frederick	Haukoos	Johnson, V.	McPherson
Clausnitzer	Frerichs	Heap	Knickerbocker	Miller

Morrison
O'Connor
Olsen, S.
Onnen

Pauly
Poppenhagen
Quist
Richter

Rose
Schafer
Schreiber
Seaberg

Shaver
Stanis
Sviggum
Swenson

Thiede
Tjornhom
Valento
Waltman

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

Bertram and Morrison were excused for the remainder of today's session.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 2569.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2569, A bill for an act relating to education; appropriating money to the higher education coordinating board, regents of the University of Minnesota, state university board, state board for community colleges, and state board of vocational technical education, with certain conditions; authorizing bonding for capital improvements; amending Minnesota Statutes 1986, sections 3.971, subdivision 1; 92.05; 136.31, by adding a subdivision; and 136.41, by adding subdivisions; 248.07, subdivisions 7 and 12; Minnesota Statutes 1987 Supplement, section 248.07, subdivision 8; Laws 1983, chapter 334, section 7, as amended; and Laws 1987, chapter 401, section 2, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 135A and 137; repealing Minnesota Statutes 1986, sections 136.26; and 136C.13, subdivision 3.

The bill was read for the first time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Anderson, G., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2569 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Anderson, G., moved that the Rules of the House be so far suspended that S. F. No. 2569 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 2569 was read for the second time.

Anderson, G., moved to amend S. F. No. 2569, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [APPROPRIATIONS.]

The amounts in the columns under "APPROPRIATIONS" are appropriated from the general fund, or other named fund to the agencies for the purposes specified in this act. The appropriations are available for the fiscal years indicated for each purpose. The figure "1988" or "1989," when used to refer to the fiscal year of appropriations, means that the appropriations listed under the figure are available for the fiscal year ending June 30, 1988, or June 30, 1989, respectively.

SUMMARY BY FUND			
	1988	1989	TOTAL
GENERAL	5,700,000	20,556,300	26,256,300

Summary by Agency—All Funds

Higher Education Coordinating Board			
	5,700,000	2,557,700	8,257,700
State Board of Vocational Technical Education			
	-	3,719,200	3,719,200
State Board for Community Colleges			
	-	6,237,100	6,237,100

SUMMARY BY FUND

State University Board

7,874,800

7,874,800

Regents of the University of Minnesota

167,500

167,500

APPROPRIATIONS

Available for the Fiscal Year
Ending June 30

1988

1989

Sec. 2. HIGHER EDUCATION
COORDINATING BOARDSubdivision 1. State Scholarships and
Grants

5,700,000

2,100,000

This appropriation is added to the appropriation for the same purpose in Laws 1987, chapter 401, section 2, subdivision 3.

This appropriation is for a projected deficiency in the program in both fiscal years. The legislature intends that the board make full scholarship and grant awards in fiscal year 1989. The HECB should seek a deficiency appropriation in 1989 if the fiscal year 1989 funds are insufficient to make full awards.

During the biennium, the HECB may transfer funds among the accounts provided in Laws 1987, chapter 401, section 2, if there is a projected balance in an account. Before the transfer, the HECB shall consult with the chairs of the education divisions of the appropriations and finance committees.

During the biennium, the HECB may ask the commissioner of finance to loan general fund money to the scholarship and grant account to ease cash flow difficulties. The HECB must first certify to the commissioner that there will be adequate refunds to the account to

1988

1989

repay the loan. The commissioner shall use the refunds to make repayment to the general fund of the full amount loaned. Funds necessary to meet cash flow difficulties in the state scholarship and grant program are appropriated to the commissioner of finance for loans to HECB.

Subd. 2. Other Appropriations

(a) Job Skills Partnership

70,000

This appropriation is for the administration of outstanding grants awarded by the Job Skills Partnership. The legislature intends that no grants be awarded after June 30, 1988. The HECB shall conduct a program audit and report the results to the education divisions of the appropriations and finance committees by January 15, 1989.

(b) Study of Metropolitan Higher Education Needs

200,000

This appropriation is for the HECB to contract for a study on the short and long term post-secondary needs of the metropolitan region extending from St. Cloud to Rochester. The study should include consideration of at least the following: the current and projected demographic and participation trends; current level of services available; needs of traditional, nontraditional, and minority students; the geographical accessibility of services needed by different types of students; uses of alternative delivery systems, cooperative efforts, and reciprocity agreements; effects of proposals on existing institutions, programs, and funding; and effects of proposals on existing institutional and system missions. The HECB shall review and comment on the study and report to the education divisions of the appropriations and finance committees by February 1, 1989.

(c) Quality Assessment

150,000

	1988	1989
(d) Minority Education Partnership		10,000

(e) Model Enterprise Development and Innovation Centers

The appropriation for fiscal year 1989 in Laws 1987, chapter 386, article 10, section 9, for the Job Skills Partnership is transferred to the Enterprise Development Partnership. This appropriation is to further develop and pilot test model enterprise development and innovation centers. Of this amount, \$200,000 is for increased funding of the current centers, \$250,000 is to develop a statewide network of rural and urban resources, and \$50,000 is for program administration and reporting.

(f) Regent Candidate Advisory Council	27,700
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Sec. 3. STATE BOARD OF VOCATIONAL TECHNICAL EDUCATION

(a) Curriculum Restructuring	2,000,000
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The legislature intends that the board give priority in using this appropriation to institutes with declining enrollments. This is a nonrecurring appropriation and will not be included when calculating the base for the 1989-1991 biennial budget.

(b) Increased Enrollment	1,014,200
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An amount not to exceed this appropriation is for enrollment increases. This appropriation is based on an entitlement of \$1,193,200. This is a nonrecurring appropriation and will not be included when calculating the base for the 1989-1991 biennial budget. This

1988

1989

appropriation is based on estimated enrollments for 1989 of 40,548. If actual enrollments are lower than this estimate, the appropriation will be recalculated using actual enrollment figures. The legislature intends that the board give priority in this appropriation to the institutions with the greatest enrollment increases.

(c) State Council on Vocational Technical Education

75,000

This appropriation is added to the appropriation for the council in Laws 1987, chapter 401, section 3, subdivision 4.

(d) Services for Handicapped Students

630,000

This appropriation is for noninstructional expenditures.

Sec. 4. STATE BOARD FOR COMMUNITY COLLEGES

(a) Increased Enrollment

4,964,100

An amount not to exceed this appropriation is for enrollment increases. This is a nonrecurring appropriation and will not be included when calculating the base for the 1989-1991 biennial budget. This appropriation is based on estimated enrollments for 1989 of 29,723. If actual enrollments are lower than this estimate, the appropriation will be recalculated using actual enrollment figures. The legislature intends that the board give priority in this appropriation to the institutions with the greatest enrollment increases.

(b) Instructional Equipment

1,273,000

The legislature estimates that \$1,900,000 is for instructional expenditures.

Sec. 5. STATE UNIVERSITY BOARD

(a) Increased Enrollment

1988

1989
7,349,800

An amount not to exceed this appropriation is for enrollment increases. This is a nonrecurring appropriation and will not be included when calculating the base for the 1989-1991 biennial budget. This appropriation is based on estimated enrollments for 1989 of 50,112. If actual enrollments are lower than this estimate, the appropriation will be recalculated using actual enrollment figures. The legislature intends that the board give priority in this appropriation to the institutions with the greatest enrollment increases.

(b) Winona State Engineering

The \$500,000 appropriated in Laws 1987, chapter 401, section 5, subdivision 2, may be spent by the state university board for the Winona engineering school upon the legislature receiving a positive recommendation regarding program review from the HECB and documentation that \$250,000 of state funds have been matched by contributions from non-state sources. This matching requirement may be satisfied with donated equipment and supplies necessary to the program, after consulting with the chairs of the education divisions of the finance and appropriations committees.

(c) Science and Technology Resource Center

525,000

This appropriation is for noninstructional expenditures.

Sec. 6. REGENTS OF THE UNIVERSITY OF MINNESOTA

Subdivision 1. Operations and Maintenance Noninstructional Expenditures

167,500

1988

1989

(a) This appropriation is available to develop the delivery of graduate education programs to be offered in the greater Rochester area. The University is requested to prepare a report on short and long range plans for program development, faculty recruitment, availability and uses of adjunct faculty, estimates of costs for five years, and a timetable for establishment of graduate programs. To assist in these determinations, the regents shall establish a local advisory committee composed of persons, including representatives of the business community, who reside in the Rochester area and who have knowledge of, and interest in, graduate level education. The University shall report its findings to the education divisions of the appropriations and finance committees by February 1, 1989. The study must be submitted to the HECB for review and comment before its submission to the legislature.

(b) The regents are requested to employ persons qualified to provide the board with fiscal and policy information, oversight, and analysis on matters requiring the regents' attention or action. The staff should be independent from the University administration and should be responsible solely to the regents. The board shall report its action under this paragraph to the chairs of the education divisions of the senate finance and house appropriations committees by December 1, 1988.

(c) During the biennium, the regents are requested to provide \$300,000 previously committed by the president to the Duluth campus for scholarships or related activities.

(d) In allocating the University's central reserves, the regents are requested to be cognizant of the needs of the coordinate campuses.

Sec. 7. Minnesota Statutes 1987 Supplement, section 135A.04, is amended to read:

135A.04 [VARIABLE TUITION.]

The board of regents of the University of Minnesota, state university board, state board for community colleges, and state board for vocational education shall establish tuition. Tuition may vary by program, level of instruction, cost of instruction, or other classifications determined by each board. ~~In all systems that have a credit hour basis, tuition rates must be established on that basis and must not apply across a variable number of credits.~~ Tuition may be set at any percentage of instructional cost established by the respective boards.

Sec. 8. Minnesota Statutes 1986, section 136.31, is amended by adding a subdivision to read:

Subd. 7. Except as provided in this subdivision, the board may irrevocably appropriate and use any money other than state appropriated money held by it to discharge or otherwise provide for the payment of the interest coming due on its outstanding revenue bonds until paid and of the principal and any premium coming due on the bonds at maturity or upon any earlier date upon which the bonds are called for redemption. For this purpose, the board may exercise all powers conferred upon it under subdivision 6 with respect to escrow agents and escrow accounts, and may provide for the funding of the escrow accounts with securities of the type referred to in subdivision 6 and certificates of deposit, time deposits, and investment agreements issued by the escrow agent or any other financial institution. This subdivision does not authorize the appropriation or use of board money to secure outstanding revenue bonds contrary to a board resolution authorizing the issuance and providing for the security of the bonds, or the use of other board money contrary to the terms of a contract or law.

Sec. 9. Minnesota Statutes 1986, section 136.41, is amended by adding a subdivision to read:

Subd. 8. The state university board or a successor may issue additional revenue bonds under sections 136.31 to 136.38, subject to the resolutions authorizing its outstanding revenue bonds, and payable from the revenue appropriated to the fund established by section 136.35, and to use the proceeds together with other public or private money that may otherwise become available to acquire land, and to acquire, construct, complete, remodel, and equip structures to be used for dormitory, residence hall, student union, food service, and related parking purposes at the state universities. Before issuing the bonds or any part of them, the board shall consult with the chairs of the house appropriations committee and the senate finance committee on the facilities to be financed by the bonds.

Sec. 10. Minnesota Statutes 1986, section 136.41, is amended by adding a subdivision to read:

Subd. 9. The bonds authorized by this section may be issued without regard to whether the interest to be paid on them is includable in gross income for federal tax purposes. However, if it is intended that the interest on the bonds be exempt from federal income taxes, an officer of the board shall certify for the board on the date of issue the facts, estimates, and circumstances that lead the officer reasonably to expect that the proceeds of the bonds and the facilities financed by them will not be used to cause the interest on the bonds to be subject to federal income taxes; the board may covenant and agree with the holders of the bonds that it will comply with the provisions of the United States Internal Revenue Code now or hereafter enacted that do or may apply to the bonds and that establish conditions under which the interest to be paid on the bonds will not be subject to federal income taxes; and the officers of the board shall take the actions or refrain from taking the actions necessary to comply with the covenants. Money required to be spent to comply may be appropriated by the board from the fund established by section 136.35.

Sec. 11. Minnesota Statutes 1986, section 136C.61, is amended by adding a subdivision to read:

Subd. 7. [MEETINGS.] Notwithstanding any law to the contrary, the joint board may hold meetings at any location convenient to the member districts and the public, whether or not that meeting site is located within the boundaries of a member district. The joint board shall establish and maintain a schedule of the time and place of its meetings and shall give notice of regular and special meetings in the same manner as required for other public bodies.

Sec. 12. [137.0229] [REGENT CANDIDATE ADVISORY COUNCIL.]

Subdivision 1. [ESTABLISHMENT.] There is established a candidate advisory council for the board of regents of the University of Minnesota. The purpose of the advisory council is to assist the legislature in identifying qualified candidates for membership on the board of regents.

Subd. 2. [MEMBERSHIP.] The advisory council must be composed of 24 members, three of whom reside in each congressional district. One member from each congressional district must be appointed by the governor. One member from each congressional district must be appointed by the members of the house who represent that district. One member from each congressional district must be appointed by the members of the senate who represent that district. No more than two members from any congressional district shall belong to the same political party. Each member shall serve for a term of six years

and may serve one additional term. A vacancy shall be filled in the same manner as the original appointment. Members may be reimbursed for expenses according to section 15.059 but must not be compensated.

Subd. 3. [DUTIES.] The advisory council shall:

(1) develop, in consultation with current and former regents and the administration of the University of Minnesota, and provide to potential candidates a statement of the responsibilities and duties of a regent;

(2) establish a subcommittee for each congressional district, composed of the three advisory council members residing in the congressional district and other members appointed by the subcommittee, and encourage each subcommittee to identify qualified candidates within its congressional district;

(3) for each congressional district position on the board, identify and recruit, through the subcommittee established in clause (2), qualified candidates for the board of regents, based on the background and experience of the candidates, and their potential for discharging the responsibilities of a member of the board of regents; and

(4) for each at-large position on the board, including the student position, identify and recruit qualified candidates, based on the background and experience of the candidates, and their potential for discharging the responsibilities of a member of the board of regents.

Subd. 4. [RECOMMENDATIONS.] At the time the legislature elects a regent, the advisory council shall recommend at least two qualified candidates to the relevant congressional delegation and the appropriate committees of the legislature. For a candidate required to reside in a congressional district, the advisory council shall recommend only a candidate recommended by the subcommittee. The legislature shall not be bound by these recommendations.

Subd. 5. [STAFF] The higher education coordinating board shall provide staff and support for the advisory council as necessary to discharge its responsibilities.

Sec. 13. [INITIAL TERMS.]

Notwithstanding section 12, subdivision 2, for the initial advisory council, one member appointed by each of the appointing authorities shall serve a two-year term, one member shall serve a four-year term, and one member shall serve a six-year term.

Sec. 14. [245A.17] [CHILD CARE PROVISIONS.]

As an alternative to licensing under rules for child care centers adopted by the department of human services, post-secondary institutions may submit a child care plan for approval by the commissioner of human services. The plan must show how the center can be operated safely for the benefit of the children.

Sec. 15. Laws 1983, chapter 334, section 7, as amended by Laws 1987, chapter 386, article 10, section 8, is amended to read:

Sec. 7. [REPEALER.]

Sections 116L.01; 116L.02; 116L.03, subdivisions 1, 2, 3, 4, 5, and 7; 116L.04; and 116L.05, 1, 2, 3, 4, 5, and 7 are repealed June 30 1989 1988.

Sec. 16. Laws 1987, chapter 401, section 2, subdivision 6, is amended to read:

Subd. 6. Income Contingent Loans

\$110,000 \$158,100

This appropriation is for an income contingent loan repayment program to assist graduates of Minnesota schools in medical, dental, pharmacy, chiropractic medicine, public health, and veterinary medicine and Minnesota residents graduating from optometry and osteopathy programs in repaying their student debt by providing a repayment plan based on their annual income. The HECB shall study the possible inclusion of students in other academic programs including optometry and osteopathy and report its recommendations to the appropriations and finance committees by December 1, 1987. During the biennium, applicant data collected by the HECB for this program may be disclosed to a consumer credit reporting agency under the same conditions as apply to the supplemental loan program according to section 136A.162.

Sec. 17. [REGENT ACTION.]

The legislature requests that the board of regents of the University of Minnesota undertake the following actions to improve their management and accountability:

(1) establish a committee to plan for and oversee the needs and uses of the president's house;

(2) formally adopt policies for review of capital projects that specify when board approval is required, types and forms of information to be submitted to the board, and board procedures for cost overruns;

(3) develop an accurate and complete reporting system for capital projects in progress;

(4) establish policies that improve the control over the use of unrestricted funds, including specification of approval and reporting requirements; and

(5) establish procedures for accountability and ownership of assets funded by the University Foundation.

The board of regents shall report the actions taken under this section to the education divisions of the appropriations and finance committees by January 1, 1989.

Sec. 18. [PURPOSE.]

The legislature believes it is in the best interest of Minnesota to strengthen relationships between educational levels and sectors. To promote closer alliances and greater understanding between school districts and post-secondary education, the legislature intends to facilitate voluntary cooperative arrangements.

Sec. 19. [FACULTY EXCHANGE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A program of faculty exchange is established to allow school districts and post-secondary institutions to arrange temporary exchanges between members of their staffs. These arrangements must be made on a voluntary, cooperative basis between the school district and the institution.

Subd. 2. [USES OF PROGRAM.] Each participating school district and post-secondary institution may determine the way in which the faculty member's time is to be used, but it must be in a way that promotes understanding of the needs of each educational system. A public school teacher might be used to teach courses, provide counseling and tutorial services, assist with the preparation of future teachers, or take professional development courses. A post-secondary instructor might teach advanced placement courses or other classes to aid an underserved population at the school district, counsel students about future education plans, or work with teachers to better prepare students for post-secondary education. Participation need not be limited to one school or institution and

may involve other groups including educational cooperative service units.

Subd. 3. [SALARIES, BENEFITS, CERTIFICATION.] Exchanges made under the program must not have a negative effect on participants' salaries, seniority, or other benefits. For this program, teacher certification requirements shall be waived for participating faculty. All arrangements and details regarding the exchange must be mutually agreed to by the school district and post-secondary institution before implementation.

Subd. 4. [PILOT PROGRAMS.] While these exchanges are voluntary, the legislature intends to maintain oversight to determine the benefits and problems of the program. For the 1988-1989 school year, proposals must be submitted to the education committee and education division of the appropriations committee of the house of representatives and the education committee and education division of the finance committee of the senate by July 1, 1988. These committees shall review the proposals and recommend those for pilot programs.

Sec. 20. [STUDENT SERVICES.]

The governing board of each public post-secondary system is requested to establish prices for goods and services sold through student services that approximate as nearly as possible the cost of providing quality goods and services.

Sec. 21. [COMMUNITY SERVICE.]

Each public post-secondary system shall review its curricula, especially in required courses in general education and departmental majors, to determine the current and future opportunities for incorporating community service components. Each system is encouraged to locate curricular areas in which the system can assist students to voluntarily pursue community service that is relevant to their studies. The systems shall report their findings and recommendations to the education divisions of the appropriations and finance committees by February 1, 1989.

Sec. 22. [LOANED EXECUTIVE ACTION PROGRAM (LEAP).]

Subdivision 1. [PUBLIC SYSTEMS; JOINTLY.] The governing boards of the public post-secondary systems are requested to jointly establish a Loaned Executive Action Program to encourage business executives in the private sector to study management issues within each system and to make recommendations to improve the management structures and processes of each. The heads of each system shall jointly report to the education divisions of the appropriations

and finance committees on the actions taken under this section by January 15, 1989.

Subd. 2. [CAMPUS BUDGET PROPOSALS.] A loaned executive working with the University of Minnesota should study the issue of preparing and presenting individual campus budget proposals to the board of regents.

Sec. 23. [CHILD CARE REPORTS.]

Each public post-secondary system shall assess the effects of recent child care legislation on the needs of post-secondary students. Each system shall report its assessment and recommendations to the education divisions of the finance and appropriations committees by January 15, 1989.

Sec. 24. [EFFECTIVE DATE.]

Section 2, subdivision 1, and section 19 are effective the day after their final enactment."

Delete the title and insert:

"A bill for an act relating to education; appropriating money to the higher education coordinating board, regents of the University of Minnesota, state university board, state board for community colleges, and state board of vocational technical education, with certain conditions; authorizing bonding for capital improvements; amending Minnesota Statutes 1986, sections 136.31, by adding a subdivision; 136.41, by adding subdivisions; and 136C.61, by adding a subdivision; Minnesota Statutes 1987 Supplement, section 135A.04; Laws 1983, chapter 334, section 7, as amended; and Laws 1987, chapter 401, section 2, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 137 and 245A."

The motion prevailed and the amendment was adopted.

Price moved to amend S. F. No. 2569, as amended, as follows:

Page 12, line 19, delete "For this" and insert "Notwithstanding sections 125.03, subdivision 1 and 136C.04, subdivision 9, teacher certification requirements are waived for faculty participating in this program. This shall not subject a participating district to the aid reduction under section 124.19, subdivision 3."

Page 12, delete line 20

Page 12, line 21, delete "participating faculty."

The motion prevailed and the amendment was adopted.

Gruenes; Frederick; Johnson, V.; Omann and Marsh moved to amend S. F. No. 2569, as amended, as follows:

Page 1, line 29, delete "20,556,300" and insert "20,537,300"

Page 1, line 29, delete "26,256,300" and insert "26,237,300"

Page 2, line 2, delete "2,557,700" and insert "4,007,700"

Page 2, line 2, delete "8,257,700" and insert "9,707,700"

Page 2, line 4, delete "3,719,200" in each column and insert "2,719,200"

Page 2, line 6, delete "6,237,100" in each column and insert "5,768,100"

Page 2, line 17, delete "2,100,000" and insert "3,600,000"

Page 2, after line 30, insert:

"\$1,800,000 in 1989 is for funding four full years of financial aid eligibliity as provided in section 136A.121, subdivision 10. \$300,000 of the appropriation for fiscal year 1989 in Laws 1987, chapter 386, article 10, section 9, for the Jobs Skills Partnership, is transferred to the HECB for this purpose."

Page 3, line 15, delete "200,000" and insert "150,000"

Page 3, line 44, before "The" insert "\$200,000 of"

Page 3, line 51, delete "Of"

Page 3, delete lines 52 to 57

Page 4, line 2, delete "2,000,000" and insert "1,000,000"

Page 4, line 54, delete "1,273,000" and insert "804,000"

Page 4, line 56, delete "\$1,900,000" and insert "\$1,200,000"

A roll call was requested and properly seconded.

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

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

There were 55 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Knickerbocker	Omann	Schreiber
Bennett	Frederick	Larsen	Onnen	Seaberg
Bishop	Frerichs	Marsh	Osthoff	Shaver
Blatz	Gruenes	McDonald	Pauly	Stanisus
Burger	Gutknecht	McKasy	Pelowski	Sviggunm
Carlson, D.	Hartle	McPherson	Poppenhagen	Swenson
Clausnitzer	Haukoos	Milbert	Quist	Thiede
Cooper	Heap	Miller	Redalen	Tjornhom
Dempsey	Himle	Nelson, D.	Richter	Tompkins
DeRaad	Hugoson	Olsen, S.	Rose	Valento
Dille	Johnson, V.	Olson, K.	Schafer	Waltman

Those who voted in the negative were:

Anderson, G.	Jaros	Lasley	Orenstein	Segal
Battaglia	Jefferson	Lieder	Otis	Skoglund
Beard	Jennings	Long	Pappas	Solberg
Begich	Johnson, A.	McEachern	Peterson	Sparby
Brown	Johnson, R.	McLaughlin	Price	Steensma
Carlson, L.	Kahn	Minne	Quinn	Trimble
Carruthers	Kalis	Munger	Reding	Tunheim
Clark	Kelly	Murphy	Rest	Vellenga
Dauner	Kelso	Nelson, C.	Rice	Voss
Dawkins	Kinkel	Nelson, K.	Rivenness	Wagenius
DeBlick	Kludt	Neuenschwander	Rodosovich	Welle
Dorn	Knuth	O'Connor	Rukavina	Wenzel
Greenfield	Kostohryz	Ogren	Sarna	Winter
Jacobs	Krueger	Olson, E.	Scheid	Wynia
				Spk. Vanasek

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

S. F. No. 2569, A bill for an act relating to education; appropriating money to the higher education coordinating board, regents of the University of Minnesota, state university board, state board for community colleges, and state board of vocational technical education, with certain conditions; authorizing bonding for capital improvements; amending Minnesota Statutes 1986, sections 3.971, subdivision 1; 92.05; 136.31, by adding a subdivision; and 136.41, by adding subdivisions; 248.07, subdivisions 7 and 12; Minnesota Statutes 1987 Supplement, section 248.07, subdivision 8; Laws 1983, chapter 334, section 7, as amended; and Laws 1987, chapter

401, section 2, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 135A and 137; repealing Minnesota Statutes 1986, sections 136.26; and 136C.13, subdivision 3.

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

The question was taken on the passage of the bill and the roll was called.

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

There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Wynia from the Committee on Rules and Legislative Administration offered the following report and moved its adoption:

Be It Resolved that the report of the Select Committee on Ethics regarding Representative Kenneth J. Kludt be adopted and the

report and the letter addressed to the House by Representative Kludt be printed in the Journal of the House.

REPORT OF THE SELECT COMMITTEE ON ETHICS
TO THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

On February 19, 1988, the Committee on Rules and Legislative Administration, pursuant to the Minnesota Constitution, Article IV, Sections 6 and 7, enumerating the powers of the House "to judge the eligibility of, and to punish or expel members," adopted a motion calling on the Speaker of the House to appoint a Select Committee on Ethics. On February 22, 1988, the Speaker appointed the Select Committee: Dee Long (Chair), Robert Anderson, David Bishop, Sidney Pauly, Leo Reding, and Loren Solberg.

The Select Committee determined through its deliberations and through clarifying correspondence with the Speaker, that it was within its jurisdiction to investigate and make recommendations regarding the conviction of Representative Kenneth J. Kludt for his violation of Minnesota Statutes, section 609.324, subd. 3.

On March 9, 1988, the Select Committee adopted the following motion: "The Select Committee on Ethics [shall] hold a public hearing to consider such action as the Committee may find appropriate regarding the conviction of Representative Kenneth J. Kludt on December 14, 1987, for violation of Minnesota Statutes, section 609.324, subd. 3, and that Representative Kludt be notified of such hearing and be allowed to appear before the Committee."

The Committee further determined that the public hearing regarding Representative Kludt should be held March 16, 1988, and that Representatives Long and Bishop were to notify Representative Kludt of the Committee's action and hearing date. Immediately following the Committee meeting, Representative Kludt was informed of the Committee's action. He was requested to appear at the public hearing. The Chair of the Committee, Representative Long, presented Representative Kludt with a letter signed by her notifying him of the Committee's action.

Representative Kludt appeared before the Committee on March 16, 1988. Mr. Gerald Hendrickson, Chief Prosecutor for the St. Paul City Attorney's Office, also appeared. The Committee established the information contained in items one through four in its finding of fact and questioned Representative Kludt concerning the events surrounding his arrest and conviction.

Representative Long moved that the Select Committee find that Representative Kludt's behavior on June 25, 1987, was inappropriate and that Representative Kludt be required to submit a written apology to the House of Representatives. The motion further di-

rected staff to prepare a report of the Committee's actions to submit to the Committee on Rules and Legislative Administration. The Committee adopted this motion.

Representative Kludt indicated that he would comply with the Committee's motion and that he would furnish a copy of his apology for the Committee to review.

On March 17, 1988, Representative Long presented to the Committee a letter of apology which she had received from Representative Kludt. The letter was accepted by the Committee and was ordered to become part of its report.

The Committee also determined that the report, records and supporting documents should be delivered to the Chief Clerk for disposition in the manner prescribed by the House rule for standing committee records.

With respect to the case of Representative Kludt, the Select Committee makes the following findings of fact:

Findings of Fact

1. On June 25, 1987, a special session of the Minnesota House of Representatives in St. Paul was called by the Governor of Minnesota. Representative Kludt was in St. Paul for the purpose of attending the special session.

2. On June 25, 1987, at approximately 11:20 a.m., Representative Kludt was arrested by the St. Paul Police Department for a violation of Minnesota Statutes, section 609.324, subd. 3.

3. On August 6, 1987, Representative Kludt was charged in Ramsey County District Court with a violation of Minnesota Statutes, section 609.324, subd. 3.

4. On December 14, 1987, Representative Kludt was found guilty of a violation of Minnesota Statutes, section 609.324, subd. 3, a misdemeanor, in Ramsey County District Court, with imposition of sentence stayed for one year.

5. With two exceptions there are no rules of procedure for the discipline of Members of the House of Representatives whose conduct is unbecoming to one who holds this office. The two exceptions are the power of the House to punish its members for disorderly behavior and to expel a member as set forth in Article IV, Section 7; and, the provision in Article IV, Section 6 that requires that a Member be a qualified voter, which qualification is lost for conviction of a felony crime.

6. On March 17, 1988, Representative Kludt submitted a letter addressed to the House of Representatives apologizing for his actions on June 25, 1987. This letter of apology was accepted by the Select Committee and is attached to this report.

Based on the deliberations of the Select Committee on Ethics and its findings of fact, the Committee adopts the following conclusions and recommendations:

1. Representative Kludt's actions on June 25, 1987, were inappropriate and unbecoming for a member of the House of Representatives.

2. Representative Kludt's conduct and criminal conviction have adversely reflected upon the House of Representatives.

3. This Select Committee requires that Representative Kludt make a written apology to the House of Representatives.

4. Representative Kludt's apology, together with this report, shall be submitted to the Committee on Rules and Legislative Administration.

5. This Select Committee recommends that both Representative Kludt's apology and this report be entered into the Journal of the House.

Signed:

Dee Long, Chair
Robert Anderson
David Bishop

Sidney Pauly
Leo Reding
Loren Solberg

March 17, 1988

House of Representatives
State of Minnesota

I would like to apologize to each of you and to the collective body of the Minnesota House of Representatives for my inappropriate and illegal conduct on June 25, 1987, and for any embarrassment and shame I may have caused.

Being a member of the Minnesota House of Representatives is a great honor for me. My conduct should not be viewed as a reflection on your honor, just mine.

Thank you for your time and concern.

Sincerely,

Kenneth J. Kludt
State Representative

MINORITY REPORT

March 29, 1988

We, the undersigned, being a minority of the Committee on Rules and Legislative Administration, recommend that the following report of the Committee on Rules and Legislative Administration, regarding Representative Kenneth J. Kludt, be adopted:.

"It is recommended that the report of the Select Committee on Ethics regarding Representative Kenneth J. Kludt be adopted and that the letter addressed to the House by Representative Kludt be printed in the Journal of the House; and

That it is further recommended that Representative Kenneth J. Kludt be divested of his responsibilities and titles as Vice-Chair of the House Judiciary Committee and Chair of the Subcommittee on Child Abuse/Child Protection and that the divestiture of these responsibilities and titles be reported in the Journal of the House."

With the recommendation that the report be adopted.

Signed:

Bill Schreiber
Paul M. Thiede
Donald J. Valento
Kathleen Blatz

Gerald Knickerbocker
John Himle
Elton Redalen

Schreiber moved that the Minority Report on the Select Committee on Ethics be substituted for the Majority Report and that the Minority Report be now adopted.

A roll call was requested and properly seconded.

The question was taken on the adoption of the Minority Report on the Select Committee on Ethics and the roll was called.

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

There were 40 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Blatz	Forsythe	Knickerbocker	Ozment	Shaver
Boo	Frederick	Marsh	Poppenhagen	Sviggun
Burger	Frerichs	McDonald	Quist	Swenson
Carlson, D.	Gruenes	McKasy	Redalen	Thiede
Clausnitzer	Heap	McPherson	Richter	Tjornhom
Dempsey	Himle	Miller	Schafer	Tompkins
DeRaad	Hugoson	Olsen, S.	Schreiber	Valento
Dille	Johnson, V.	Onnen	Seaberg	Waltman

Those who voted in the negative were:

Anderson, G.	Gutknecht	Lieder	Osthoff	Segal
Anderson, R.	Jacobs	Long	Otis	Skoglund
Battaglia	Jaros	McEachern	Pappas	Solberg
Beard	Jefferson	McLaughlin	Pauly	Sparby
Begich	Jennings	Milbert	Pelowski	Stanius
Bennett	Johnson, A.	Minne	Peterson	Steensma
Bishop	Johnson, R.	Munger	Price	Trimble
Brown	Kahn	Murphy	Quinn	Tunheim
Carlson, L.	Kalis	Nelson, C.	Reding	Vellenga
Carruthers	Kelly	Nelson, D.	Rest	Voss
Clark	Kelso	Nelson, K.	Rice	Wagenius
Cooper	Kinkel	Neuenschwander	Riveness	Welle
Dauner	Knuth	O'Connor	Rodosovich	Wenzel
Dawkins	Kostohryz	Ogren	Rose	Winter
DeBlick	Krueger	Olson, E.	Rukavina	Wynia
Dorn	Larsen	Olson, K.	Sarna	Spk. Vanasek
Greenfield	Lasley	Orenstein	Scheid	

The motion did not prevail.

The question recurred on the adoption of the report of the Select Committee on Ethics relating to the Kludt case. The motion pre-vailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2126:

Greenfield, Rodosovich, Murphy, Riveness and Anderson, R.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2565:

Rice, Lieder, Sarna, Kalis and Seaberg.

SPECIAL ORDERS

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

GENERAL ORDERS

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

MOTIONS AND RESOLUTIONS

Jefferson moved that the name of DeBlieck be stricken and the name of Simoneau be added as an author on H. F. No. 2250. The motion prevailed.

Winter moved that S. F. No. 2255 be recalled from the Committee on Taxes and together with H. F. No. 2297, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Clark moved that H. F. No. 2790 be returned to its author. The motion prevailed.

Price moved that H. F. No. 2459 be returned to its author. The motion prevailed.

ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, March 30, 1988. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, March 30, 1988.

EDWARD A. BURDICK, Chief Clerk, House of Representatives